



**Asia-Pacific
Economic Cooperation**

2023/SOM1/CTI/SUM

Summary Report - First Committee on Trade and Investment Meeting 2023

**First Committee on Trade and Investment
Meeting
Palm Springs, United States
23-24 February 2023**

SUMMARY REPORT COMMITTEE ON TRADE AND INVESTMENT (CTI)

**First Meeting of 2023
23 & 24 February
Palm Springs, California, United States**

INTRODUCTION

1. The Committee on Trade and Investment (CTI) met on 23 and 24 February 2023, in Palm Springs, California, United States. 21 APEC economies were represented, with Mexico participating virtually as well as report backs from CTI sub-fora covenors. The meeting was joined by Chair of the Small and Medium Enterprises Working Group (SMEWG), the Policy Partnership on Women and the Economy (PPWE) Chair's office, Chair of the Economic Committee (EC), the APEC Business Advisory Council (ABAC), and the Pacific Economic Cooperation Council (PECC). The World Economic Forum (WEF) attended as a guest and gave a presentation. The APEC Policy Support Unit (PSU) was also present and contributed to a number of items, including those which it is leading work for CTI.

CHAIR'S OPENING REMARKS

2. The **Chair** thanked the United States for hosting the CTI meeting, and encouraged members, observers and ABAC members to actively join the discussions. The Chair also noted that there would be an CTI-EC: Joint Policy Dialogue on *Accelerating the Transition to Sustainable Economies through Trade and Green Structural Reform* in the afternoon of 24 February 2023.

ADOPTION OF THE AGENDA

3. The agenda was adopted by members.¹

MATTERS ARISING FROM THE RECORD OF THE LAST MEETING

4. The Summary Record from CTI3 2022 was endorsed intersessionally.²

UNITED STATES' APEC 2023 PRIORITIES

5. Under the theme "*Creating a Resilient and Sustainable Future for All*", the **United States** elaborated on its three priorities, namely "*Interconnected; Innovative; Inclusive*".³ The 2023 meeting calendar was also shared. Many economies voiced their support of the US' priorities, including highlighting possible areas of cooperation. The US welcomed the support expressed by members. Australia welcomed suggestions for topics for the "Information Sharing Mechanism on WTO-plus elements in regional agreements" at CTI3.

THE BANGKOK GOALS & OTHER LEADER & MINISTERIAL MANDATES FROM 2022

¹ 2023/SOM1/CTI/001

² 2023/SOM1/CTI/002

³ 2023/SOM1/CTI/003

6. Members discussed the outcomes from 2022, including the Bangkok Goals, and other Leader and Ministerial mandates. Thailand thanked members for their support on delivering the Bangkok Goals and welcomed work to advance the goals. The US shared that they hosted eight workshops, four at CTI-level, four at the sub fora-level at SOM1 to support the Bangkok Goals and wider APEC goals.⁴ Australia, shared that in support of the BCG, it is leading work in the Market Access Group (MAG) which responds to Ministerial tasking to develop recommendations on Environmental Goods. Australia is also advancing work on services that support the clean-up of marine debris in the Group on Services (GOS). Malaysia commended Thailand for its work on the Bio-Circular-Green (BCG) Economy Model and the APEC Secretariat's compendium on sustainable initiatives. Malaysia shared its domestic initiatives that were aligned to work at APEC including that on FTAAP. Japan highlighted energy transition and circular economy as its priorities. New Zealand noted its engagement at the subfora including at the Group on Services (GOS) where it is leading work as well as its interest in eliminating inefficient fossil fuels subsidies. Canada shared its interest in Environmental Goods and Services (EGS) including on Non-Tariff Measures (NTMs) as well as on the topic of inclusivity. Chile highlighted its interest in furthering work on sustainability, Illegal, unreported, and unregulated (IUU) fishing, and inclusivity, especially on the *La Serena Roadmap*. The Philippines welcomed the Bangkok Goals and highlighted its interest in advancing green MSMEs. Russia highlighted its interest in furthering work in green financing. Hong Kong, China highlighted its interest in advancing work on the EGS. ABAC shared its prelim views and potentially convening a "Sustainable Business Forum" where companies would voluntarily pledge to the goals of the BCG. ABAC also shared their workplans under the Sustainable Working Group under the "Trade for Climate" which would discuss Carbon Border Adjustment Mechanism (CBAM) and EGS. PNG looked forward to advancing work under the BCG. The SCCP Chair shared work including green customs and digitalisation. Singapore congratulated Thailand on delivering the Bangkok Goals.

SUPPORT FOR THE MULTILATERAL TRADING SYSTEM (MTS)

7. **David Bisbee, United States' Deputy Permanent Representative (DPR) to the World Trade Organization (WTO)** updated the meeting on the state-of-play on key WTO issues. DPR Bisbee covered outcomes of the 12th Ministerial Conference (MC12) including the fisheries subsidies agreement; WTO reform, the discussions on Trade-Related Aspects of Intellectual Property Rights (TRIPS); and the customs duties moratorium amongst others. In response, members engaged in a substantive discussion on their priorities ahead of MC13, which covered APEC's role as an incubator of ideas, particularly on sustainability and inclusion issues; support of live and outstanding issues, including WTO reform, and agriculture; and implementation of existing and new initiatives, including the Fisheries Subsidies Agreement, and the Trade Facilitation Agreement. The US shared that workshops had been held at SOM1 to support WTO work, including, in the areas of trade facilitation, and standards and conformance. In the context of APEC's strong stakeholder links, ABAC shared that they will be leading a delegation to the WTO in Geneva this year, and ahead of the May Ministers Responsible for Trade (MRT) meeting, will prepare an ABAC Statement on the WTO, as an annex to the ABAC Letter to MRT. Noting APEC's significance in the global economy, as well as APEC members' active participation in a wide range of WTO initiatives. the Chair encouraged members to consider proposing new initiatives in the CTI and its sub-fora. Some members noted that the upcoming MRT meeting in May could provide an opportunity for APEC to give momentum to the WTO ahead of MC13 in early 2024.

⁴ The four CTI-level events are (a) a workshop on Promoting Sustainable Solutions for Compostable Bioplastics in the Asia-Pacific Region (20 February); (b) a Policy Dialogue on Digital Trade: Building Conducive Regulatory Environments to Maximize the Flow and Impact of Data (21 February); (c) an FTAAP Work Program: Consultative Workshop on Trade and Inclusion (22 February); & (d) an FTAAP Workshop on Multistakeholder Engagement Approaches for Trade Agreement Development (22 February). At the sub-fora level, workshops were held by the Chemical Dialogue, Customs, Services and Standards and Conformance.

8. The Secretariat provided updates on the implementation status; and number of participants from APEC members (a) WTO Trade Facilitation Agreement; (b) WTO Agreement on Fisheries Subsidies; (c) Information Technology Agreement (ITA) and ITA Expansion; (d) various WTO Joint Statement Initiatives (JSIs) (E Commerce; Domestic Regulations; Investment Facilitation; MSME); and (e) Joint Declaration on Trade and Women's Economic Empowerment.⁵

9. Members shared views on three recent WTO Environmental initiatives under the WTO Committee on Trade and the Environment (CTE).

- Canada updated members on work at the Trade and Environmental Sustainability Structured Discussions (TESSD);
- China updated the meeting on development Informal Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade (IDP);
- New Zealand spoke on the Fossil Fuel Subsidy Reform (FFSR) initiative.

ECONOMIC INTEGRATION IN THE REGION

10. The **CTI Chair** led a discussion on the *FTAAP agenda Work Plan* endorsed in November 2022.⁶ Many members shared their perspectives on how CTI might move into the implementation phase of the Work Plan, noting that CTI would have to report back at AMM, as instructed by Ministers. ABAC noted its workstreams in its Economic Integration Working Group (EIWG) and will issue a statement on FTAAP for MRT. The CTI Chair took note of the discussion and noted he would engage with members after SOM1, with the goal of having members propose focus areas in the short term, ahead of SOM2. He also encouraged members to work with ABAC on its FTAAP initiatives. The Chair also welcomed members' perspectives on how the CTI sub fora could be engaged in this work.

11. Chair of the **Australian PECC committee (AUSPECC)**, Christopher Langman, provided an update on the PECC FTAAP project launched in late 2022. A taskforce currently comprising Australia, Chile, New Zealand and Thailand has been set up to lead the effort. The possible first steps were – review of regional agreements; identifying gaps and best practices; and possible areas of collaboration. Up to four dialogues were being planned for 2023 as well as establishing an online repository.

12. Following the 2021 AMM instruction to officials to continue to support ongoing efforts to conclude, ratify, implement and upgrade high standard and comprehensive trade agreements, the **APEC Secretariat** updated that all members of the Regional Economic Comprehensive Agreement (RCEP) had ratified the agreement with the Philippines due to deposit the instrument of acceptance soon. **New Zealand** provided updates on developments in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), including Chile's entry-into-force of the agreement on 10 February, being the 10th member to ratify the agreement. **Chile** updated on the Digital Economy Partnership Agreement (DEPA), with the accession discussions having started for Canada, China and Korea. **Australia** and **Singapore** jointly presented on the *Singapore-Australia Green Economy Agreement*.⁷ The agreement has the twin objectives of (i) catalysing economic growth and job creation in green sectors; and (ii) promoting decarbonisation, to support ambitions for net zero emissions. It

⁵ 2023/SOM1/CTI/004

⁶ 2023/SOM1/CTI/005

⁷ 2023/SOM1/CTI/006

was noted that several of the GEA's disciplines had been built on APEC's ongoing workstreams and commitments, including work on environmental goods and services. The CTI Chair encouraged members to update CTI on other regional frameworks in due course.

13. Members exchanged views on **Peru's** proposal "*A new look at the FTAAP. A proposal for a Focus Area to be part of the FTAAP Agenda Work Plan*".⁸ While a number of economies expressed support, one economy sought clarifications on the scope of the proposal. The Chair set a deadline of 10 March for comments.

14. The **United States** sought endorsement of its updated initiative *FTAAP Agenda Work Program on Labor-related Provisions in FTAs/RTAs, including information-sharing on Technical Assistance and Capacity Building provisions*.⁹ The US noted that this initiative had been on the table for six years, going through multiple iterations and hoped that the FTAAP Agenda workplan would allow it space to proceed. While a number of economies expressed support, one economy expressed reservations. The Chair set a deadline of 10 March for comments and asked economies to try to achieve consensus on the long-standing proposal.

15. **Japan** spoke on its updated joint proposal *FTAAP Agenda Work Program on State-owned Enterprises (SOEs)*.¹⁰ Proponents suggested tasking the PSU to undertake a compilation of provisions related to SOEs in members' RTAs/FTAs. The proposal was unable to achieve consensus. Two economies sought further clarifications. The Chair set a deadline of 10 March for comments.

16. **Japan** updated members on the SCCP project "*APEC Workshops for Capacity Building in Self-Declaration of Origin for FTAs/RTAs*".

17. **China** sought endorsement of its concept note *FTAAP Work Program on Digital Identity and Interoperability* and hoped that the revised document would gain support from members.¹¹ The proposal would involve a stocktake, a study and an event. One economy sought clarifications on the scope of the proposal. The Chair set a deadline of 10 March for comments.

18. **Korea** shared that it will be circulating a concept note for Phase 4 of Capacity Building Needs Initiative.

TRADE FACILITATION, CONNECTIVITY, DIGITALISATION AND INNOVATION

19. The **United States** updated members on its project "*Digital Trade Policy Dialogue: Building Conducive Regulatory Environments to Maximize the Flow and Impact of Data*" which was held on 21 February 2023. The day-long event saw 60 participants from 12 economies and discussions covered maximizing the role and value of data; optimizing the flow of data for cross-border trade; and building conducive regulatory environments to enable digital trade. The US will circulate a concept note intersessionally for a Trade Policy Dialogue at SOM3 during *Digital Week*.

20. **The United States** sought endorsement of its self-funded proposal for a "*Workshop on Implementing the APEC Pathfinder on Building Blocks for Facilitating Digital Trade*" which would see the workshop being held in the margins of SOM2 in 2023 to pursue work

⁸ 2023/SOM1/CTI/007

⁹ 2023/SOM1/CTI/008

¹⁰ 2023/SOM1/CTI/009

¹¹ 2023/SOM1/CTI/010

related to the implementation of the Pathfinder.¹² Further clarifications were sought, and the proposal was unable to achieve consensus. Comments are due by 10 March.

21. **Australia** updated members on its project “*Fostering greater SME participation in global value chains*” which involved a series of workshops in 2022. Australia reported that feedback was positive and outcome materials had been made public on the Export Council of Australia website. Australia planned to circulate a follow up concept note to take forward work with a focus on helping SMEs improve their uptake and utilisation of digital technologies to better participate in global value chains.

22. **Australia** updated members on its project “*Measuring the Economic Impact of Digital Trade / E-Commerce Provisions*”. The event, which saw over 130 participants, was held on 19 January 2023 and the draft report has been circulated for members’ comments and endorsement by 2 March 2023.

23. **Japan** gave a progress update on its proposal *Best-Practices Sharing Workshop: Utilizing Digital Technology in the Field of Trade Facilitation under the Current COVID-19 Pandemic and Beyond (Phase 2)*. The second and third workshops were successfully held on 5 October 2022 and 18 January 2023 respectively. While members await the circulation of the final report for the project, the draft summaries of the respective sessions have been shared with members. A third phase is being planned.

24. **Japan** thanked members for endorsing its concept note, “*Sharing best trade policy practices to enhance synergies between trade and innovation*”, which will be submitted for consideration for APEC funding for Project Session 1/2023.¹³

25. **Japan** provided updates on *Peer Review and Capacity Building on APEC Infrastructure Development and Investment* in which second infrastructure capacity building program for Indonesia were carried out.¹⁴ Japanese experience and expertise was shared on wastewater treatment, water purification and sustainable smart towns. Indonesia expressed appreciation on partnering with Japan on the project. Japan welcomed Chile as the next partner for the next peer review.

26. **Singapore** and the **PSU** spoke on the *Implementation of Phase Three of Supply-Chain Connectivity Framework Action Plan (SCFAPIII) 2022-2026*. The PSU shared ideas on Monitoring and Measuring Progress of SCFAPIII and suggested indicators to be used for SCFAPIII.¹⁵ Singapore welcomed members to be champion economies to lead chokepoints. Indonesia, China, and the US expressed support while Korea shared that it considering championing one of the chokepoints. The US shared that it organised a workshop on Chokepoint 1 at SOM1 and thought that developing indicators was a good move.

27. **China** circulated a “Fact Sheet”¹⁶ and sought endorsement for the draft Terms of Reference (TOR)¹⁷ for the *Asia-Pacific Model E-port Network (APMEN)*, the *Annual Work Plan*; and three APMEN projects: (a) *Realizing Compliant Flow for Cross-Border Data of Trade & Logistics through E-port*,¹⁸ and (b) *Developing Low Carbon Cross-Border Supply Chains through E-port*¹⁹ and (c) *Best Practice on Advancing Traceability of Goods in Cross-*

¹² 2023/SOM1/CTI/020

¹³ 2023/SOM1/CTI/011

¹⁴ 2023/SOM1/CTI/012

¹⁵ 2023/SOM1/CTI/013 and 013(a)

¹⁶ 2023/SOM1/CTI/018

¹⁷ 2023/SOM1/CTI/014

¹⁸ 2023/SOM1/CTI/015

¹⁹ 2023/SOM1/CTI/016

border logistics Data through E-port.²⁰ A few members sought further clarifications, and the TORs and associated proposals were unable to achieve consensus. The Chair encouraged China to work with members to find consensus with comments due by 10 March.

28. **Japan** and the **PSU** provided an update on its initiative “*Research on practices on building open, secure and resilient supply chain for business*”. The PSU shared key findings and provided analysis from APEC Supply Chain Resilience Survey.²¹ The PSU suggested toolkits and recommendations to enhance resilience. The draft final report has been circulated with a deadline of 15 March for final comments. PECC suggested also looking at the demand side in addition to the supply side.

29. **Japan** updated members that the MAG project *Study on the Impact of Information Technology Agreement (ITA) and future of ICT trade* has moved to the implementation stage. A workshop will be held in 2023.

30. **Australia** introduced its initiative, “*Principles for the Interoperability of Electronic Invoicing Systems in the APEC Region*”. Australia shared that it was trying to heed ABAC’s call for “early work on achieving greater interoperability in digital trade including on e-invoicing”. As such, Australia has developed a set of draft ‘Principles for the Interoperability of Electronic Invoicing Systems’ and sought CTI members’ consideration and feedback by 10 March. ABAC and a number of economies expressed support, with one economy noting that the draft principles were aligned to the discussions on the JSI on E-Commerce. Singapore indicated its positive consideration to co-sponsor. PECC noted the importance of the work.

31. **China** updated members on its plan to restart work on its self-funded project (endorsed in 2020) “*APEC Webinar on Stabilizing Supply Chain to Support Trade and Economic Recovery during/after the COVID-19 Pandemic*”.

32. The **PSU** updated members on its Policy Brief *Trade Networks amid Disruption: Promoting Resilience through Digital Trade Facilitation (DTF)*, released in December 2022.²² The brief explores the role of DTF, or the application of digital tools to facilitate trade, in the wake of the COVID-19 pandemic. It highlights the possible ways that DTF could help promote stronger and more resilient value chains, and identifies the key elements as well as policy approaches that policymakers could consider to successfully implement such digital solutions.

INCLUSION & SUSTAINABILITY ISSUES

33. **China** gave a progress update on its self-funded proposal *Research on Key Areas and Implementation Paths for Deepening APEC Inclusive Trade and Investment Cooperation*. The objective of this proposal is to strengthen cooperation in inclusive trade and investment through a seminar and research. China established an expert group and have completed the first draft of a stock take study. It will be circulated to members for comments. A workshop is planned for 2023.

34. The **PSU** presented on the “*Study on Non-Tariff Measures Affecting Trade in Goods Reducing Greenhouse Gas (GHG) Emissions*”.²³ The PSU looked at considerations of what would constitute a GHG-reducing good; insights from International Databases: WTO

²⁰ 2023/SOM1/CTI/017

²¹ 2023/SOM1/CTI/019

²² 2023/SOM1/CTI/021

²³ 2023/SOM1/CTI/022

Integrated Trade Intelligence Portal (I-TIP) and Global Trade Alert (GTA); and provided policy recommendations for members' consideration. Russia suggested expanding the scope of the study.

35. **Viet Nam** provided an update on its project and the workshop "*Promote Green Garment and Textile Sector towards Inclusive and Sustainable Growth*". The plan is to hold the event in September 2023.

36. **Viet Nam** updated that the Workshop "Promoting "One Village One Product" (OVOP) through E-commerce" would be held in hybrid mode 6-7 April 2023 in Hanoi, Viet Nam. Other than CTI, invitations have been circulated to PPWE, SMEWG, and Digital Economy Steering Group (DESG) members.

37. **China** sought endorsement for the TOR for the *APEC Cooperation Network on Green Supply Chain (GSCNET)* which aimed to promote the green economy and sustainable supply chains.²⁴ China noted it had incorporated the majority of comments from members. A few members sought further clarifications, and the proposal was unable to achieve consensus. The Chair set a deadline for comments of 10 March for comments.

38. **China** introduced and sought endorsement its initiative, tabled in mid-February, "*Enhancing the inclusion of digital economy development in the APEC region*" which seeks to establish *Principles for the inclusion of digital economy in the APEC Region*.²⁵ China shared that the principles include enhancing cooperation in key areas which are in line with the key focus areas in the Aotearoa Plan of Action (APA) and the 2023 host economy priorities. While a few economies expressed support or intention of co-sponsoring, some economies also sought clarifications on the scope of the proposal. The Chair set a deadline of 10 March for comments.

39. **Russia** sought endorsement of its revised initiative *Exploring interoperability s in APEC approaches on Green Finance and Sustainable Investing* which was also shared with Investment Experts' Group (IEG) and Finance Ministers' Process (FMP).²⁶ Russia informed members that it had received some comments on the initiative and undertook to table a revised proposal in due course. A number of economies sought clarifications on the scope of the proposal. The Chair set a deadline of 10 March for comments.

40. The **United States** sought endorsement of its updated proposal *Circular Economy – Importance of E-waste recovery in APEC region*, following comments from members.²⁷ The objective of the project is to build capacity among developing economies' regulators, policy makers and other relevant entities to improve their understanding of a more circular economy for e-waste. This program proposes an introductory workshop, which will be informed by a Needs Assessment of APEC economies. The workshop will seek to increase members' knowledge about how an e-waste circular economy operates, and explore effective approaches to responsibly recover, repair, and reuse e-waste in the Asia Pacific region. The intended outcome of this project is to facilitate APEC economies' ability to strengthen recyclable materials management support a sustainable circular economy approach to the recovery and reuse of e-waste in keeping APEC's overarching policy agenda. One economy sought clarifications on the scope of the proposal. The Chair set a deadline of 10 March for comments.

²⁴ 2023/SOM1/CTI/023

²⁵ 2023/SOM1/CTI/024

²⁶ 2023/SOM1/CTI/025

²⁷ 2023/SOM1/CTI/026

41. **Canada** sought endorsement for a self-funded proposal *“Impact of global carbon emission reduction cooperation on trade and production patterns in the APEC region”* which was first shared with CTI in June 2022.²⁸ While Australia, Thailand and the US expressed support and indicated their co-sponsorship of the proposal, one economy sought further clarification, and the proposal was unable to achieve consensus. The Chair set a deadline for comments of 10 March for comments.

42. **Australia** shared with members its proposed initiative “Women’s Business Activator” which seeks to strengthen the capacity of up to 20 private sector participants from women-led SMEs to build business competencies and help navigate barriers to both local and global markets.²⁹ Proposed outcomes include, (a) online training modules and a three-day intensive workshop; (b) Participant Action Plans and mentoring; and (c) a Project summary Report. The Chair set a deadline of 10 March for comments.

UPDATE ON OTHER CTI INITIATIVES AND PROJECTS

43. Members’ endorsed **Chile**’s proposal *“Measuring the economic impact of trade facilitation on trade”*.³⁰ Chile shared that the objective is to provide evidence-based analysis on the relationship between a wide range of trade facilitation policies and economic outcomes (trade costs, trade flows), as well as to support enhanced regional integration and supply chain resilience. The project will consider the use of policy indicators to reflect the policy areas covered by the WTO TFA as well as other trade facilitation tools and border agency co-operation mechanisms. It will also focus on the implications for further reforms in the region, focusing also on the benefits from advancing in the implementation of the TFA in both, regulatory frameworks, and best practices. Canada and the Philippines expressed support and indicated it would co-sponsor the proposal. Australia and Singapore indicated their positive consideration.

REPORT BACK BY SUB-FOR A CONVENORS & ENDORSEMENT SUBFORA CONVENORS’ REPORTS

44. **CTI Chair** shared that he had been engaging with the subfora prior to CTI1.

45. The nine **subfora convenors** (or their designates), (i) BMG;³¹ (ii) CD;³² (iii) DESG;³³ (iv) GOS;³⁴ (v) IEG;³⁵ (vi) IPEG;³⁶ (vii) MAG;³⁷ (viii) SCSC;³⁸ and (ix) SCCP;³⁹ attended the CTI plenary, where they presented their respective reports which were endorsed by CTI. It was noted that the CD and the IPEG did not meet quorum. Members welcomed attendance by the sub-fora representatives.

46. **Indonesia** provided an update on its MAG project ‘*Study on Strategy to Promote the Utilization of the APEC Trade Repository*’. CTI members are encouraged to reap the benefit

²⁸ 2023/SOM1/CTI/027

²⁹ 2023/SOM1/CTI/028

³⁰ 2023/SOM1/CTI/029

³¹ 2023/SOM1/CTI/030

³² 2023/SOM1/CTI/031

³³ 2023/SOM1/CTI/032

³⁴ 2023/SOM1/CTI/033

³⁵ 2023/SOM1/CTI/034

³⁶ 2023/SOM1/CTI/035

³⁷ 2023/SOM1/CTI/036

³⁸ 2023/SOM1/CTI/037

³⁹ 2023/SOM1/CTI/038

from the study results and promotional materials that have been developed on each Economies' media platforms to publish APEC Trade Repository (<https://tr.apec.org/>)

SHARING BY OTHER FORA

47. The **Chair of the Economic Committee** provided an update on developments at the EC, focusing on Structural Reform and the implementation of the Enhanced APEC Agenda for Structural Reform (EAASR) as well as the EC's 2023 APEC Economic Policy Report.⁴⁰

48. The **Chair of the SME Working Group** shared how the SMEWG addressed inclusion of SMEs in its work, and links between work of the CTI and SMEWG.⁴¹ Traditional areas of MSME Policy such as start-up, entrepreneurship, scaling up and financing were discussed as well as new issues such as digitalization. The issue of sustainability and SME internationalisation was also discussed.

49. A representative from the **Chair's Office of the PPWE** updated the meeting on developments at the PPWE. The representative spoke on digitalization as both a risk and an opportunity for women-led SMEs as well as trade, particularly trade in services, which has the capacity to drive change and close the gender gap in APEC. The CTI Chair encouraged greater collaboration with the PPWE, including at SOM3 in 2023.

APEC REGIONAL TRENDS ANALYSIS (ARTA)

50. The **PSU** shared highlights from the February 2023 draft ARTA report.⁴²

IMPLEMENTING THE PUTRAJAYA VISION, INCLUDING THROUGH THE AOTEAROA PLAN OF ACTION

51. **Australia** and **Hong Kong, China** voluntarily showcased a number of their individual actions under the APA. This was the second time CTI had highlighted individual actions under the APA, following Peru and Canada at CTI3 in 2022. Australia shared actions that covered individual actions under the first APA economic drivers on trade and investment.⁴³ Similarly Hong Kong, China shared actions that covered the PV and APA's trade and investment driver, including the WTO and the FTAAP agenda.⁴⁴ The Chair thanked both economies for stepping forward, and encouraged other members to do so in 2023. The United States indicated that it would report on its individual actions at CTI3.

52. The **CTI Chair** and the **PSU** co-led a discussion on *Evaluating Progress under the APA* with the PSU presenting ideas on how to take work forward⁴⁵ Members shared perspectives on how to take forward this work in 2023, with the CTI Chair noting that under the APA's "*Evaluating Progress... Progress will be reported by Committees every two years through existing reporting processes*", the Leaders' had instructed reporting would be done

⁴⁰ 2023/SOM1/CTI/039

⁴¹ 2023/SOM1/CTI/040

⁴² 2023/SOM1/CTI/041

⁴³ 2023/SOM1/CTI/042

⁴⁴ 2023/SOM1/CTI/043

⁴⁵ 2023/SOM1/CTI/044

at the end of 2023. The CTI Chair undertook to continue discussions with members and the PSU intersessionally so that progress could be made by the end of the year.

UPDATES FROM ABAC, & OBSERVERS & GUESTS

53. **ABAC** updated members on the EIWG's Structure, Priorities and Deliverables 2023.⁴⁶ ABAC noted that it would be submitting separate statements to the Trade Ministers on the WTO, as well as FTAAP. ABAC shared that they will be leading a delegation to the WTO in Geneva this year. ABAC welcomed the CTI Chair's participation in ABAC1 in Auckland, 12-14 February 2023.

54. **PECC** shared its updates on the latest *State of the Region report*.

55. The **World Economic Forum** shared information from the recent Davos Trade Outcomes and put forward a number of proposals for collaboration with APEC around SOM3 in 2023, including suggesting partnering members as proponents for multistakeholder workshops on Trade and Indigenous Peoples; Trade and Labour; Green Trade and Investment.⁴⁷

SECRETARIAT UPDATE

Project Update

56. The **APEC Secretariat** provided an update on Projects including key dates for Project Session 1, Project Data for 2023, as well as the implementation of the APEC Project Administration System (APAS) that would come into effect from second half of 2023.⁴⁸

Items for noting

57. CTI continued with the practice of having *Items for Noting* which serves as an update to committee members. CTI endorsed the document and submitted it to Senior Officials for noting.⁴⁹

GOVERNANCE

58. **Korea** updated the meeting on the joint-proposal for an *APEC CTI Body to Promote Regulatory Convergence and Cooperation for Medical Products*. As one economy had previously raised concerns, Korea noted that it had consulted with the economy concerned. Korea undertook to report on progress at the next meeting.

59. Selection of the next CTI Chair. The **Secretariat** undertook to circulate the previously endorsed "Process for Selecting the Next Committee on Trade and Investment (CTI) Chair 2022-2023" (2021/SOM2/CTI/IS07) with a proposed updated timeline for the selection of the next Chair.

⁴⁶ 2023/SOM1/CTI/045

⁴⁷ 2023/SOM1/CTI/046

⁴⁸ 2023/SOM1/CTI/047

⁴⁹ 2023/SOM1/CTI/048

OTHER BUSINESS (AOB)

60. **Indonesia** shared information on its ASEAN Chairmanship for 2023.⁵⁰

SUMMARY AND CONCLUSION

61. The CTI Chair closed the meeting by thanking CTI members, and observers for their active participation, and the United States' generous hospitality.

Annex A	Items for Noting
Annex B	Convenors' reports

⁵⁰ 2023/SOM1/CTI/049

Items for Noting –First Committee on Trade and Investment Meeting 2023

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
1.	APEC Single Window Interoperability Action Plan	Supply Chain Connectivity	Chile, China & Peru	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - In 2021 the technical group comprised of Chile, Peru and Singapore (as pilot participants) and Korea and New Zealand (as observers) met several times to start developing the technical parameters of the pilot. - The participants agreed, as first approach, that the document to exchange in the pilot would be the customs data declaration form. Subsequently they exchanged their own forms, as to familiarize with the design and particularities of the document in each Economy. <p>Next steps:</p> <ul style="list-style-type: none"> - The participants continue to discuss on the best technology to use to interoperate and the standards that will define the pilot like, for example, applicable international regulations or treaties. - Once this analysis is concluded the group will work on a Harmonization Matrix and Service Contracts for the document to be exchanged. - A new set of technical meetings will soon be scheduled for 2022. <p>Request to CTI members</p> <ul style="list-style-type: none"> - Nil

¹ For members' ease of reference, a document number from past CTI meetings will be provided

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
2.	Initiative “Dispute Settlement Mechanisms in Trade Agreements”	Economic Integration in the Region	Chile	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - The PO is currently working in the final report of the initiative that we expect to circulate to CTI members after SOM1. <p>Next steps:</p> <ul style="list-style-type: none"> - To circulate to CTI members for comments and eventual endorsement the final report of the initiative <p>Request to CTI members</p> <ul style="list-style-type: none"> - Nil. CTI members should note that several Economies have expressed interest in a continuation of this discussion at CTI.
3.	Study on Strategy to Promote the Utilization of the APEC Trade Repository MAG 01 2021T	Updates from Sub-Fora Convenor/ Chair	Indonesia	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - Implementation has entered the final phase of review by APEC Secretariat for all the outputs (draft of study report, infographics and video graphics) <p>Next steps:</p> <ul style="list-style-type: none"> - Seek endorsement from MAG forum for all the outputs generated after the review process <p>Request to CTI members</p> <ul style="list-style-type: none"> - Members to note the update provided - Encourage Members to be able to use the infographics and video graphics on the stakeholders with their respective platforms once it is endorsed.
4.	APEC Trade Repository	Updates from Sub-Fora Convenor/ Chair	Philippines	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - The Philippines provided MAG members the latest APECTR usage report covering the period 1 August 2022 to 15 February 2023. - In 2022, the APECTR was updated to reflect changes in the links and new information from respective member economies. The

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
				<p>Philippines also uploaded the APECTR with the latest version of the APEC Survey on E-commerce Regulations (led by Singapore).</p> <p>Next steps:</p> <ul style="list-style-type: none"> - Nil. <p>Request to CTI members</p> <p>N/A</p>
5.	<p>Blueprint 2.0.: Work Plan on Cooperation on Implementing and Taking Full Advantage of Statistics Related to GVCs</p> <p>2020/SOM1/CTI/033 2020/CTI-E/IS02 2020/CTI3/IS02</p>	Trade Facilitation and Connectivity	China, Indonesia and United States	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - China, Indonesia, and the United States Work Plan on Cooperation on Implementing and Taking Full Advantage of Statistics Related to GVCs² for workstream 3 of Blueprint 2.0 was endorsed on 9 March 2020. The Work Plan seeks to help APEC economies to better utilize the TiVA database by undertaking a survey of economies' needs and challenges in developing and utilizing TiVA data; providing capacity building; and assisting APEC economies in developing better underlying statistics that goes into TiVA compilation. Phase 1 of the five-year work plan calls for a survey to be conducted to identify the level of understanding TiVA statistics; assess capacity building needs; and identify the type of extended SUTs and supporting data that are needed by each economy. On 9 September 2020, the draft survey was circulated in CTI for comments and endorsement. On 2 December 2020, the survey was circulated to economies for completion and re-circulated on 22 January 2021. Responses were received from 14 economies. <p>Next steps:</p> <ul style="list-style-type: none"> - Individual economies will have engaged with ministries, departments, and agencies that are interested in the use of statistics that are related to global value chains in their work, and

² 2020/SOM1/CTI/033

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
				<p>will have submitted one (1) consolidated response that reflects the input from the various organizations that were consulted. China, Indonesia, and the United States will circulate a summary of results from the survey and a capacity building plan will be developed that addresses various needs from APEC economies on how to access the database and how to effectively use and improve the quality the TiVA data for policy analysis.</p> <p>Request to CTI members</p> <ul style="list-style-type: none"> - We ask economies to participate in capacity building activities when scheduled.
6.	<p>APEC Alliance for Supply Chain Connectivity (A2C2), including its extension until the end of 2023</p> <p>2020/CTI2/008</p>	Trade Facilitation and Connectivity	United States	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - The United States virtually hosted the 14th Meeting of the APEC Alliance for Supply Chain Connectivity (A2C2) on October 6, 2022, and the meeting report was subsequently endorsed by CTI. Panels included a focus on challenges faced by public and private sector stakeholders and effective strategies to address SCFAP III chokepoints. The event closed with a facilitated discussion, where there was robust dialogue involving panelist and participants from both government and the private sector. Participants highlighted the benefits of the A2C2 forum that allows APEC to discuss these supply chain issues, with an emphasis on the fact that all of these issues connect and small improvements in one area can greatly impact other aspects of the supply chain as well. We heard of additional initiatives that tie into the SCFAP chokepoints, including electronic certifications that are helping to speed-up agricultural trade, new training programs for MSMEs, and payment digitization for e-commerce shipments that make trade simpler. <p>-</p> <p>Next steps:</p> <ul style="list-style-type: none"> - Building on this 2022 meeting, The United States looks forward to hosting the first in person A2C2 meeting at SOM3 this year in

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
				<p>Seattle, CA. this will be an opportunity for industry from around the region to continue engagement around themes related to SCFAP3 implementation. We encourage all economies to cast a wide net for industry participation and use the opportunity of the SOM3 meeting to bring in a robust and diverse set of stakeholders into the dialogue. The U.S. is also considering hosting a second meeting, virtually, earlier in the year to be held virtually in advance of the SOM3.</p> <p>Request to CTI members</p> <ul style="list-style-type: none"> - The United States also welcomes ideas from economies on possible focus areas for discussion at upcoming A2C2 meetings. The United States also requests that economies and their stakeholders participate in the upcoming A2C2 virtual meeting and the in-person meeting during SOM3. Invite diverse industry stakeholders to participate in the A2C2 meetings.
7.	<p>Study: Policies and Regulatory Frameworks on Modern Digital Economy Issues – Open Government Data</p> <p>CTI 05 2021S</p>	Internet and Digital Economy and E-Commerce	United States	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - A self-funded proposal on open government data was endorsed by economies on May 12, 2021. Work on the study is being finalized to identify emerging practices across the APEC region on the subject of facilitating access to open government data (OGD). This study is part of a project led by the United States aimed at highlighting emerging practices in the region surrounding OGD. It is hoped that through this stock take and subsequent policy discussions, CTI regulators and other APEC economy officials can gain a better understanding of the various policies and regulatory frameworks on OGD measures to better facilitate ways for companies to make more effective use of data that is growing across the region. As this report shows, OGD mechanisms and initiatives are already well established in every APEC member economy, across all types of organizations, and through many key sectors.

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
				<ul style="list-style-type: none"> - The United States circulated an initial draft of the report during the first half of 2022. Feedback on the report will feed into the finalization of the report and possible follow-on activities (e.g., technical assistance and additional workshop. - The United States updated the study based on comments received by one economy and recirculated the study in January. - <p>Next steps:</p> <ul style="list-style-type: none"> - Following circulation of the updated report in January, two additional economies provided comments and the U.S. is now working on revising the study to be circulated again in the near future to CTI. <p>Request to CTI members</p> <ul style="list-style-type: none"> - Economies are encouraged to endorse the report when circulated again for its finalization.
8.	<p>Promoting Compostable Bio-Plastics in the Asia Pacific Region</p> <p>CTI 04 2022S</p>	Sustainability	United States	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - The self-funded proposal on promoting compostable bio-plastics in the Asia Pacific region was endorsed by economies on April 29, 2022. Chile is a co-sponsor of this work. - This project seeks to strengthen the policy environment in APEC to guide the use of compostable bioplastics as well as provide more clarity for labeling and composability standards, with the aim of reducing plastic pollution in the region. - A study was undertaken to provide a comprehensive assessment of the policy frameworks that govern the use and trade of compostable bioplastics. This study involved a survey distributed in September 2022 that gathered economy-level information on the issues related to compostable bioplastics. - During SOM1, a workshop will be held to share and build upon the findings of the study and to showcase regional best practices in regulating compostable bioplastics with a focus on promoting

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
				<p>greater compatibility of compostability standards and labeling requirements.</p> <p>Next steps:</p> <ul style="list-style-type: none"> - Next steps will be determined after the workshop during SOM1. <p>Request to CTI members</p> <ul style="list-style-type: none"> - Key stakeholder from each economy should respond to outreach from the U.S. regarding interviews - Economies are strongly encouraged to fill out the survey when it is circulated.
9.	<p>FTAAP Work Program on APEC efforts to address inclusion in trade agreements</p> <p>CTI 08 2022S</p>	Economic Integration in the Region	United States	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - A self-funded proposal on an FTAAP work program on APEC efforts to address inclusion in trade agreements was endorsed by APEC economies on May 15, 2022. This workstream consists of a primary workshop, a stock-take study, and a follow-on workshop. <p>Next steps:</p> <ul style="list-style-type: none"> - The U.S. led project is kicking off at SOM1, where the United States is holding a half day dialogue on Feb 22. The dialogue, as well as a stock-take report and subsequent SOM3 workshop, aims to promote dialogue and information sharing on experiences and lessons learned to incorporate inclusion aspects in trade agreements. Through these activities, participants will learn best practices that help address and reduce trade barriers faced by micro, small and medium-sized enterprises (MSMEs); women; and others with untapped economic potential, while simultaneously learning how to apply these practices to enhance their trade agreements. - Work is also underway on the stock-take report, which will map the various efforts of APEC economies to incorporate inclusion aspects in trade agreements. Potential areas of consideration include evaluating the extent of gender impact assessments as well as

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
				<p>identifying indicators and processes to measure progress in achieving more inclusive trade agreements both in the context of specific groups as well as various intersections of these groups.</p> <p>Request to CTI members</p> <ul style="list-style-type: none"> - Economies are strongly encouraged to review the stock take study and provide feedback when circulated.
10.	FTAAP Work Program on Multi-stakeholder Engagement CTI 06 2022S	Economic Integration in the Region	United States	<p>Current status and progress/update:</p> <ul style="list-style-type: none"> - This project was endorsed during SOM2 2022. On August 11, 2022, the U.S. circulated a survey to CTI members to stock-take current APEC economy approaches and procedures to undertake multistakeholder engagement in developing trade agreements. - In 2022, under APEC's FTAAP agenda, the United States launched a work program on strengthening multistakeholder engagement approaches for the development of trade agreements. - The United States conducted an economy-level survey for a more in-depth understanding of the topic in mid-2022. Through this survey, CTI members and other trade stakeholders shared individual experiences and lessons-learned from administering and participating in these approaches. The United States appreciates the robust responses to the survey, where 139 respondents from 11 economies responded. <p>Next steps:</p> <ul style="list-style-type: none"> - A half day workshop at SOM1 is an opportunity for economies explore how APEC economies can apply multistakeholder engagement to better integrate stakeholder perspectives in the design, negotiation, implementation, and monitoring of trade agreements. Through the workshop discussions, participants will consider how multistakeholder engagement can help economies pursue trade objectives, how to identify and reach trade stakeholders, and how to mitigate potential obstacles or concerns.

No.	Initiative or item ¹	CTI agenda topic	Lead economy	Progress update or other information to note
				<ul style="list-style-type: none"> - Following the workshop, the United States will develop an outcomes report to highlight the landscape of multistakeholder engagement approaches and procedures, along with their resulting outcomes and lessons learned. This report will also suggest initial steps APEC economies could take as reference. <p>Request to CTI members</p> <ul style="list-style-type: none"> - Members are requested to provide comments on the outcomes report when it is circulated.

Annex B: Convenor Reports

- i. Business Mobility Group (BMG)
- ii. Chemical Dialogue (CD)
- iii. Digital Economy Steering Group (DESG)(*on work other than the APEC Internet and Digital Economy Roadmap*)
- iv. Group on Services (GOS)
- v. Investment Experts' Group (IEG)
- vi. Intellectual Property Rights Experts Group (IPEG)
- vii. Market Access Group (MAG)
- viii. Sub-Committee on Standards and Conformance (SCSC)
- ix. Sub-Committee on Customs Procedures (SCCP)

BMG CONVENOR'S SUMMARY REPORT TO CTI1 2023

1. Forum Main Objectives/Deliverables expected for 2023

Please provide a brief list of the forum's 2023 objectives and expected outcomes/deliverables.

- Reach agreement on the leadership model for the BMG.
- Deliver a BMG strategy identifying the Aotearoa Plan of Action (APA) priorities and collective actions the BMG will implement in 2023, inclusive of potential projects and initiatives.
- Implementation of the APEC Funded Project BMG 01 2022 *Performance Review Study of the ABTC Scheme*.
- Deliver an online session to discuss further improvements to the APEC Business Travel Card (ABTC) security features within BMG members.
- Deliver an improved the ABTC application form to capture greater details of employers and employees.
- To better address ABTC pre-clearances and backlogs issues.

2. How the forum's work contribute to APEC and CTI's objectives

Please provide a brief list of the forum's work under each sub-heading.

a. Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action

The BMG contributes to all three APA economic drivers through:

- enhancement and digitalization of the ABTC Scheme, including through seeking to improve transparency, simplicity, and reliability of the Scheme.
- sharing innovations and best practices associated with safe and seamless cross-border travel facilitation and people-to-people connectivity, in consideration of economic resilience and recovery
- advancing inclusivity in the ABTC Scheme, including MSMEs and bona fide businesswomen.

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals

The BMG contributes to the implementation of mandates through:

- focusing on advancing inclusivity, including to promote MSMEs and women
- advancing resource efficiency through sharing best practices on, and implementing, streamlined and digital practices.

c. Support for the Multilateral Trading System

- "...Growth of international trade flows in the region become more stable and predictable including with increased coverage of WTO rules, through APEC members' effective and transparent implementation of existing and future commitments..."

The BMG supports the Multilateral Trading System by:

- Enhancing and monitoring the integrity of the ABTC Scheme
- Promoting digitalization of cross-border systems

d. Regional Economic Integration

- "...APEC's trade and investment environment is free, open, fair, non-discriminatory, transparent and predictable..."
- "...further advance the Bogor Goals and economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda which contributes to high standard and comprehensive regional undertakings..."

The BMG supports regional economic cooperation by:

- Contributing to collaborative, frank and open discussions about cross-border travel facilitation and the ABTC System
- Committing to collaborative, open and transparent practices associated with the ABTC and business travel facilitation in the APEC Region

e. Trade Facilitation and Connectivity

- "...promote seamless connectivity, resilient supply chains and responsible business conduct, APEC economies will improve physical, institutional and people-to-people connectivity

The BMG supports the Multilateral Trading System by:

- Enhancing and monitoring the integrity of the ABTC Scheme
- Promoting digitalization of cross-border systems
- Supporting and facilitating business travel

f. Innovation and Digitalisation

- "...To empower all our people and businesses to participate and grow in an interconnected global economy, we will foster an enabling environment that is, among others, market-driven and supported by digital economy and innovation."
- "...strengthen digital infrastructure, accelerate digital transformation, narrow the digital divide, as well as cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions."

The BMG supports innovation and digitalization by:

- enhancement and digitalization of the ABTC Scheme, including through seeking to improve transparency, simplicity, and reliability of the Scheme.
- sharing innovations and best practices associated with safe and seamless cross-border travel facilitation and people-to-people connectivity, in consideration of economic resilience and recovery

g. Sustainable and Inclusive Growth

- "Advancing inclusive policies, including under the economic drivers of trade & investment, and innovation and digitalisation, to promote sustainable economic growth opportunities and improve quality of life..."
- "...develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges - including climate change - and support sustainable growth, such as through trade, including APEC's work on facilitation of trade in environmental goods and services"

- The BMG support sustainable and inclusive growth by advancing inclusivity in the ABTC Scheme, in particular promoting the value of MSMEs and women in trade facilitation and economic growth.

3. Planned private sector / stakeholder engagement in 2023

Please provide a list of planned private sector engagement in 2023

- Through an intersessional survey led by the Office of the Convenor, as well as in the BMG1 meeting, members expressed their interest to engage stakeholders in meetings to enhance their discussions and receive different views on the ABTC scheme and overall work, particularly private sector, and related international organizations
- IATA was unable to attend BMG1 2023; however, the BMG Convenor is to engage with IATA and ICAO in early 2023 to discuss other opportunities for collaboration in 2023.
- BMG convenor to engage with the World Travel & Tourism Council (WTTC) to discuss its 'Safe & Seamless Traveller Journey' initiative and related lessons learned, as well as opportunities for collaboration in 2023.
- BMG Convenor to engage with the Economic and Social Commission for Asia and the Pacific (ESCAP) in relation to female entrepreneurs and business owners in Asia and the Pacific, and opportunities for collaboration in 2023.
- As ABAC was unable to attend BMG1, BMG Convenor will engage with ABAC to discuss further opportunities for collaboration and participation at BMG2 2023.

4. Planned cross-fora collaboration in 2023

Please provide a list of planned cross-fora collaboration in 2023

- BMG Convenor attended the SCCP Advancing Gender Equality in APEC Customs Administrations Workshop, on 16-17 February 2023, SOM1.
- As some members expressed their interest to further explore issues on gender and inclusivity in BMG, the Convenor will discuss further collaboration with PPWE Chair.
- BMG Convenor will also explore some ideas to collaborate with SMEWG related to inclusivity and businesswomen, the SME strategic environment and SME business travel trends and challenges.

5. Main outcomes from most recent plenary meeting

Please provide in list format

- U.S provided an overview of its APEC objectives and priorities for its 2023 host year. APEC 2023 theme is "Creating a resilient and sustainable future for all", highlighting the three priorities of 'interconnected, innovative, and inclusive. Of relevance to the BMG, U.S mentioned the alignment of Thailand's success promoting 'inclusivity' as a core element of the ABTC eligibility, and the US's intention to build on this in terms of unlocking the potential for women SMEs across all sectors of society to contribute to the acceleration of economic growth.
- The BMG engaged in a productive discussion on the BMG's shared leadership model, as well as the role and responsibilities of the Convenor as it currently exists. It was acknowledged that the ABTC and, hence the BMG, are unique in APEC. Economies agreed to consider a shared leadership model, for the term of the existing BMG TOR, where Australia would continue to hold the convenor's role, supported by a deputy convenor from a volunteer economy selected by consensus. This model will be proposed inter-sessionally for consensus. It was also agreed that prior shared leadership models would not be reconsidered. Further, if consensus is not reached by mid-April 2023, the

status quo would be retained for the remainder of the BMG TOR to provide certainty and stability to the BMG.

- BMG was asked to consider the establishment of an informal working group to consider ways to improve communicate with ABTC holders, as initially proposed at BMG2 2022, as well as ways to improve communication within the BMG intersessionally. However, there was no consensus on this point. Considering that there is still a challenge to be addressed the Office of Convenor asked members to inform her Office via email on ideas to continue this discussion intersessionally.
- The BMG discussed what integrity meant in terms of the ABTC Scheme in order to understand what the BMG should focus on to continue to uphold the consumer and stakeholder trust and confidence. Key integrity attributes raised were: security, including protection of personal data, border security, system interoperability, card verifiability, and detection and correction; reliability of processes, especially pre-clearances and smooth entry into economies through dedicated APEC lanes; and, performance, including consistency across the validity periods of the physical and virtual cards, border personnel knowledge/training, and that the ABTC is being used only for intended purposes. Of note, was discussion that as the practice of 'inclusivity' is implemented and grows, the scope and number of ABTC holders, the issues of integrity will become more difficult if they are addressed ahead of time. The discussion also raised that there is a need to collect data on incidents and customer/stakeholder feedback to ensure the BMG is able to catalogue lessons learned. Noting security as a key issue, the Convenor offered to establish an online session with relevant information security technology personnel to enable discussion on security concerns and challenges.
- Following efforts in Thailand's APEC host year to incorporate 'inclusivity' into the ABTC Scheme, economies shared their progress on implementation. Economies discussed their steps to improve the inclusiveness of their application of the ABTC Scheme, and also highlighted numerous challenges. This included the potential impacts from growing numbers of ABTC holders on the ABTC Scheme's integrity, as well as economies' systems that support the ABTC Scheme. Questions arose about how trust in the Scheme could be maintained, citing concerns about elements (for example, criminal syndicates) taking advantage of a broadened definition of a bona fide business person. It was agreed that there was a need to strike a balance between being too restrictive, thereby reducing inclusivity, and being too liberal. The idea of increasing the transparency, as opposed to standardization, of how economies were applying 'inclusivity' was raised as one way to improve economies' confidence. The Convenor suggested this could be approached through a self-funded project. The discussion also highlighted gaps in data about the gender representation across ABTC-holders, noting only one economy spoke to this, citing an improved but comparatively low uptake of the ABTC by women.
- Economies subsequently discussed ABTC-holder and stakeholder experiences with the ABTC. Economies shared information about approaches to customer service, including varying methods and channels for customer support and feedback. Innovative approaches to improving the customer experience was also shared, such as planned partnerships with airline lounges and duty-free stores in airports. Delays with pre-clearances, some being up to three years, were a common complaint from ABTC-holders. There were some issues with

the transition from the physical ABTC to the virtual ABTC, especially where border officials do not understand the virtual ABTC or economies do not accept the virtual ABTC. It was noted that frontline staff training about ABTC and its benefits, such as the APEC lane and accompanying families, was important. The Convenor agreed to send out a request to all economies to voluntarily provide contact details for pre-clearance units, which would be shared with all economies. The Convenor also agreed to investigate the inclusion of customer feedback in the virtual ABTC mobile application.

- Economies raised several ABTC processing issues, with delayed pre-clearances being a primary concern. There also remains a heavy reliance on manual processing and data transfer, which is a burden on resources and increases the risk of error. There is also a lack of information collected in the ABTC form about the employer and position of the applicant, requiring applicants to provide additional information and impacting the efficiency with which applications could otherwise be processed. The Convenor advised an invitation to select economies to participate in a friends of the convenor group would be sent with a view to support the resolution of issues, especially pre-clearances. The Convenor also committed to raise the ABTC application with technical teams, committed to sending a survey to support improvements
- Japan presented on its launch of the virtual ABTC system from 1 August 2023, and the move to online applications, noting Japan's commitment to digitalisation.
- China announced it would accept virtual ABTC's from 1 May 2023. In the interim, free visas would be offered to virtual ABTC holders whose economy does not issue a physical ABTC. The Convenor's office, APEC Secretariat and China will work together to progress communications to ABTC holders and stakeholders.
- Economies further discussed security concerns associated with the verification of the virtual ABTC. While there were no reports of counterfeit virtual ABTC's, some economies sought advice about verification processes at borders. This topic would be considered as a component of the online security-related session. One economy announced its intention to transition to the virtual ABTC in 2023, and Singapore spoke to the pilot program toward online lodgment through the ABTC System.
- At the Plenary, Day 2, the United States, Canada and Thailand presented on their contactless travel innovations. The United States discussed its proposal to collate details from volunteer economies about their contactless travel innovations into a compendium. The discussion generated by the US's proposal indicated the value of such a compendium for economies' reference. The proposal will be re-circulated for endorsement following the BMG meeting.
- Economies shared information about several topics associated with cross-border travel facilitation. This included advice about the ongoing relaxation and changes to COVID-19 border restrictions, supported by improvements in data used to inform risk-based approaches to border management. Economies also shared insights into their growing rate of digitalisation to improve the efficiency and simplicity of cross-border travel.

- Economies were encouraged to identify possible self-funded and APEC-funded projects. The Convenor identified opportunities raised through plenary discussions about the ongoing viability of the ABTC, as well as ABTC related security risks, in anticipation of growth in the number of ABTC holders as we implement the principle of inclusivity.
- BMG members had a session to discuss possible future BMG related projects to further progress on the ABTC Scheme but also beyond to other non-ABTC themes. In the session, members identified opportunities associated with gender across ABTC holders and existing methods to promote greater gender equity in business travel, and frontline training, would be valuable to explore and share best practices. The Convenor noted the alignment of these opportunities with the Bangkok Goals, in particular, *advancing* gender equality and economic integration, inclusion and empowerment of women, and, *Strengthening* the roles of micro, small, and medium enterprises (MSMEs). An economy also raised the possibility that virtual ABTC enhancements could be pursued through an APEC-funded project.
- To end the BMG plenary, economies enthusiastically participated in a strategy session to identify draft APA objectives and collective actions relevant to the BMG; how the BMG can support the recommendation of the Safe Passage Task Force, beyond the ABTC, to progress the safe and seamless resumption of cross-border travel in the APEC region; and, any changes to BMG's structure, processes, and accountabilities to deliver its priorities. A written capture of the outcomes from the session will be presented to all economies following the meeting for further collaboration and analysis.

6. Was quorum reached at the most recent plenary meeting?

Please advise how many economies participated in the most recent plenary meeting and indicate efforts to increase participation from members

- Yes: quorum was reached with 17 members present. The Republic of Korea, Mexico, New Zealand, and Russian Federation were not present.

7. What is your Forum doing to increase participation from its members?

Please provide a brief list of planned efforts to increase participation from members

- The meeting agenda was informed by a survey sent to all economies for feedback and ideas
- The meeting agenda required input from all economies with most agenda items accompanied by a description of objectives and possible topics for discussion.
- A BMG strategy session was held requiring collaboration and discussion in small groups, reporting back to the Plenary
- Economies were strongly encouraged to ask questions of other economies, and the meeting was managed to ensure discussions were not stifled while also balancing the need to keep the meeting to time.

8. Decision points needed from CTI

- Seek CTI's endorsement of the Convenor's Report.

Please add any additional decision points needed from CTI

- Seek CTI's endorsement of the Convenor's Report.

CHEMICAL DIALOGUE CONVENOR'S SUMMARY REPORT TO CTI1 2023

1. Forum Main Objectives/Deliverables expected for 2023

Please provide a brief list of the forum's 2023 objectives and expected outcomes/deliverables.

The CD's main objectives are to:

- Continue advancing the CD's work on marine debris and sustainability, including encouraging APEC endorsement and participation in CD-led project proposals – including further exploration of chemical recycling.
- Provide APEC economy updates on regulatory improvements and action plans and encourage APEC endorsement and participation in CD-led project proposals – including further exploration of the OECD Mutual Acceptance of Data (MAD) system.
- Publish the CD Risk Assessment Compendium as an APEC resource and tool for best practices.
- Advance consistent implementation of the Globally Harmonized System for the Labelling and Classification of Chemicals, including encouraging APEC participation in CD-led project proposals – including one related to convergence of GHS.
- Encourage continued contribution to the G.R.E.A.T. system.

2. How the forum's work contribute to APEC and CTI's objectives,

Please provide a brief list of the forum's work under each sub-heading.

a. Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action

- The CD's work supports collective actions under the Aotearoa Plan of Action (APA) to implement the APEC Roadmap on Marine Debris and advance APEC's circular economy work.
- The CD's work also supports efforts under the Aotearoa Plan of Action (APA) to reduce unnecessary barriers to trade and foster regulatory reform.

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals

- The CD continues to discuss and take action on:
 - Preventing barriers to trade in chemicals through promoting regulatory cooperation and implementation of good regulatory practices;
 - Aligning government and industry implementation of the UN Globally Harmonized System of Classification and Labelling of Chemicals (GHS);
 - Building capacity on risk assessment for chemical substances; and
 - Supporting knowledge sharing of advanced recycling to contribute to a circular economy.

c. Support for the Multilateral Trading System

- *"...Growth of international trade flows in the region become more stable and predictable including with increased coverage of WTO rules, through APEC members' effective and transparent implementation of existing and future commitments..."*

To be filled in by Convenor

d. Regional Economic Integration

- *"...APEC's trade and investment environment is free, open, fair, non-discriminatory, transparent and predictable..."*
- *"...further advance the Bogor Goals and economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda which contributes to high standard and comprehensive regional undertakings..."*

- The CD will continue its efforts to address marine debris including work to examine and overcome barriers to investment in waste management infrastructure that would support a more circular economy.
- The CD will look to support CTI efforts on sustainable materials management policy and help APEC economies identify and frame domestic policies that promote waste management and recycling (WMR) infrastructure, addressing barriers to trade and increasing markets for sustainable materials.

e. Trade Facilitation and Connectivity

- *"...promote seamless connectivity, resilient supply chains and responsible business conduct, APEC economies will improve physical, institutional and people-to-people connectivity*

- The CD will continue work to promote regulatory cooperation and convergence, including through continuing to encourage cross-fora collaboration with the OECD's Mutual Acceptance of Data (MAD) Program, to encourage more APEC economies to participate in such a program.
- The CD will continue work to promote more consistent international implementation of the Globally Harmonized System for the Classification and Labeling of Chemicals ("GHS"). The GHS is an UN-developed system that was designed to promote a globally harmonized approach for all chemical labeling. The CD has revised the GHS comparison report and convergence recommendations to consider recent developments and will develop additional capacity building efforts to help APEC economies address GHS divergences.
- The CD will continue work to support the implementation of Good Regulatory Practices in the chemical sector.

f. Innovation and Digitalisation

- *"...To empower all our people and businesses to participate and grow in an interconnected global economy, we will foster an enabling environment that is, among others, market-driven and supported by digital economy and innovation."*
- *"...strengthen digital infrastructure, accelerate digital transformation, narrow the digital divide, as well as cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions."*

- The CD continues to explore interest in data exchange, particularly for regulatory cooperation and convergence by focusing on data communication within the supply chain through the digitalization of hazardous information.

g. Sustainable and Inclusive Growth

- *"Advancing inclusive policies, including under the economic drivers of trade & investment, and innovation and digitalisation, to promote sustainable economic growth opportunities and improve quality of life..."*
- *"...develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges - including climate change - and support sustainable growth, such as through trade, including APEC's work on facilitation of trade in environmental goods and services"*

- The CD continues to support the work of the Virtual Working Group on Marine Debris, created to tackle the challenge of marine debris in the Asia-Pacific and encourage cross-fora collaboration among different APEC workstreams.
- The CD continues to explore project proposals related to sustainability and capacity building programs, including projects that build off of Thailand's priority of a Bio-Circular Green (BCG) economy.

3. Planned private sector / stakeholder engagement in 2023

Please provide a list of planned private sector engagement in 2023

- The CD is one of APEC's two industry dialogues and, as such, the private sector is institutionally involved in every aspect of the CD's work for 2023.
- Additionally, an industry representative serves as the Industry Co-Chair of the CD and Industry representatives serve as co-chairs of each of the CD's Virtual Working Groups – including the Virtual Working on Regulatory Cooperation and Convergence; Virtual Working Group on GHS; Virtual Working Group on Data Exchange, and Virtual Working Group on Marine Debris. Multiple working groups are preparing to

implement projects for the upcoming year, including convergence on GHS.

4. Planned cross-fora collaboration in 2023

Please provide a list of planned cross-fora collaboration in 2023

The CD regularly engages in cross-fora collaboration including

- work with the OFWG on marine debris,
- work with PPSTI on circular economy,
- work with CTI on recyclable materials policy,
- work with the SCSC on regulatory cooperation and Good Regulatory Practice, and
- work with the SCCP on customs practices for chemicals.

5. Main outcomes from most recent plenary meeting

- The 30th Chemical Dialogue took place in-person on 17 February, 2023.
- The CD welcomed proposed work from subgroups on regulatory cooperation, GHS, data exchange, marine debris and advanced recycling. This included:
 - Encouraging further exploration of OECD Mutual Acceptance of Data (MAD) Program through a potential in-person workshop
 - Encouraging endorsement of the Virtual Working Group on GHS Work Plan for 2023, including the implementation of the Capacity Building on GHS Implementation Convergence Project and completion of the 2023 GHS survey
 - Encouraging further exploration of chemical recycling through a chemical recycling survey and a potential in-person workshop
 - Welcoming the publication of the risk assessment compendium
 - Encouraging cross-fora collaboration with the OFWG through the implementation of the marine debris blog series on the Virtual Working Group on Marine Debris website and participation in the OFWG project Good Practices for Traceability Mechanism of Marine Debris Recycled Products in the APEC Region

6. Was quorum reached at the most recent plenary meeting?

Please advise how many economies participated in the most recent plenary meeting and indicate efforts to increase participation from members

Quorum was not reached.

Economy participation included:

- Chile
- Korea
- Mexico
- Chinese Taipei
- United States

7. What is your Forum doing to increase participation from its members?

Please provide a brief list of planned efforts to increase participation from members

- The Forum is maintaining and increasing its relevance to APEC member economies through active virtual working groups (on regulatory cooperation and convergence, on GHS, on Data Exchange, and marine debris) that implement capacity building projects on a variety of regulatory cooperation and marine debris/sustainability issues.

8. Decision points needed from CTI

- *Seek CTI's endorsement of the Chemical Dialogue's Convenor's Report.*

Seek CTI's endorsement of the Chemical Dialogue's Convenor's Report.

DESG CHAIR'S SUMMARY REPORT TO CTI1 2023
ON E-COMMERCE AND TRADE-RELATED DIGITAL ECONOMY ISSUES

In line with 2018 CSOM recommendations, the DESG preserves the functions of the former Electronic Commerce Steering Group (ECSG) and continues to report to the CTI on matters of the ECSG's work programme on e-commerce and trade-related digital economy issues.

NOTE: For matters related to the comprehensive implementation of the APEC Internet and Digital Economy Roadmap (AIDER), the DESG reports to the SOM.

1. Forum Main Objectives/Deliverables expected for 2023

Please provide a brief list of the forum's 2023 objectives and expected outcomes/deliverables.

- Implement ongoing APEC projects:
 - *Comparative study on best practices to detect and avoid unintended biases in Artificial Intelligence systems – Chile*
- Implement new project proposals:
 - *Legal and Regulatory Coherence Project for Privacy Protections in APEC – the United States*
 - *Joint Seminar for DPS and ABAC during SOM3 on Privacy Enhancing Technologies (PET)*

2. How the forum's work contributes to APEC and CTI's objectives,

Please provide a brief list of the forum's work under each sub-heading.

a. Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action

DESG work programme on e-commerce and trade-related digital economy issues broadly contributes to the APA Collective Actions:

- Promote e-commerce / digital trade, including by supporting the development and implementation of international and regional norms and standards for the digital economy, compatibility of standards, regulations and systems, and supporting discussion and sharing best practice on rules and regulations in e-commerce / digital trade
- Cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals

- Promote the interoperability and standardization of e-commerce/digital transactions
- Cooperate on facilitating the flow of information and data, and strengthening business and consumer trust in digital transaction

c. Support for the Multilateral Trading System

- *"...Growth of international trade flows in the region become more stable and predictable including with increased coverage of WTO rules, through APEC members' effective and transparent implementation of existing and future commitments..."*

Survey on E-Commerce Regulations in APEC, updated annually by Singapore. This database of information, which is available to the public on the APEC Trade Repository, facilitates the transparency of economies' domestic regulations and approaches on e-commerce.

d. Regional Economic Integration

- "...APEC's trade and investment environment is free, open, fair, non-discriminatory, transparent and predictable..."
- "...further advance the Bogor Goals and economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda which contributes to high standard and comprehensive regional undertakings..."

- Ongoing work on the APEC Cross-Border Privacy Rules (CBPR) and Privacy Recognition for Processors (PRP) Systems which promote interoperability between different data privacy regulations to facilitate trade and build trust in e-commerce
 - Endorsed recertification of *Schellman* as CBPR and PRP system Accountability Agent (AA) in the United States and *Info-communications Media Development Authority (IMDA)* as a CBPR & PRP System AA in Singapore
- Submitting and updating Data Privacy Individual Action Plans (IAP) which improve the transparency of data protection frameworks of member economies

e. Trade Facilitation and Connectivity

- "...promote seamless connectivity, resilient supply chains and responsible business conduct, APEC economies will improve physical, institutional and people-to-people connectivity

Promoting regulatory cooperation through the APEC Cross Border Privacy Enforcement Arrangement (CPEA) and the CBPR System

3. Planned private sector / stakeholder engagement in 2023

Please provide a list of planned private sector engagement in 2023

Actively engage stakeholders from the private sector for discussions on e-commerce and data privacy issues

4. Planned cross-fora collaboration in 2023

Please provide a list of planned cross-fora collaboration in 2023

Actively engage relevant stakeholders and experts, including from the Centre for Information Policy Leadership (CIPL), the U.S. Council for International Business (USCIB), and AsiaDPO

5. Main outcomes from most recent plenary meeting

Main outcomes of the DESG Data Privacy Subgroup (DPS) 46th meeting on 19 February 2023:

Members noted:

- Intersessionally endorsed multi-year DPS Work Plan for 2023-2024.
- Report of APEC CBPR Joint Oversight Panel (JOP) activities from the United States on behalf of JOP Chair

- Intersessionally endorsed APEC CBPR JOP Reports:
 - Recommendation for Continued Recognition of *Schellman* as a CBPR & PRP System Accountability Agent in the United States
 - Recommendation for Continued Recognition of *Info-communications Media Development Authority (IMDA)* as a CBPR & PRP System Accountability Agent in Singapore
 - Updates from existing APEC CBPR economy participants: Japan; Korea; Singapore; the United States
 - Update on the status of the project "*Comparative Study on Best Practices to Detect and Avoid Harmful Biases in Artificial Intelligence Systems*" – Chile
 - Proposals for new projects:
 - *Legal and Regulatory Coherence Project for Privacy Protections in APEC* – United States
 - *Joint Seminar for DPS and ABAC during SOM3 on Privacy Enhancing Technologies (PET)* – DPS Chair
 - Updates on data privacy developments from member economies: Australia; Canada; Chile; People's Republic of China; Japan; Korea; the Philippines; Singapore; Chinese Taipei; the United States
 - Guests' reports on relevant data privacy developments by: Centre for Information Privacy Leadership (CIPL), U.S. Council for International Business (USCIB), AsiaDPO.
 - Report on developments in Asia Pacific Privacy Authorities (APPA).
- Chair reminded members that the position of the 2nd DPS Vice Chair remains vacant, and invited members to submit nominations. Two member economies notified that they intend to submit a nomination for this position intersessionally. Members noted that the draft summary report of the 44th DPS meeting did not achieve consensus and the DPS Chair will continue consultations intersessionally with economies that raised concerns about the draft.

6. Was quorum reached at the most recent plenary meeting?

Please advise how many economies participated in the most recent plenary meeting and indicate efforts to increase participation from members

The DESG1 2023 meeting reached quorum with 16 economies in attendance.

7. What is your Forum doing to increase participation from its members?

Please provide a brief list of planned efforts to increase participation from members

- Open invitation to all member economies to participate in the work of the small voluntary working groups such as the Accountability and Administration Study Group (AASG) and the Study Group on data portability
- Further discussion about the development of the APEC CBPR system within the DPS
- Consideration of further areas of work in the Privacy Framework
- Submitting and updating Information Privacy IAPs, and consideration of possible ways to make IAPs more useful

8. Decision points needed from CTI

- *Seek CTI's endorsement of the Convenor's Report.*

Seek CTI's endorsement of the DESG Chair's Report on E-Commerce and Trade-Related Digital Economy Issues.

GROUP ON SERVICES (GOS)

CONVENOR'S REPORT

Specific to CTI

Was quorum reached at the most recent plenary meeting? Please advise how many economies participated in the most recent plenary meeting.

- **Quorum was reached with 19 economies present.**

Key outcomes from your SOM3 meeting

- **GOS Core Services Issues (Formerly 'Final Push on Services')**
GOS members reviewed updates provided by four of the five³ champion economies leading workstreams under the "GOS Core Services Issues", namely:
 - **Domestic Regulation of Services (United States):** Members took note of the report and workshop held during 2022 on *Translating Services Domestic Regulations Initiatives into Practice – capacity building on accessing economic benefits through implementation of the disciplines*. Members endorsed a new proposal from the United States entitled *Services Domestic Regulation: Envisioning Next Generation Technical Standards Principles* made up of a study and workshop to be held on the margins of SOM3 2023.
 - **Developing an APEC Index to Measure the Regulatory Environment in Services Trade of APEC (Canada):** A Technical Group meeting was held on 20 February. Canada, as Chair of the Technical Group, and champion economy for this issue, recalled that as of the end of 2022 information on the APEC Index website had been augmented for additional economies and sectors. During the Technical Group meeting, economies received an update from the OECD on work it has been undertaking to assist APEC economies to compile information for the Index. Papua New Guinea, Singapore and Peru updated economies on their own efforts to compile information for the Index. The group heard a presentation from the U.S. International Trade Commission on how they used the OECD's services trade restrictiveness index to analyze trade issues. Finally, Canada presented the outcomes of a workshop held in October 2022 at OECD attended by representatives of many APEC economies on the STRI. Hong Kong, China announced its plan to kick-start the process of joining the initiative, Chinese Taipei and the Philippines announced their intention to expand coverage of their information. China indicated its concerns regarding the index that several technical issues still need to be discussed. Further, Canada and GOS Convenor welcomed Brunei Darussalam's positive consideration of joining the APEC Index. With these latest announcements, GOS I is on track to meet its goal of covering all APEC economies.
 - **Mutual Recognition of Qualifications and Licensing (Australia):** Australia noted that the APEC Professional Services and Mutual Recognition

³ The fifth issue, environmental services, was discussed later in the agenda in connection with CTI taskings.

Community of Practice met in hybrid format in February 12. Australia noted that during the meetings attendees emphasized that mutual recognition enables trade, because professional services underpin increasingly complex global value chains and transactions. The freer movement of professional services can also help to achieve broader trade goals, like inclusivity, and to address sustainability. It was stressed that it is important to continue to evolve mutual recognition practice in the region so that the full potential of mutual recognition's enabling role can be realised. A community of practice has been established to support this.

- **Manufacturing-related Services (Malaysia):** Malaysia, the champion economy for Manufacturing-related Services, updated GOS on the status of their project about Manufacturing Related Services (MRS) and shared their plan to hold a virtual workshop (Experience Sharing between APEC Economies on Common Understanding and treatment of Statistical Data of MRS) in the second quarter in this year and to host a Public Private Policy Dialogue during SOM3.
- **Convenor's observations on the GOS Core Services Issues:** The convenor noted that after SOM3 2022, he had invited APEC economies to nominate other issues as potential core issues. After extensive consultations it appeared to be the consensus of economies that the current list of issues represented a satisfactory selection of priorities. He recalled that the list of core issues was without prejudice to the opportunity of any member economy to raise any other issue it wished to bring to GOS' attention. Finally, the Convenor noted that the prior references to "final push on services" was outdated and confusing to non-GOS delegates and therefore should be replaced with the term "GOS Core Services Issues."

- **CTI Tasking: Environmental Services**

- New Zealand, the champion economy for Environmental Services, recalled that the GOS had endorsed its "Model Schedule for Environmental and Environmentally Related Services" in 2022. New Zealand also suggested taking forward a potential APEC-funded project to develop a regulatory handbook for environmental and environmentally related services, which would aim to reduce regulatory heterogeneity, drawing on the Reference List of Environmental and Environmentally Related Services.
- As part of its project on Services that Support the Clean-up of Marine Debris, Australia, with co-sponsors Japan and the United States, presented draft "APEC Non-binding Guidelines on Services that Support the Clean-up of Marine Debris". The draft guidelines had been circulated to GOS prior to the Plenary meeting, with the proposal that they become an Annex to the MRT Statement. GOS agreed to work toward developing such guidelines, although economies still need to consult on the text tabled by proponents. As part of an ambitious agenda to advance work on this issue between SOM1 and MRT, economies agreed to provide any comments or suggestions to Australia no later than March 21. Complimenting the guidelines an event was held on 20 February with a keynote address the WTO Deputy Director General (Ambassador Paugam), industry and Pacific Island representatives - all of whom underscored the imperative for

concerted action in removing barriers to trade in service. The WTO recognised APEC's contribution to trade in environmental services, with a news item APEC's efforts circulated to WTO members on 21 February.

- **CTI Tasking: Services to Support the Movement of Essential Goods**
 - Australia briefed economies on activities relating to the project "APEC – Services that support the movement of essential goods and the achievements of the project to date, in particular the endorsement of an APEC agreed definition on logistics-related services by APEC MRT in 2022. Building upon the outcomes of the PPD on the challenges of logistics and supply chain connectivity held in August 2022, a subsequent PPD at SOM1 focused on how to achieve better policies towards logistics services. Recommendations made at this dialogue by industry, government and trade experts for the treatment of logistics-related services during periods of crisis will be the basis for a set of draft non-binding guidelines to be circulated to APEC economies following SOM1.
- **Inclusive Services Trade**
 - Australia briefed on the session of the GOS Dialogue on Sustainable and Inclusive Growth entitled Gender and Services: 2023 Priorities and Cross Fora Collaboration, held on February 20, including its background note on women's participation in services trade. Australia, speakers and participants observed that there is a large and relatively untapped opportunity to partner with the PPWE to advance economic empowerment for women across the APEC region. A variety of areas were canvassed including improving gender disaggregated data, and exploring approaches to strengthen entrepreneurship, MSME's, digital and financial inclusion. Australia will work with the GOS and PPWE convenors to establish a cross-fora forum and hold a lengthier workshop at SOM2 and SOM3.
 - Chile updated Members on the project "Knowledge Intensive Business Services (KIBS) and barriers faced by women in international trade in services" and requested the collaboration of each economy to provide and deliver by e-mail a focal point that may facilitate the construction of a matrix of stakeholders and government representatives. The matrix will be used by the future project consultant to contact the potential candidates that will respond to the report's survey.
- **Supporting the Implementation of the Enhanced APEC Agenda for Structural Reform (EAASR)**
 - Australia briefed economies on the APEC Policy Brief on Services Competitiveness and Structural Reform, published in October 2022, as well as the Joint Dialogue on Services and Structural reform, to be held in conjunction with the Economic Committee and the Digital Economy Steering Group on February 22. Australia noted the

mandate by APEC Ministers in 2022 and the EC, DESG and GOS endorsement of a multiyear program which will have a political track and a capacity building program. The political track will be the tabling of model text which addresses services competitiveness and structural reform, recognising APEC role as an incubator of ideas and the capacity building program will be delivered both through an online resource and in-person events, underpinned by a textbook and targeted policy briefs.

- GOS members noted **presentations and updates from relevant stakeholders:**
 - The **CTI Chair** recalled the CTI’s tasking to the GOS regarding i) support to the movement of essential goods and ii) taking forward discussions on how to increase trade in environmental and environmentally related services. The CTI shared work to support regional integration and the implementation of the Aotearoa Plan of Action (APA) as well as the Bangkok Goals.
- GOS members noted **updates on project management:**
 - Chinese Taipei updated the GOS on the project “Private Public Dialogue (PPD) on Digitally Enabled Services: Challenges and Opportunities”.
 - The United States updated the GOS on the project “Negative List Scheduling in Services Negotiations – Scheduling services commitments in key sectors”.
- **ASCR PROGRESS REPORT**
 - The GOS Chair and the PSU updated economies on the “Decision on Monitoring Pandemic Recovery under the APEC Services Competitiveness Roadmap (ASCR)” and preparations for the cross-fora and industry dialogue at SOM2.

Decision points needed from CTI

- **Seek CTI’s endorsement of the Group on Services Report.**
- **NOTE: GOS is working on a set of trade instruments for MRT including non-binding guidelines on services that support the clean up of marine debris; non-binding guidelines on services that facilitate the movement of essential goods; an APEC model template for mutual recognition agreements; and model text on enabling women’s participation in services trade. When completed GOS will seek CTI endorsement of these documents.**

INVESTMENT EXPERTS' GROUP

CONVENOR'S REPORT

Specific to CTI

Was quorum reached at the most recent plenary meeting? Please advise how many economies participated in the most recent plenary meeting.

- Yes, quorum⁴ was met at the First IEG 2023 Meeting, with 14 economies present.

Key outcomes from your SOM1 meeting

The First IEG 2023 Meeting was held on 17 – 18 February 2023, covering:

- guidance on the US priorities for the host year, followed by a presentation on the role of investment and the IEG in achieving the priorities;
- information sharing on trade and investment facilitation as well as updates on follow up work pursuant to the APEC MRT Statement on COVID-19 of measures to mitigate trade and investment issues that have been impacted by the pandemic by member economies: Indonesia;
- updates on next generation trade and investment issues (NGeTI) by: Malaysia, OECD, WEF and Peru; Information sharing on policy implications pertaining to sustainability innovations for the middle of the pyramid by an academician from Northeastern University;
- highlights on implementing the Putrajaya Vision 2040 including through the APA by China;
- updates on the international investment regime's principles and practices by: Australia, Japan, Russia, Chile, Australia and UNCITRAL;
- updates on investment promotion, facilitation and retention issues by: The United States, APEC Policy Support Unit (PSU) and the WTO Secretariat;
- enhancement of investment-related capacity building through economic and technical cooperation such as the APEC Investment Commitment Handbook Project, led by Australia; and
- initiatives in the pipeline to address the interplay between investment and sustainability, such as:
 - Malaysia's project on Realizing Inclusive and Responsible Business & Investment;
 - A presentation by Malaysia on attracting investment to support conservation efforts in the 'central spine' region;
 - Chinese Taipei's workshop entitled "Capacity Building on How Investment Facilitation Policies Can Enhance Sustainable Investment";
 - Chile's Concept Note on interplay between international investment law and climate change;
 - WEF's proposal to conduct a Climate FDI workshop to present a Guidebook on climate FDI facilitation. The aim is to then use the Guidebook to work with IPAs and investors to grow climate FDI through climate FDI facilitation measures.

⁴ Quorum requires 14 economies or more. Quorum is measured by member economies (not including private sector) participating. Remote participation is counted.

Decision points needed from CTI
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| <ul style="list-style-type: none">• Seek CTI's endorsement of the Investment Experts' Group Convenor's Report. |
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For CTI's information

<p>(a) Key outcomes and achievements in 2023</p>

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| <ul style="list-style-type: none">• Based on the previous meeting's outcomes, the economies are tasked to submit Investment Facilitation Action Plan (IFAP) actions based on 8 IFAP principles and to complement the submissions with relevant literature and secondary data to distil the lessons learnt. The Policy Support Unit conducted and analyzed the data based on the submissions from 10 members covering all 8 IFAP principles as well as to take into consideration the guidance from the Aotearoa Plan of Action that related to investment towards realizing the APEC Putrajaya Vision 2040, namely:<ul style="list-style-type: none">- promoting quality investment through enhancing investment facilitation and liberalization;- using digital technology for trade and investment facilitation; and- advance inclusive policies which promote sustainable economic growth opportunities and improve the quality of life. |
|---|

<p>Reflecting on the PSU's recommendations, it was noted that most of the elements of best practices for Investment Facilitation were already in IEG's eight IFAP Principles, thus reaffirming the relevance of IFAP to facilitate high quality investment in the region. The draft report of the finding is being prepared on this basis.</p>
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| <ul style="list-style-type: none">• IEG members remain actively informed on updates and state-of-play on investment-related developments in the international fora. These updates included information on the WTO Investment Facilitation negotiations, OECD's responsible business conduct and FDI Qualities Policy Toolkit, WEF's FDI Climate Measures, and UNCITRAL's investor-state dispute settlement reform discussions in Working Group III. |
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<p>(b) Work undertaken by fora in pursuit of the Putrajaya Vision 2040 and in particular in implementing the Aotearoa Plan of Action (APA)</p>

<p>The works that are currently being undertaken by the IEG are contributing to the implementation of APA and Bangkok Goals and in the long run support the Putrajaya Vision 2040. Projects being undertaken by IEG relate to the APA's economic driver of Trade and Investment as follows:</p>

- i. under the objective 1 and 2, the IEG is currently discussing on Investment Facilitation Action Plan and keep abreast of development in WTO Investment Facilitation Development (IFD) negotiation, which currently agreed to the recent deliverables of transparency under the WTO IFD;
- ii. under the objective 3, the IEG, from time to time, is discussing the latest **principles and practices of International Investment Regime which the economies learn and keep abreast with the** development of high standard and comprehensive regional undertakings; and
- iii. under the objective 4, works are progressing to develop appropriate tools to foster responsible business conduct through but not limited to Malaysia's project of **Inclusive and Responsible Business and Investment**, which recently has been approved by the APEC's Project Management Unit. **Apart from this, economies have been sharing their own domestic efforts to support the objective.**

In addition, following the encouragement from the CTI Chair to discuss the Bangkok Goals, IEG delegations have observed that the following connections with those goals:

- i. 4a(ix) - *Supporting finance and investments in sustainability and climate action, including disaster risk finance insurance, and, if appropriate, carbon pricing and non-pricing mechanisms and international carbon credit markets, as well as exploring options to support the alignment of financial flows towards a greener and cleaner global economy, for example taxonomies and other alignment approaches*, in which the IEG discussed:
 - a. potential project to access on how international investment agreements would synergize/ be aligned with climate change policies,
 - b. FDI climate's measures;
 - c. approaches on Green Finance and Sustainable Investing;
 - d. circular economy; and
 - e. responsible investment on conservation.
- ii. 4b(iii) - *Advancing concrete initiatives on responsible business conduct, environment, social and governance (ESG) industry practices, for example through the development of sustainable tourism, manufacturing, agriculture, transport and logistics sectors, as well as the green and low-carbon digital and technology sectors*, in which the IEG was briefed on policy implication on sustainability innovations for the middle of the pyramid and on Peru's National Action Plan (NAP) on business and Human Rights". Apart of that, IEG has been discussing on **Inclusive and Responsible Business and Investment (IRBI)**, a project spearheaded by Malaysia which it seeks to realise this key area through:

- a. measuring present level of awareness, practices, challenges and opportunities on IRBI;
- b. mutual development of guiding principles to promote actions on IRBI; and
- c. co-development of appropriate tool(s) to support the implementation of the guiding principles.

(c) Work Undertaken by the fora in response to Ministerial, SOM and CTI direction

Bearing in mind the goal of economic development and prosperity of people across the APEC region, the objectives of the IEG are to:

- i. undertake work related to investment and report its outcomes to the CTI;
- ii. address issues related to investment and to enhance the liberalization and facilitation of investment in the APEC region;
- iii. enhance investment-related capacity building through economic and technical cooperation among member economies in the APEC region; and
- iv. support investment promotion activities of member economies to facilitate investment flows in the region.

Based on these objectives, the IEG reaffirms two principal pillars of its work as follows:

- i. international investment regime—principles and practices. This pillar looks at various investment issues and challenges from the perspective of international instruments such as International Investment Agreements (IIAs); and
- ii. investment promotion, facilitation and retention, such as continuing the work on the IFAP, Investment Policy Dialogue (IPD), Investment Promotion Agency (IPA), best practice discussions and other cross-cutting issues such as global value chains (GVC), sustainable investment, public-private partnerships (PPP) and infrastructure.

(d) Key Issues Under Discussion by the Fora (if any);

- To revisit the Work Plan of the Next Generation Trade and Investment Issues (NGeTI), which is comprised of a multi-year living document. The IEG to revisit the relevance of the indicators in the Work Plan, in order to allows IEG members to track their work based on existing modalities within APEC, consistent with individual priorities.

IPEG CONVENOR'S SUMMARY REPORT TO CTI1 2023

1. Forum Main Objectives/Deliverables expected for 2023

Please provide a brief list of the forum's 2023 objectives and expected outcomes/deliverables.

Overall Objective:

- Deepen the engagement of economies in IPEG to significantly contribute to the vision for an open, dynamic, resilient and peaceful Asia-Pacific community by 2040

Specific Objectives

- Sustain the active stakeholder engagement in IPEG and discuss how the group can address private sector issues, if any
- Identify and conduct the specific activities for the implementation of the Aotearoa Plan of Action (APA) in line with the APEC Putrajaya Vision 2040.
- Provide the necessary support to the work and the priorities of the Committee on Trade and Investment (CTI) as well as to the work of relevant APEC bodies.

Expected Deliverables

- Feasibility study of an APEC-wide sharing on IP enforcement
- Report on the information exchange on how economies can contribute to the Bangkok Goals on Bio-Circular-Green (BCG) Economy and promote sustainable technology

2. How the forum's work contribute to APEC and CTI's objectives,

Please provide a brief list of the forum's work under each sub-heading.

a. Implementing the Putrajaya Vision , including through the Aotearoa Plan of Action

- IPEG-56 discussed and identified IPEG's contribution to Putrajaya Vision including through the Aotearoa Plan of Action at IPEG-56.
- Various activities undertaken by the fora (more detail below) directly implements APA Collective Action: "*Promote adequate and effective protection and enforcement of intellectual property, including by providing capacity building, particularly to spur economic development and innovation*"

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals

- IPEG-56 discussed and identified ways by which IPEG can contribute to Bangkok Goals on BCG.
- US IPEG team is planning to organize an event on the margins of IPEG-57 Meeting in August 2023 at Seattle, which will promote IP as an essential tool in addressing climate change and promote sustainable development.

- Japan shared some of the green transformation initiatives that Japan Patent Office (JPO) has implemented in recent years. The presentation includes an overview of GXTI, three features of the GXTI and JPO's survey utilizing the GXTI.

c. Support for the Multilateral Trading System

- *"...Growth of international trade flows in the region become more stable and predictable including with increased coverage of WTO rules, through APEC members' effective and transparent implementation of existing and future commitments..."*

- IPEG exchanged information on issues related to the protection of Geographical Indications, including the Philippines's updates on its GI Registration System and Peru's regulation on Traditional Specialties Guaranteed and Geographical Indications.
- Thailand has shared the snapshot of the development of legal framework of GIs system in Thailand and the Department of Intellectual Property (DIP)'s effort to expand business opportunity to GI products on both offline and online market, including awareness raising activities and support on packaging development.
- In addition, the US has held a self-funded Workshop on *Geographical Indications and Preservation of Common Names* on the margins of IPEG-56. The Workshop focused on the importance of protecting geographical indications while ensuring that terms that do not qualify as GIs, such as common names, are not protected. It provided an opportunity for member economies to share experiences on this issue, and to enhance the understanding of the economic benefits of preserving use of common names of food for producers, in particular for SME producers.

d. Regional Economic Integration

- *"...APEC's trade and investment environment is free, open, fair, non-discriminatory, transparent and predictable..."*
- *"...further advance the Bogor Goals and economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda which contributes to high standard and comprehensive regional undertakings..."*

- ROK shared the outcome of its APEC-funded project "A Study on the Patent Linkage System for IPR and Public Health Harmonisation".
- The US shared information on providing adequate and effective protection of technology and related intellectual property rights.
- ROK shared its initiative on ROK KIPO's ODA model of invention education.
- Peru presented ideas for new project proposal to collate best practices of APEC economies regarding the collection and analysis

of samples for the determination of Plant Variety Rights infringement.

e. Trade Facilitation and Connectivity

- *"...promote seamless connectivity, resilient supply chains and responsible business conduct, APEC economies will improve physical, institutional and people-to-people connectivity*

- ROK updated the meeting on KIPO's design police and it's major investigation cases, the latest amendment of Korean Trademark law and effort to fight against bad faith filing, and the latest amendment of Korean industrial design law.
- Hong Kong, China shared a policy update on Hong Kong, China as a regional IP trading centre.
- Chinese Taipei shared an overview of TIPO and its future outlook.
- The US shared an update on trademark office developments at the U.S. Patent and Trademark Office.
- Peru updated the meeting on new legal provisions for the simplification of trademark procedures.

f. Innovation and Digitalisation

- *"...To empower all our people and businesses to participate and grow in an interconnected global economy, we will foster an enabling environment that is, among others, market-driven and supported by digital economy and innovation."*
- *"...strengthen digital infrastructure, accelerate digital transformation, narrow the digital divide, as well as cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions."*

- In its presentation on Korea's Enforcement Efforts against Copyright Piracy in the Digital Environment, the economy explained the recent paradigm shift of copyright piracy, pointing to the need for a framework to be developed within the APEC region where the member economies can work together to fight against copyright piracy in the digital environment.
- The US updated the meeting on the document proposed by the US titled "Effective Enforcement Practices Addressing the Streaming of Protected Content and Illicit Streaming Devices and Applications"
- Thailand has shared its action taken against online IPR infringement, including criminal enforcement, website blocking and Notice and Takedown system. The economy also shared information on its activities against IPR Infringement through awareness raising.
- Peru is planning to propose a new project on joint enforcement actions between public and private for the surveillance of digital markets – strategies and exchange of good practices.

g. Sustainable and Inclusive Growth

- *"Advancing inclusive policies, including under the economic drivers of trade & investment, and innovation and digitalisation, to promote sustainable economic growth opportunities and improve quality of life..."*

- "...develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges - including climate change - and support sustainable growth, such as through trade, including APEC's work on facilitation of trade in environmental goods and services"

- Peru presented the latest status of its APEC-funded project *"Women and Patents in the APEC Region: Current Situation, Performance and Challenges"*
- The Industrial Property Office of Chile (INAPI) shared its initiatives to promote the benefits of the IP system for MSMEs, including through the access, knowledge and use of the technological and scientific information available in the industrial property system worldwide, as well as promoting the effective use of such knowledge.
- Indonesia has utilized IP protection to encourage economic recovery through MSMEs empowerment. Various activities held involved MSMEs sector to improve understanding of the importance of IP Protection to increase the economic value of a product/service, increasing Indonesia's competitiveness in the global market.
- The Vice Ministry of Trade of Chile organized an activity in December 2022 to highlight the role intellectual property can have as a key tool in the creative industries to overcome gender gaps; exchange of good practices to take advantage of IP, especially from the experience of entertainment companies led by women and legal specialists in IP.
- Presentation by the United States Inclusive Approaches: Raising Public Awareness

3. Planned private sector / stakeholder engagement in 2023

Please provide a list of planned private sector engagement in 2023

- IPEG-56 took note of key developments in ASEAN through a briefing by the Chair of ASEAN Working Group on Intellectual Property Cooperation (AWGIPC). Particularly, IPEG learned how the AWGIPC improved the IP regime in the ASEAN region and its cooperation with key partners in accomplishing deliverables under the ASEAN IPR Action Plan 2016-2025.
- IPEG-56 invited Rebecca Damon, Executive Director, New York Local, Labor Policy and International Affairs, the Screen Actors Guild – American Federation of Television and Radio Artists (SAG-AFTRA)
- IPEG plans to invite WIPO and WTO to participate at IPEG-57 and to further enhance engagement with those organizations.

4. Planned cross-fora collaboration in 2023

Please provide a list of planned cross-fora collaboration in 2023

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5. Main outcomes from most recent plenary meeting

- The Meeting to seek the endorsement of the member-economies interessionally of the proposed IPEG Work Plan 2023-2024 and the initiation of activities in support of the Work Plan over the next 2 years.

6. Was quorum reached at the most recent plenary meeting?

Please advise how many economies participated in the most recent plenary meeting and indicate efforts to increase participation from members

Quorum was not met during the 56th IPEG meeting. In total, 13 member-economies participated in the meeting (Australia; Canada; Chile; People's Republic of China; Hongkong, China; Indonesia; Japan; Republic of Korea; Peru; the Philippines; Chinese Taipei; Thailand; and the United States) – one member economy short for a quorum.

The absence of some member economies (Brunei Darussalam, Malaysia, Mexico, New Zealand, Papua New Guinea, the Russian Federation, Singapore, Viet Nam) might be because of logistical arrangements, such as travel costs and the processing of travel documents (such as travel authority, application for US Visa, etc.). The lack of hybrid option for the meeting might also be a factor given that IPEG 55 in Chiang Mai only managed to secure a quorum because almost half of the delegates were attending virtually.

To avoid not reaching a quorum in the future, the APEC secretariat can do additional follow-ups on member economies that have yet to confirm their participation. Moreover, the APEC secretariat can inquire about the reason of member economies' non-attendance which can be helpful in addressing future challenges with regard to onsite participation.

7. What is your Forum doing to increase participation from its members?

Please provide a brief list of planned efforts to increase participation from members

- Initiating new projects and workshops on topics of relevance.
- Inviting key stakeholders such as WIPO, ASEAN, WTO and members of the private sector to engage in a discussion with the group.

8. Decision points needed from CTI

- Seek CTI's endorsement of the Convenor's Report.

- Seek CTI's endorsement of the Convenor's Report.

MARKET ACCESS GROUP (MAG) CONVENOR'S SUMMARY REPORT TO CTI1 2023

1. Forum Main Objectives/Deliverables expected for 2023

Please provide a brief list of the forum's 2023 objectives and expected outcomes/deliverables.

- To advance Ministers' tasking to develop recommendations for potentially producing a voluntary, non-binding reference list of environmental goods, update the APEC List of Environmental Goods to HS 2022 and further discuss the impact of non-tariff measures on trade in environmental goods.
- To continue our support for the Multilateral Trading System through implementation of the WTO Agreements.
- To strengthen the awareness and utilisation of the APEC Trade Repository as an information portal for businesses.
- To facilitate trade and enhance connectivity through efforts on Supply Chain Framework Action Plan Phase III (SCFAP III) and APEC Alliance for Supply Chain Connectivity.

2. How does the forum's work contribute to APEC and CTI's objectives,

Please provide a brief list of the forum's work under each sub-heading.

a. Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action

Member economies, such as Canada and Malaysia, shared about their individual actions under the Aotearoa Plan of Action, which include promoting rules-based trade and liberalisation of trade in goods through ASEAN-Canada Trade Agreement, and promoting growth of MSMEs.

Australia and New Zealand further shared their plans to update member economies on their individual actions under the APA at further MAG meetings.

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals

Recalling Ministers' instructions, MAG has been undertaking efforts under the endorsed Environmental Goods Work Plan to:

- Develop recommendations for potentially producing a voluntary, non-binding reference list of environmental goods to provide guidance for further work.
- Update the APEC List of Environmental Goods to HS 2022 for reference purposes.
- Encourage further discussions on the impact of non-tariff measures on trade in environmental goods.

c. Support for the Multilateral Trading System

- *"...Growth of international trade flows in the region become more stable and predictable including with increased coverage of WTO rules, through APEC members' effective and transparent implementation of existing and future commitments..."*

WTO Trade Facilitation Agreement

- Japan shared that they are currently working on digitization of customs procedures as well as data exchange of certificates of origin under their "Smart Customs Initiative 2020", which is a medium and long-term vision of customs administration. In term of trade facilitation, Japan will continue to provide capacity building to support developing economies.

WTO Information Technology Agreement (ITA) Expansion

- MAG members shared views on the benefits of joining the ITA Expansion and participating member economies encouraged other member economies that are not part of the ITA expansion to consider joining. Japan also proposed a project to study the impact of the existing ITA in order to encourage further participation in the ITA. Details will be provided separately.
- Thailand updated that the final reduction for 6 more tariff lines under the WTO ITA expansion is scheduled for 1 July 2023.

WTO Agreement on Technical Barriers to Trade

- Peru updated on their self-funded study on the "Initiative on Promoting Transparency of Technical Barriers to Trade (TBT) World Trade Organisation (WTO) Notifications" with the objective to develop guidelines to improve the completeness and clearness of information contained in these TBT notifications to the WTO, including the best practice guidelines.

d. Regional Economic Integration

- *"...APEC's trade and investment environment is free, open, fair, non-discriminatory, transparent and predictable..."*
- *"...further advance the Bogor Goals and economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda which contributes to high standard and comprehensive regional undertakings..."*

APEC Trade Repository

- The Philippines provided an update on the usage of the APEC Trade Repository (APECTR), particularly for the period covering 1 August 2022 to 15 February 2023. All 21 APEC economies utilized the APECTR, with the top 10 users originating from APEC member economies. The number of users, sessions and pageviews recorded a steady increase since the last report. Total users were recorded at 4,420 users; total sessions at 5,292 sessions; and total pageviews at 8,617 for this period.
- Indonesia updated on the "Study on Strategy to Promote the Utilisation of the APEC Trade Repository" and presented their promotional materials that APEC member economies could tap on to promote utilisation of the APEC TR.

e. Trade Facilitation and Connectivity

- "...promote seamless connectivity, resilient supply chains and responsible business conduct, APEC economies will improve physical, institutional and people-to-people connectivity

Supply Chain Framework Action Plan Phase III (SCFAP III)

- Singapore updated that the Third Phase of the APEC Supply Chain Connectivity Framework Action Plan was endorsed at SOM3 in Chiang Mai last August. It charts out APEC's supply chain connectivity agenda, with economies tasked to address chokepoints pertaining to issues such as lack of understanding on green supply chain management, lack of targeted support to support MSMEs' integration in global supply chains, inefficient digitalization of end-to-end supply chains. It was also updated that the CTI interessionally endorsed the terms of reference for the Policy Support Unit to identify suitable indicators to track progress and conduct research on policy practices to advance supply chain connectivity. Singapore noted that SCFAP III will be further discussed at the upcoming CTI meeting, and welcome champion economies to lead on the various chokepoints.

14th APEC Alliance for Supply Chain Connectivity (A2C2)

- The United States updated on their plans to have virtual and physical A2C2 meetings along the year to allow for engagement with the private sector on supply chain issues. It was updated that more information would be provided once available.

Trade in Remanufactured/Refurbished Consumer Electronic Products/Building Capacity in Trade of Refurbished Medical Devices

- The United States updated that they have circulated revised versions of their self-funded proposals on Trade in Remanufactured/Refurbished Consumer Electronic Products and Building Capacity in Trade of Refurbished Medical Devices. Further discussions on these proposals took place between member economies.

f. Innovation and Digitalisation

- "...To empower all our people and businesses to participate and grow in an interconnected global economy, we will foster an enabling environment that is, among others, market-driven and supported by digital economy and innovation."
- "...strengthen digital infrastructure, accelerate digital transformation, narrow the digital divide, as well as cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions."

-

g. Sustainable and Inclusive Growth

- "Advancing inclusive policies, including under the economic drivers of trade & investment, and innovation and digitalisation, to promote sustainable economic growth opportunities and improve quality of life..."

- "...develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges - including climate change - and support sustainable growth, such as through trade, including APEC's work on facilitation of trade in environmental goods and services"

Updating the APEC EG List from HS 2017 to HS 2022 Nomenclature

- The Convenor provided an update on the latest state-of-play of the HS transposition of the EG list, including the latest comments and suggestions provided by member economies. It was agreed that an updated list with the latest comments would be circulated to member economies within the upcoming week, with a view to obtain everyone's responses within the subsequent 2 weeks.

Voluntary, Non-Binding Reference List of Environmental Goods

- Australia updated that an expert report for the Trade Policy Dialogue hosted in Sep 2022 on this issue is currently reviewed by the Secretariat and would be shared with member economies shortly. The expert report includes a summary of key issues and recommendations for economies' consideration. Looking ahead, Australia would also be submitting a self-funded project proposal to make progress on this issue. The aim is to identify areas where economies' views are closely aligned, as well as identifying more challenging areas where economies have different views and perspectives.

Non-Tariff Measures affecting Trade in Goods Reducing Greenhouse Gas Emissions

- Japan updated that, in cooperation with PSU, they had conducted a study aimed at identifying non-tariff measures affecting trade in goods reducing greenhouse gas emissions, recommending specific areas for regulatory cooperation on trade and climate change, and identifying priority areas for further work within and outside APEC. The project will contribute to the implementation of the BKK Goals.

3. Planned private sector / stakeholder engagement in 2023

Please provide a list of planned private sector engagement in 2023

4. Planned cross-fora collaboration in 2023

Please provide a list of planned cross-fora collaboration in 2023

5. Main outcomes from most recent plenary meeting

Please provide in list format

- Progress made and next steps identified for the HS transposition of the APEC EG list and development of a voluntary, non-binding reference list of environmental goods.
- Development of promotional materials to enhance awareness and utilisation of the APEC Trade Repository
- Enhance member economies' implementation of the WTO ITA Expansion. Facilitated discussions and mooted of potential projects to better understand and encourage participation of the WTO ITA.

6. Was quorum reached at the most recent plenary meeting?

Please advise how many economies participated in the most recent plenary meeting and indicate efforts to increase participation from members

The quorum was met with 19 member economies participating in MAG1 2023.

7. What is your Forum doing to increase participation from its members?

Please provide a brief list of planned efforts to increase participation from members

As the primary forum for discussing market access issues, MAG has been overseeing the implementation of several major initiatives towards supporting the multilateral trading system, trade liberalisation for regional economic integration and more recently on sustainability issues. Economies are encouraged to make use of MAG to initiate high-quality projects contributing to areas of tariffs, non-tariff measures, rules of origin, transparency, and trade facilitation. For instance, the MAG has recently endorsed the Environmental Goods Work Plan, to identify areas for member economies to contribute and participated in.

8. Decision points needed from CTI

- *Seek CTI's endorsement of the Convenor's Report.*

- Seek CTI's endorsement of the Convenor's Report

SCCP CONVENOR'S SUMMARY REPORT TO CTI1 2023

1. Forum Main Objectives/Deliverables expected for 2023

Please provide a brief list of the forum's 2023 objectives and expected outcomes/deliverables.

- To support cross-fora collaboration to mainstream Inclusiveness and Women in all APEC sub fora groups.
- For this year, beyond two plenary meetings and the APEC Customs Business Dialogue at the APEC SOM3 which will be focused on Women and Trade, the SCCP will implement several initiatives and projects in important areas of the SCCP's Strategic Plan.
- There are two APEC Funded Projects are underway: one lead by New Zealand focused on Gender Mainstreaming in Customs Administrations (SCCP 01 2022) and the other, led by Japan, related to enhancing members capacity building in Self-Declaration of Origin for FTAs/RTAs (SCCP 02 2022T).
- There are also five Self-Funded Projects will be carried out in 2023 – 2024 by three member economies: Australia (SCCP 01 2019S; SCCP 01 2022S), the U.S (SCCP 04 2022S; SCCP 06 2022S) and China (SCCP 05 2022S).
- In addition, member economies have proposed four initiatives for this year, which will seek input on best practices and lessons learned from members to be compiled into compendiums:
 - Initiative titled: "SCCP Trade and Pandemic Recovery Compendium or Stocktake" which is being proposed by the United States
 - Initiative titled: "Good Practices Sharing on Smart Customs in APEC Region" which is being proposed by China
 - Initiative titled: The United States: "Update the SCCP IPR Compendium of Practices" which is being proposed by the United States
 - Initiative proposed on Green Customs Best Practices from the United States that will be circulated for members review and consideration.

2. How the forum's work contribute to APEC and CTI's objectives

Please provide a brief list of the forum's work under each sub-heading.

a. Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action

- Many of the SCCP's current and planned projects and initiatives support the APA and Bangkok Goals.
- During SCCP1, members discussed revising the SCCP's Work Plan Template to reflect the addition of the Putrajaya Vision 2040 and a column for other APEC commitments, which would include highlighting where there is alignment with the APA and Bangkok Goals.
- An updated SCCP Work Plan Template to incorporate alignment with APEC priorities will be shared with members for their endorsement after SOM1.
- After the Work Plan Template is endorsed by the SCCP, the Secretariat will work with economies during intersessional work to update the Work Plan.

- In addition, at SCCP2 in August 2023 the Chair will invite economies to showcase their individual actions, as called for in the APA, to highlight what customs administrations are doing domestically.
- It is noteworthy to highlight that contributing to economies' response to and recovery from the COVID-19 pandemic is the top priority in the SCCP Strategic Plan 2022-2025. This priority also supports:
 - The Putrajaya Vision 2040's goal of achieving strong, balanced, sustainable, and inclusive growth in the Asia-Pacific Region; and
 - The Aotearoa Plan of Action's goal of enabling quality and equitable health access and outcomes for all, such as by responding to and recovering from pandemics and supporting the safe, secure, and efficient operation of health-related supply chains.

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals

The SCCP contributes to the implementation of the 2022 Bangkok goals through:

- The SCCP's work on green customs, digitalization, and supply chain security and facilitation respond to the Bangkok Goals on Bio-Circular-Green Economy call upon APEC economies to enhance the sustainability and connectivity of supply chains; share best practices on green public procurement; facilitate trade in environmental goods and services; strengthen efforts to combat illicit logging; and increase cooperation on advancing toward a circular economy.

c. Support for the Multilateral Trading System

- *"...Growth of international trade flows in the region become more stable and predictable including with increased coverage of WTO rules, through APEC members' effective and transparent implementation of existing and future commitments..."*

The SCCP supports the Multilateral Trading System by:

- Encouraging the sharing of experiences and best practices by member economies on their efforts to support WTO-TFA implementation.

d. Regional Economic Integration

- *"...APEC's trade and investment environment is free, open, fair, non-discriminatory, transparent and predictable..."*
- *"...further advance the Bogor Goals and economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda which contributes to high standard and comprehensive regional undertakings..."*

The SCCP supports regional economic cooperation by:

- Contributing to collaborative, frank and open discussions among customs administrations in the APEC region.
- Committing to collaborative efforts to share experiences and best practices on customs procedures and facilitation.

e. Trade Facilitation and Connectivity

- *"...promote seamless connectivity, resilient supply chains and responsible business conduct, APEC economies will improve physical, institutional and people-to-people connectivity*

The SCCP supports trade facilitation and connectivity by:

- Supporting initiatives and innovations being implemented to enhance supply chain security and facilitation.
- Encouraging the sharing of experiences and best practices by member economies on their efforts to support WTO-TFA implementation

f. Innovation and Digitalisation

- *"...To empower all our people and businesses to participate and grow in an interconnected global economy, we will foster an enabling environment that is, among others, market-driven and supported by digital economy and innovation."*
- *"...strengthen digital infrastructure, accelerate digital transformation, narrow the digital divide, as well as cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions."*

The SCCP supports innovation and digitalization by:

- Supporting initiatives and innovations being implemented to enhance customs procedures.
- Promoting efforts to support digital transformation in customs administrations in the APEC region.

g. Sustainable and Inclusive Growth

- *"Advancing inclusive policies, including under the economic drivers of trade & investment, and innovation and digitalisation, to promote sustainable economic growth opportunities and improve quality of life..."*
- *"...develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges - including climate change - and support sustainable growth, such as through trade, including APEC's work on facilitation of trade in environmental goods and services"*

The SCCP supports **inclusive** growth by:

- Promoting women in customs and trade, with a focus on cross-fora collaboration and supporting the La Serena Roadmap for Women and Inclusive Growth.
- The SCCP will also seek to make Inclusiveness and Women a standing agenda item at future SCCP Plenary meetings to promote further discussions and actions on this topic.

The SCCP supports **sustainable** growth by advancing:

- Supporting economies to enhance their green customs practices through experience sharing and strategic planning

3. Planned private sector / stakeholder engagement in 2023

Please provide a list of planned private sector engagement in 2023

- The World Customs Organization (WCO) and the Oceania Customs Organisation (OCO) attended the meeting as observers. Both actively participated during the meeting. The WCO provided an update on WCO priorities and served as speaker on a panel discussion on pandemic response and recover. The OCO served as a speaker on a panel discussion on green customs.
- During SCCP1, an economy suggested it would be helpful to invite International Organizations, including the World Bank and the WTO, to attend

SCCP2 to speak on current capacity building initiatives to support individual economies with implementation of the WTO-TFA.

- As ABAC was unable to attend SCCP1, SCCP Chair will engage with ABAC to discuss further opportunities for collaboration and participation at SCCP2 2023.
- At SCCP2, the United States will host the APEC Customs Business Dialogue (ACBD), which will include participation from the private sector that partner with APEC Customs in the Asia Pacific Region as well as ABAC. The theme of this year's ACBD is "Women in Trade." Throughout the dialogue, the private sector will be invited to share what they are doing to support inclusive trade for women. It will also provide an opportunity for the SCCP to hear directly from the private sector on how the public sector, especially customs administrations, can facilitate more inclusive trade and learn from private sector initiatives.

4. Planned cross-fora collaboration in 2023

Please provide a list of planned cross-fora collaboration in 2023

- BMG Convenor attended the SCCP Advancing Gender Equality in APEC Customs Administrations Workshop, on 16-17 February 2023, SOM1. The SCCP welcomes further collaboration with other sub fora, especially on women and inclusiveness.
- During SCCP1, a PPWE representative was invited to speak and discuss possible opportunity to for cross-fora collaboration. In addition, the SCCP Chair and the PPWE Chair held a bilateral meeting during SOM1 and agreed to further explore opportunities to mainstream the topic of Women and Inclusiveness through cross-fora collaboration.
- During SCCP 1, the CTI Chair was invited to speak on current gaps that the CTI needs to address regarding Women and Trade. The CTI Chair proposed hosting a workshop at SOM3 2023 on Inclusiveness and Women. The workshop would include participation from all CTI sub fora groups.

5. Main outcomes from most recent plenary meeting

Please provide in list format

Overview:

The SCCP Plenary meeting occurred from Feb. 19 to 21, 2023.

The agenda included six areas of focus:

- Response and Recovery from the Pandemic
- Inclusiveness and Women in Trade
- Supply Chain Security and Facilitation
- Green Customs
- Digitalization and Innovative Technology
- WTO-TFA Implementation

There was also an agenda item dedicated to discussing the SCCP's priorities for 2023 and alignment with CTI and APEC priorities, including the APA and Bangkok Goals.

In addition, there were two SCCP workshops held during SOM1:

- Advancing Gender Equality in APEC Customs Administrations Workshop, which was held Feb. 16-17, 2023.
- APEC's Framework for Supply Chain Connectivity: Focus on Digitalization of End-to-End Supply Chains Workshop, which was held on Feb. 18, 2023.

Main Outcomes from SCCP1 Plenary Meeting:

Day 1

- U.S. provided an overview of its APEC objectives and priorities for its 2023 host year. APEC 2023 theme is "Creating a resilient and sustainable future for all", highlighting the three priorities of interconnected, innovative, and inclusive.
- The SCCP discussed how to implement the APA and Bangkok goals including through projects and initiatives both proposed and ongoing within the SCCP.
- Members discussed revising the SCCP's Work Plan Template to reflect the addition of the Putrajaya Vision 2040 and a column for other APEC commitments, which would include highlighting where there is alignment with the APA and Bangkok Goals. An updated Work Plan Template to incorporate alignment with APEC priorities will be shared with members to incorporate alignment with APEC priorities will be shared with members to incorporate alignment with APEC priorities will be shared with members to for their endorsement after SOM1.
- It was noted during the meeting that at SCCP2 the Chair will invite economies to showcase their individual actions, as called for in the APA, to highlight what customs administrations are doing domestically.
- During the meeting, members received updates from stakeholders - including PSU, ABAC, and WCO - and identified areas of collaboration with those organizations.
- The meeting also included a robust panel discussion on response to and recovery from the Pandemic. The WCO, PSU, Hong Kong, China, and Japan served as panelists. There was also very active engagement and interest expressed by many economies during the panel's questions and comments period.

Day 2:

- Members heard from the CTI Chair and learned about his recent discussions with ABAC. The CTI Chair also discussed the importance of linking the SCCP's work to APEC priorities.
- During the meeting, the CTI Chair proposed having the CTI host a workshop on women and inclusion at SOM3 with all CTI sub fora groups.

- A representative from the PPWE discussed the PPWE's priorities and discussed opportunities for possible cross-fora collaboration on inclusiveness and women.
- New Zealand give a recap of it excellent 2-day workshop on Advancing Gender Equality in APEC Customs Administrations, which was held prior to the SCCP1 Plenary meeting.
- The SCCP chair will seek to **take action** on all of the workshop's recommendations, including making Inclusiveness and Women a standing agenda item for future SCCP meetings.
- Economies gave a number presentations on their initiatives and efforts related to Supply Chain Security and Facilitation.
- The meeting also included a robust panel discussion on green customs. Australia, Peru, Thailand, and OCO served as panelists. There was also very active engagement by many economies, who expressed strong interest in learning about all the efforts that different customs administrations are taking in this space.

Day 3

- There were robust discussions on Digitalization and Innovative Technology, with a number of economies presenting on their initiatives and efforts.
- The United States gave a recap on the outcomes of its workshop on Digitization of End-to-End Supply Chains, which was held prior to the SCCP Plenary meeting.
- The SCCP also heard updates from member economies on their efforts to support WTO-TFA Implementation.

During the SCCP Plenary meeting, members also discussed the SCCP's Work Plan, noting a number of projects and initiatives that will advance the SCCP's work in 2023 and beyond.

6. Was quorum reached at the most recent plenary meeting?

Please advise how many economies participated in the most recent plenary meeting and indicate efforts to increase participation from members

- Yes: quorum was reached with **18 members** present. Mexico, Papua New Guinea, and Russian Federation were not present.
- The World Customs Organization (WCO) and the Oceania Customs Organization (OCO) attended the meeting as observers.

7. What is your Forum doing to increase participation from its members?

Please provide a brief list of planned efforts to increase participation from members

- The meeting agenda was circulated in advance of the meeting to ensure all members could provide input to the agenda.

- Economies were invited to take active roles in the meeting, including to participate in two panel discussion.
- The meeting agenda required input from all economies for several agenda items, accompanied by a description of objectives and possible topics for discussion.
- In the agenda, some items included specific questions to economies to encourage them prepare discussion points prior to the start of the meeting.
- At the conclusion of every agenda item, economies were invited to ask questions and provide comments on the topic being discussed.
- Throughout the meeting, economies were strongly encouraged to ask questions of other economies, and the meeting was managed to ensure discussions.

8. Decision points needed from CTI

- *Seek CTI's endorsement of the Convenor's Report.*

- **Seek CTI's endorsement of the Convenor's Report.**

**SUB COMMITTEE ON STANDARDS AND CONFORMANCE (SCSC) CONVENOR'S
SUMMARY REPORT TO CTI1 2023**

1. Forum Main Objectives/Deliverables expected for 2023

Please provide a brief list of the forum's 2023 objectives and expected outcomes/deliverables.

- The SCSC's main objectives are to:
 - Reduce technical barriers to trade and enhance market access through standards and conformance
 - Align each economy's standards with international standards
 - Promote good regulatory practices in the preparation, adoption and application of standards, technical regulations and conformity assessment procedures
 - Progress mutual recognition arrangements for conformity assessment within the region
 - Pursue regional cooperation in accordance with international agreements
 - Ensure greater transparency
 - Encourage participation in standards education and awareness programs to build capacity and capability to enhance the competitiveness of businesses, including micro, small and medium enterprises.
- To achieve these goals, the SCSC is conducting its normal committee work and implementing several projects that focus on specific areas:
 - SOM 1: Workshop on electronic labeling of products
 - SOM 1: Workshop on greenhouse gas measurement issues
 - SOM 1: Workshop on Strengthening Understanding of the WTO TBT Agreement
 - SOM 3: Workshop on Battery Energy Storage Systems
 - SOM 3: 16th Good Regulatory Practices Conference
 - SOM 3: Workshop on Cybersecurity
 - SOM 3: Workshop on the Circular Economy
 - SOM 3: Workshop on Artificial Intelligence Standards
 - Additional workshops held outside of SOM meetings that cover water conservation, water quality, digital technology and the pandemic, and various food safety events.
- SCSC plans to issue the Blueprint for Advancing GRPs in the APEC Region as one of the key deliverables during SOM3 this year.

2. How the forum's work contribute to APEC and CTI's objectives,

Please provide a brief list of the forum's work under each sub-heading.

a. Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action

- The Aotearoa Plan of Action calls on economies to "progress liberalisation of trade in goods by reducing unnecessary barriers, strengthening trade facilitation, and fostering regulatory reform;" The SCSC focuses on promoting good regulatory practice and the use of international standards go facilitate trade. At SOM 1, the SCSC organized side events related to

good regulatory practices and the implementation of the WTO TBT Agreement.

- The Aotearoa Plan of Action also calls on economies to “cooperate in relevant APEC fora to develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges - including climate change...” At SOM 1, the SCSC organized a workshop on issues related greenhouse gas measurement. The workshop included academics and policy experts who outlined the issues related to various GHG issues.

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals

- We have already noted the workshop that covered the measurement of greenhouse gases. The Putrajaya Vision “reaffirm[s] our support for agreed upon rules of the WTO.” At SOM 1, the SCSC organized a workshop to strengthen understanding of the WTO TBT Agreement. This agreement contains disciplines related to regulatory policies. The aim was to deepen understanding of the obligations of the TBT Agreement in order to ensure that regulations are developed in a transparent manner.

c. Support for the Multilateral Trading System

- *“...Growth of international trade flows in the region become more stable and predictable including with increased coverage of WTO rules, through APEC members’ effective and transparent implementation of existing and future commitments...”*

As noted above, the SCSC organized an event on the WTO TBT Agreement.

d. Regional Economic Integration

- *“...APEC’s trade and investment environment is free, open, fair, non-discriminatory, transparent and predictable...”*
- *“...further advance the Bogor Goals and economic integration in the region in a manner that is market-driven, including through the work on the Free Trade Area of the Asia-Pacific (FTAAP) agenda which contributes to high standard and comprehensive regional undertakings...”*

- Although the SCSC does not deal with tariffs, it does have responsibility for standards and technical regulations related to goods. These have a direct connection to trade, since a good that does not meet an economy’s applicable requirements cannot be used in that economy.
- The SCSC works to promote measures that increase transparency of standards and regulatory policy, so that all relevant stakeholders have an opportunity to review measures in draft form and provide comments.

- The SCSC has played a leading role in exploring standards and regulatory policy for new and emerging technologies (e.g., aerial drones, personal protective equipment, and artificial intelligence).

e. Trade Facilitation and Connectivity

- *"...promote seamless connectivity, resilient supply chains and responsible business conduct, APEC economies will improve physical, institutional and people-to-people connectivity*

- The SCSC's projects frequently focus on trade, standards, or regulatory issues in a particular sector. For example, recent work has focused on emerging technologies (e.g., aerial drones, 3D printing, new battery technologies). By identifying the standards or regulatory issues that may negatively affect trade, economies can take steps to address them.
- Other projects address issues horizontally. For instance, the SCSC also focuses on good regulatory practices and implementation of the WTO TBT Agreement.

f. Innovation and Digitalisation

- *"...To empower all our people and businesses to participate and grow in an interconnected global economy, we will foster an enabling environment that is, among others, market-driven and supported by digital economy and innovation."*
- *"...strengthen digital infrastructure, accelerate digital transformation, narrow the digital divide, as well as cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions."*

- The SCSC works to promote an environment that encourages innovation through the transparent development of standards and technical regulations. Individual projects or workstreams have taken up specific issues related to the effects of digitalization. For example, the SCSC organized a workshop at SOM 1 that covered electronic labeling. As devices grow increasingly smaller, how do manufacturers provide all of the required technical data in a small space?
- Other SCSC projects have covered the new issues raised by emerging technologies (e.g., drones, 3D printing). The idea is that economies must work together on international standards so that the same product can be sold in multiple economies.

g. Sustainable and Inclusive Growth

- *"Advancing inclusive policies, including under the economic drivers of trade & investment, and innovation and digitalisation, to promote sustainable economic growth opportunities and improve quality of life..."*
- *"...develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges - including climate change - and support sustainable growth, such as through*

trade, including APEC's work on facilitation of trade in environmental goods and services"

- Several APEC projects focus on issues that are directly related to public health, food safety, or environmental protection.
- SCSC projects such as "Implementing circular economy standards in the APEC region" and "Standardization of Emerging Technologies related to GHG Emissions Measurement" contribute to sustainable growth. SCSC's works on standardization impacts on women and development of gender-responsive standards contribute to APEC's inclusive growth agenda.

3. Planned private sector / stakeholder engagement in 2023

Please provide a list of planned private sector engagement in 2023

- SCSC Meetings include representatives from international standards organizations (ISO, IEC, ASTM), as well as groups of bodies involved in standards development and conformity assessment.
- In addition, the private sector provides speakers and guidance on the development and implementation of individual projects.

4. Planned cross-fora collaboration in 2023

Please provide a list of planned cross-fora collaboration in 2023

- The SCSC works with the Economic Committee to implement the workshop on good regulatory practices. SCSC and EC meetings are scheduled so attendees from both meetings can attend the GRP workshop.
- The SCSC also coordinated with the Aviation Experts Group on a project related to aerial drones.
- Given the SCSC workshop on the circular economy, we will research the work that other APEC bodies have done in this area.

5. Main outcomes from most recent plenary meeting

Please provide in list format

- The SCSC met in person on 19-20 February 2023. Quorum was reached.
- The SCSC reviewed the work in the WTO.
- The SCSC also reviewed the individual projects that economies are conducting and shared ideas related to implementation.
- The SCSC also discussed emerging standards issues, such as the relationship of gender to standards development.
- The Meeting was informed of pending issues with regard to the draft SCSC TOR, in particular on Appendices 1-3 which have not been endorsed together with the draft SCSC TOR in 2021. The Meeting also discussed draft Food Safety Cooperation Forum (FSCF) terms of reference with a view to endorsing it at the earliest opportunity. As a

next step, the APEC Secretariat will recirculate the revised draft SCSC TOR with all its Appendices, including the draft FSCF TOR, for SCSC's endorsement. If endorsed, SCSC will submit the revised draft TOR for CTI's endorsement. A timely endorsement of the revised draft TOR will enable FSCF to hold its meeting during SOM2 in May 2023.

6. Was quorum reached at the most recent plenary meeting?

Please advise how many economies participated in the most recent plenary meeting and indicate efforts to increase participation from members

Quorum was reached (16 economies participated).

7. What is your Forum doing to increase participation from its members?

Please provide a brief list of planned efforts to increase participation from members

- In the past, the SCSC meeting at SOM 1 did not include side events. These were typically included at SOM 3. This year, to broaden participation, the SCSC organized four projects at SOM 1/SCSC 1 to increase participation.

8. Decision points needed from CTI

- *Seek CTI's endorsement of the SCSC's Convenor's Report.*

None.