



**Asia-Pacific
Economic Cooperation**

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Agenda Item: 2.1

Annex 9: Initiative on Asia-Pacific Model E-Port Network (APMEN)

Purpose: Consideration
Submitted by: CTI Chair
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**Second Senior Officials' Meeting
Qingdao, China
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Initiative on Asia-Pacific Model E-Port Network (APMEN)

(Proposed by China, Co-sponsored by Hong Kong, China)

Background

APEC has recognized the key importance of trade facilitation in achieving free and open trade and investment in the Asia-Pacific. In 2010, APEC Leaders committed to “address impediments to moving goods and services through Asia-Pacific supply-chains ...with a view to achieving an APEC-wide target of a ten percent improvement in supply-chain performance by 2015”. In 2013, our Leaders recognized “the importance of addressing unnecessary barriers to trade by advancing regulatory convergence and coherence to achieving our shared objectives of strengthening regional economic integration and ensuring product safety, supply chain integrity”.

APEC economies of different developmental stages, as well as economies outside of APEC, are becoming more inter-connected and intra-dependent through supply chains. At the same time, the introduction and application of new technology developments such as “Cloud Computing”, “Big Data” and “Internet of Things”, have created new opportunities for improving regional Supply Chain Connectivity (SCC) and studying Global Value Chain (GVC).

One practical example that APEC economies could explore with respect to port management through the use of information technology is E-Port. We believe this is an integrated and pragmatic option for economies to consider to promote connectivity and improve business environment. An E-port provides : 1) effective infrastructural ICT solution to enable realization of modernizing manual paper-based trade to “data-tized” paperless trade; 2) integrated trade facilitation measures, such as “one-stop shop” services; and 3) institutional guarantee through Public Private Partnership (PPP) for intra-agency, inter-agency, and inter-economy coordination on cross-border supply chain management. Under the example of an E-port, all stakeholders, including government, enterprises, industrial association, consumers and other relevant parties could participate in the development, operation and implementation of the 3rd party E-Port platform under the form of PPP and in the context of GVC.

At CTI1 in Ningbo, China introduced the case of Shanghai Model E-Port, and economies learned about the concept and benefit of model E-ports and the types of follow-up action APEC could take in 2014. Economies also approved the concept note of “Promoting Supply Chain Connectivity through a Model E-Port Initiative”, which proposed to hold a seminar and carry out a study on the model E-Ports nominated by the interested economies in 2014.

In order to effectively advance the APEC model E-port cooperation and directly contribute to the APEC supply chain goal, China proposes to construct Asia-Pacific Partnership on Model E-Port Network built on the previous work.

Objectives

- Build an understanding amongst APEC economies of what an E-Port is, how it can benefit APEC’s supply chain and trade facilitation work, what are the salient characteristics of an E-Port, and how an E-Port can help economies accomplish their domestic objectives.

- Perform a review of existing literature and work on E-Ports (e.g. by the WTO, WCO, and World Bank), to improve economies' understanding.
- Share information and experiences in developing, operating, and promoting E-Port, and identify a number of Model E-ports and exemplary practices for E-Port development in this region, such as how to 1) create an enabling environment for E-Ports, 2) develop E-Port as a PPP ICT infrastructure to realize single-window system, 3) promote transparency of border measures for stakeholders and traders, 4) promote trade facilitation and port modernization, 5) improve coordination of border measures among different government agencies and stakeholders, 6) ensure the privacy and security of data and requests for third party information, and 7) help SMEs to benefit from public trade facilitation ICT infrastructure.
- Collaborate on identification of model E-Ports and development of Model E-port Network, to help APEC economies understand 1) what resources might be available to them regarding E-Ports, 2) how E-ports would interact with Single Window programs, and 3) how E-ports could help economies implement WTO Trade Facilitation Agreement and the advancement of GVC studies.

Proposed Activities

- **Enhance information sharing on model E-Port.** Hold a seminar as designed in the concept note approved in April to raise understanding and awareness of E-Port as exploratory solutions to realize goals and targets set in regional SCC, share information, experiences, lessons and opinions in developing, operating, and promoting E-Port.
- **Carry out case studies on how economies are using ICT infrastructure in their ports and Single Window programs.** Economies are already investing significant resources in IT infrastructure in their ports and Single Window Programs. These case studies would help economies understand how their current programs would interface with the E-Port concept. To facilitate these case studies, economies are encouraged to recommend their own model E-Ports. A number of successful cases will be selected and studied, and a report of the combined cases will be worked out and submitted to AMM and AELM 2014.
- **Explore pilot programs in specific areas of model E-Port.** Based on the dialogues and researches, economies are encouraged to undertake pilot programs regarding E-ports, with a focus on the use of Single Window Programs, production end to consumption end traceability of products, "Data-tized" paperless trade, Green Supply Chain, and promotion of global value chains, etc.
- **Establish an APEC E-Port Network.** E-Ports would participate in this network on a voluntary basis via PPP, serving as a Brain Trust to promote E-Port development and cooperation, and as a backbone infrastructure for constructing a long-term cooperative mechanism under the principles of mutual benefits and respect. This Network will be an open mechanism, and the nominated model E-ports will be the first batch of participating ones. The network will undertake concrete cooperative activities, such as analytical research, architectural design & planning, information sharing, capacity building and technical support for E-Port and related activities, and it will also provide recommendations on long-term direction and strategies for E-Ports amongst economies. China offers to set up an operational center for this network in Shanghai E-port.

- **Conduct targeted capacity building activities.** Individual member economy's capacity for E-Port development and management is of key importance to overall regional cooperation. In order to help all economies to participate and benefit, targeted and longer term sustainable capacity building projects will be developed and conducted. To mobilize more resources to support these projects, private sectors, relevant international institutions and other interested stakeholders will be encouraged to contribute to this process. These activities should also support the development of Single Window Programs in APEC economies and the implementation of the WTO Trade Facilitation Agreement.