



Asia-Pacific
Economic Cooperation

2006/CSOM/010
Agenda Item: VIII

BMC Chair's Report of the October 2006 BMC Meeting to CSOM

Purpose: Consideration
Submitted by: BMC Chair



**Concluding Senior Officials' Meeting
Ha Noi, Viet Nam
12-13 November 2006**

Executive Summary

The BMC has met once since SOM3 in Da Nang, Viet Nam. The purpose of this report is to obtain SOM endorsement of decisions made at BMC2 held at the APEC Secretariat in Singapore on 10-12 October 2006. It also reports on other matters discussed at BMC2 and on business transacted intersessionally.

The Summary Conclusions of the October meeting are attached at Annex A for Senior Officials' information.

Action for SOM

Senior Officials are recommended to:

- a) **recommend** to Ministers the approval of the 2007 Administrative Account budget;
- b) **recommend** to Ministers the approval of the 2007 Operational Account budget;
- c) **recommend** to Ministers the approval of the 2007 APEC Support Fund budget;
- d) **recommend** to Ministers the approval of the 2007 TILF Special Account budget; and
- e) **recommend** to Ministers the approval of the 2007 rates of contributions by member economies to the APEC Central Fund.

**Report by the Budget and Management Committee Chair for 2006
to the Concluding Senior Officials' Meeting of the
Eighteenth APEC Ministerial Meeting
Ha Noi, Viet Nam
12-13 November 2006**

1. The Budget and Management Committee (BMC) held its second meeting for the year on 10-12 October 2006 at the APEC Secretariat in Singapore. The summary conclusions of the meeting (including just annexes 3 - 8) are attached as **Annex A**. The following are the major outcomes of the meeting.
2. The tone for the meeting was set by the report of the Executive Director and the broad consensus reached by Senior Officials on APEC Reform reached at SOM3. The Executive Director noted that there was more money requested for funding for projects from the Operational and TILF Special Accounts than there was money available. He considered that the new procedures, involving categorisation by SCE for ECOTECH projects and quality assessment by the Secretariat for all projects, would assist in ensuring that the projects to be financed would be the ones responding most closely to the priorities of Leaders, Ministers and SOM. He expressed his appreciation for the contributions from Japan to the TILF Special Account, and Australia and Chinese Taipei to the APEC Support Fund. He noted that further contributions were being discussed to the APEC Support fund and encouraged Members to consider whether they could provide additional contributions. He reminded members that their annual contributions to APEC should be made in the first quarter of each year. This was important as the Administrative Account was drawn up, at the request of Members, in a tight manner with no provision for contingencies and therefore relies on prompt payments by Members.

I. Intersessional Work

3. My report on intersessional work on projects since SOM3 is at **Annex B**.

II. 2006 Budget

A. Administrative Account

4. The BMC approved minor amendments to the 2006 Administrative Account budget at **Annex 3 to Annex A**. The BMC noted the factors necessitating adjustments: the rise in the Singapore dollar; the increased travel (accommodation) costs; increases in professional fees, including audit fees; and higher energy charges. Members noted that with the rise in interest income the net budget in 2006 would be reduced to US\$1,979,195, rather than the US\$2,100,650 originally approved. BMC approved one new post for the Secretariat, the IT Portal Administrator.

B. Projects

5. The disbursement deadline for 2005 projects is 31 December 2006. In practice this means that all work for such projects (and earlier projects which have been previously extended to this date) must be completed and claims with the Secretariat by **Friday 8 December 2006**. If Project Overseers consider that they will not be able to meet this

deadline they should seek an extension of the disbursement deadline. This request, with justifications and endorsed by the chair of the Working Group/Task Force/Committee (as appropriate – for CTI sub-fora, the endorsement of the Chair of the relevant sub-fora is also required), should be with the APEC Secretariat by **Wednesday 29 November 2006**.

III. 2007 Budget

A. Administrative Account

6. The BMC **recommends** that Senior Officials recommend to Ministers, the approval of the 2007 Administrative Account net budget at **Annex 4 to Annex A** of US\$2,607,695. The budget was prepared as for 2006 in a functional manner, allocating salaries to the cost centres of Communications and Outreach; IT; Project Support; and General Administration. It was prepared in a tight manner without provision for contingencies.
7. The budget takes account of the broad consensus reached at SOM3 on APEC Reform and includes provision of US\$150,000 for a Chief Operating Officer (COO) for the APEC Secretariat. There was considerable discussion at BMC2 on the COO and, at BMC's request, the APEC Secretariat prepared a paper to assist SOM. This was distributed to all Senior Officials on 1 November 2006. Without additional funding yet maintaining the increased provision for Operational Account projects the only way for the COO position to be funded is for the SOM Contingency Fund to be used. Effectively, that incorporates the SOM Contingency Fund into the Administrative Account as there will not be any money left for a SOM Contingency Fund. BMC noted that this may not in practice be a problem as there has been no request to use the contingency fund this year. BMC also noted that the post of Director (IT) could not be filled by Member economies on a secondment basis, so the post would require to be funded as part of the staff of the APEC Secretariat.
8. As usual a significant component of the budget is for travel – this has been estimated with the requirements of the host economy in mind. The Secretariat is continuing its negotiations with airlines to keep down its travel costs.

B. Operational Account

9. On the 2007 Operational Account the BMC was again faced with the healthy but difficult situation of an excess of value of projects seeking funding over the funds available, even though the amount of funding which could be committed had increased by 15%.
10. The BMC **recommends** that Senior Officials recommend to Ministers, the approval of the committed Operational Account budget of US\$2,300,000 and the list of 2007 Operational Account projects at **Annex 5 to Annex A**. (The net budget is US\$1,900,000, which is in accordance with the decisions on APEC reform in 2005.) If this is agreed, the amount available for further 2007 Operational Account projects in 2007 will thus be US\$609,325. The BMC has reaffirmed that only projects which respond to Leaders' and Ministers' priorities and those of Australia for 2007 will be considered for such funding.

C. *APEC Support Fund*

11. The BMC is pleased to have received further projects for funding under the APEC Support Fund. Fora Chairs are reminded to rank projects in one list which request funding from either the Operational Account or the APEC Support Fund. The BMC **recommends** that Senior Officials recommend to Ministers the approval of the list of projects at **Annex 6 to Annex A**. The amount available for further 2007 APEC Support Fund projects will be up to the amounts received for funding 2007 projects. Further funding has been pledged but the exact amounts are unknown at present.

D. *TILF Special Account*

12. The BMC has followed Senior Officials' approval at SOM2 of an affordable level of expenditure for 2007 TILF Special Account projects of US\$4,500,000. The BMC was again faced with the healthy but difficult situation of an excess of value of projects seeking funding over the funds available. The funds available have reduced from 2006 and will likely reduce again in 2008 as the reserves which had piled up are exhausted and the annual contribution from the single donor economy is reduced because of straitened economic circumstances. There is a large demand for quality projects under the TILF agenda but this is not matched by the means to pay. The additional funding pledged to the APEC Support fund follows a different agenda – capacity building for developing economies – and is not a substitute for TILF funding. I would reiterate the appeals made by Japan and the Executive Director for member economies to consider placing funds in the TILF Special Account.
13. The BMC **recommends** that Senior Officials recommend to Ministers the approval of the list of projects at **Annex 7 to Annex A**. On that basis, the amount available for further 2007 TILF Special Account projects in 2007 will be around US\$693,071. The BMC has reaffirmed that only the projects which respond to Leaders' and Ministers' priorities and those of Australia for 2007 and have sufficient TILF linkage will be considered for such funding.

E. *Members' Contributions*

14. The BMC **recommends** that Senior Officials recommend to Ministers that APEC Members' contributions to the APEC Central Fund for 2007 should revert to the 1998 level of US\$3,864,000 in accordance with the 2005 APEC reform decisions. The level of contributions is shown in **Annex 8 to Annex A**.

F. *Projects*

15. The BMC found very helpful the new project assessment process involving categorisation by the SCE for ECOTECH projects and a quality assessment by the Secretariat for all projects. This was particularly so where there was an excess of funding requests over available funds. In their review of this process Members have suggested that ways should be found to make more compatible the ranking process used by the CTI for its projects and the categorisation of the SCE for ECOTECH projects, particularly where the projects were competing for the same funds. Members also agreed with the recommendation to SCE that there should be more focused priorities for SCE categorisation.

16. I attach at **Annex C** some guidance to Committee Chairs, Working Group Lead Shepherds and project proponents on the submission of further 2007 projects. The timetable is as follows:

- **Wednesday 10 January 2007:** for all fora/sub-fora to advise Secretariat of the projects to be submitted to BMC1 (name, cost estimate and as much detail as possible);
- **Wednesday 31 January 2007:** for all fora to submit finalized projects to the Secretariat. The projects should be ranked by all fora (except that for projects from CTI ranking may take place immediately after this date). No late submissions would be entertained;
- **Friday 23 February 2007:** for APEC Secretariat to have uploaded projects onto BMC ACS; and
- **Wednesday 7 to Thursday 8 March 2007:** BMC1.

IV. ISO 9001-2000 Quality Management

17. The BMC noted with approval, the progress made by the Secretariat in meeting and exceeding its performance pledges – an important item for its continued ISO 9001–2000 Quality Management System Certification. The meeting was very appreciative of the proposals to raise the targets.

V. APEC Reform

18. APEC Reform continues to be an important component of the BMC's work. I have been honoured to be an ex-officio member of the Reform FOTC under the wise leadership of the SOM Chair.

VI. Conclusion

19. Korea has been honoured to serve as the Chair of the BMC for 2006, and I am honoured to have assumed the post. As this is my last report as the BMC Chair and I have been moved away from the APEC division to the WTO division, I would like to take this opportunity to express my appreciation to all Senior Officials, the Vice-Chair for the BMC, Mrs Nguyen Thi Hoang Thuy, and all BMC members for your co-operation and support this year. Without this, we could not have progressed. My thanks also go to Ambassador Tran Trong Tuan, Ambassador Colin Heseltine and all APEC Secretariat staff for their support and assistance.

20. Thank you for your attention.

Mrs Jenny Kim Hyo-Eun
BMC Chair 2006
November 2006



Asia-Pacific
Economic Cooperation

2006/CSOM/010anxA
Agenda Item: VIII

**Summary Conclusions of the APEC Budget and
Management Committee Meeting, APEC Secretariat,
Singapore, 10-12 October 2006**

Purpose: Information
Submitted by: BMC



**Concluding Senior Officials' Meeting
Ha Noi, Viet Nam
12-13 November 2006**

**Summary Conclusions of the
APEC Budget and Management Committee Meeting
APEC Secretariat, Singapore
10-12 October 2006**

Introduction

1. The APEC Budget and Management Committee (BMC) held its second 2006 meeting at the APEC Secretariat, Singapore, on 10-12 October 2006.
2. The meeting was attended by representatives from Australia; Brunei Darussalam; Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; the Philippines; the Russian Federation; Singapore; Chinese Taipei; Thailand; the United States of America; Viet Nam and the APEC Secretariat. The list of participants is at Annex 1.
3. The meeting was chaired by Mrs Jenny Kim Hyo-Eun of the Ministry of Foreign Affairs of the Republic of Korea.

Agenda Item 1: Adoption of Agenda

4. The meeting adopted the Agenda as at Annex 2. The order was rearranged to discuss the 2007 APEC Support Fund projects immediately after those of the Operational Account.

Agenda Item 2: Business Arrangements and Program

5. The meeting agreed the business arrangements and program as set out in 2006/BMC2/002, with the exception that to accommodate the schedule of the Viet Nam Senior Official the lunch on the first day was hosted by Viet Nam and on the second day by Korea.

Agenda Item 3: Overview from the Secretariat by the Executive Director

6. The Executive Director reported on recent developments as set out in 2006/BMC2/003.
 - He requested Members to be prompt in the payments of their annual contributions and warned of the consequences if they were not. Members had requested the Secretariat to prepare the Administrative Account budget on a strict net basis without contingencies. This could be undermined by late payments.
 - He explained the difficulties which had led to the adjustments requested to the 2006 Administrative Account. However, he noted that with increases in interest income the result was a reduction in net demands.

- He reported that there had been no response from member economies to the request to second a person as Director (IT) when the present incumbent from Korea left. It was therefore necessary to include provision for the post in the 2007 Administrative Account. He added that under the APEC reform process Senior Officials were in the final stages of agreeing the position of Chief Operating Officer (COO) to strengthen the corporate management of the Secretariat. It was prudent therefore to include funding for this post in the 2007 Administrative Account budget – if approved though, funding would require full utilization of the previously agreed SOM Contingency Fund.
 - As part of APEC reform the Secretariat had set up Project Assessment Teams to further the work of the SCE and CTI on providing policy direction and to ensure better quality projects. The teams had prepared evaluation matrices to assist the BMC in coming to decisions on the approval of projects. He noted that there was an excess of funding requested over that available.
 - He welcomed the additional funding being offered and under discussion for the APEC Support Fund and reiterated the appeal for additional contributions to the TILF Special Account.
 - He reported on the development of the APEC Information Management Portal (AIMP). Within this the Project Database would be of particular interest to members but will require some changes to the way the BMC considers projects.
7. The BMC Chair thanked the Executive Director for his overview report and noted that APEC reform was a continuous process. She encouraged all member economies to participate fully in the important discussions ahead. The meeting noted and welcomed the overview report.

Agenda Item 4: BMC and the APEC Reform Process

8. The Executive Director introduced paper 2006/BMC2/004. The paper set out the recommendations of the Reform Friends of the Chair (Reform FOTC) which had received broad consensus from Senior Officials (through paper 2006/SOM3/002), with the exception of the recommendation regarding a term Executive Director.
9. The discussion centred on the position of the *Chief Operating Officer (COO) post*. A draft job description was at the annex to paper 2006/BMC2/004 and a draft organization chart of the APEC Secretariat, including the COO was tabled as an aid to discussion. (The draft organization chart is placed on the BMC ACS site for Members' reference.) The Executive Director indicated that should Senior Officials revisit the position of the COO and in the end decide not to approve it, then the provision for the post in the 2007 Administrative Account budget would be deleted from the budget to be submitted to Ministers for approval. BMC members were requested to give their advice to Senior Officials on the job description; it would be up to Senior Officials to make the decision on whether or not to have the post. The Philippines though expressed its reservation on the BMC consideration of the Terms

of Reference of the COO as there was no clear mandate from SOM3 on this subject. Other members noted though that broad consensus had been reached at SOM3.

10. Members agreed that in discussing the COO post its approval status would be set aside and the focus would be on offering advice to Senior Officials, without prejudicing their discussion. Members considered it would be useful for Senior Officials to be provided with a paper further outlining the benefits. Members noted that the US\$150,000 provision was for a locally engaged package, but requested more information on how the figure was arrived at and what was included. Bearing in mind the cost of the proposal, Members considered that the position should be reviewed after 3 years.
11. Members considered the financial implications of approving the post. They noted from the forecast of expenditure (paper 2006/BMC2/020) that under existing planned resources, funding for the COO post was sustainable to 2009. This was only achievable though through utilizing the money which had previously been set aside as the SOM Contingency Fund. Under present projections funding would not be able to extend to 2010 or beyond, unless there was an increase in Members' contributions or a reduction in the value of Operational Account projects. One additional consequence to bring to Senior Officials' attention was that no further 'professionalisation' of the APEC Secretariat (beyond the Director (IT) and COO posts) would be possible under APEC reform without an increase in Members' contributions. Members agreed that this should be one of the factors to be considered by the BMC in 2007 when considering the contribution levels for 2009 and beyond.
12. Regarding the draft job description, Members considered that the word 'strategic' should be understood in the context of ED and DED providing strategic direction to the APEC Secretariat. The COO should be seen as coordinating APEC Secretariat activity. Members agreed that there should be a greater focus in the job description on human resource development. Members considered that the COO should have a role in project administration, including membership of the project assessment panels, but that policy aspects and liaison with the APEC fora would remain matters for Program Directors (PDs). Members agreed that the Secretariat organization chart should show the ED and DED providing line authority to PDs. The APEC Secretariat had engaged a consultant to advise on staffing matters and she would also provide advice on the structure of the APEC Secretariat with the post of COO in place.
13. The Chair suggested and Members agreed that the Secretariat should prepare a paper reflecting relevant comments in the BMC's discussion on APEC reform to the Chair of the Reform FOTC, copied to BMC members, requesting him to circulate the letter to Senior Officials so as to inform their discussion at CSOM. In the letter the Secretariat would provide an elaboration of the cost-effectiveness of the COO post and its financial implications; and include a revised job description and organization chart, taking into account Members' comments.
14. On other areas of APEC reform, Members agreed that it was vital to *strengthen operational linkages*. In the area of projects this would avoid duplication and encourage collaboration. Members reflected on *calendar reform* and the timing of

BMC2. They came to the conclusion that on balance the revised timing of BMC2 coming after SCE3/SOM3 was appropriate. It enabled projects to be developed closer to implementation and allowed for policy scrutiny by SCE. Members requested that project deadlines be adhered to. they noted that after the Project Database was deployed there would be less of a problem as projects could be tracked by members from project inception and through to evaluation.

Agenda Item 5: ISO Issues and Report on Complaints Received by the Secretariat

15. The meeting noted with approval the progress made by the Secretariat in meeting its performance targets, as reported in 2006/BMC2/005. Members were very appreciative of the proposals to raise the targets. The meeting noted with appreciation the amount of work required to maintain the ISO 9001:2000 accreditation and the achievement of the targets.

Agenda item 6: Communications and Outreach

16. The meeting noted the presentation by the Director of Communications & Public Affairs in paper 2006/BMC2/006. They were impressed by the reach of the website and noted that improvements were scheduled after AELM to avoid possible disruptions at a time of maximum usage. The APEC Secretariat would consider the possibility of preparing a publications database.

Agenda Item 7: Project Management and Evaluation Matters

(A) *Progress of Committee/Working Group Projects (including Self-Funded Projects)*

(i) *Progress Reports for Ongoing Projects*

17. The meeting noted the report in paper 2006/BMC2/007.

(ii) *Evaluation Reports and Outcomes of BMC Small Groups*

18. The meeting noted the report in paper 2006/BMC2/008.

(iii) *Completed Projects without Evaluation Reports*

19. The meeting noted that there had been improvements in the compliance rate to 52.8%, as reported in paper 2006/BMC2/009, in the completion of evaluation reports. There was a long way to go before 100% could be reached – that it had been reached in three APEC fora proved that it was possible. Members also noted that compliance had increased after the posting of the first version of the paper. While the simplified format of the evaluation reports should make it simpler to complete it was surprising that many POs still filled in the old format. Members endorsed the importance of fora completing the evaluation process for projects: it was useful in assessing new projects, especially where one project was the follow- on to another.

(B) *Amendment to the “Guidebook on APEC Projects”*

20. The meeting noted that no further amendments to the 6th edition of the *Guidebook on APEC Projects* were required. [Post-meeting note: Members approved intersessionally a minor amendment to chapter 6.7 (c) of the guidebook to spell out the justifications required for the award of a contract below US\$20,000 without a tender.]

Agenda Item 8: 2006 Budget

(A) *Report on Business Transacted Intersessionally*

21. The meeting noted the report in paper 2006/BMC2/011

(B) *Adjustments to the 2006 Administrative Account*

22. The meeting discussed paper 2006/BMC2/012 and noted as factors necessitating adjustments: the rise in the Singapore dollar; the increases in travel expenditure caused by unexpectedly high rates charged for hotels at the SOMs (slightly offset by lower airfares); increase in professional fees to cover bringing forward a study on the APEC Secretariat staffing structure; the higher audit fees which the BMC Chair had reported at SOM2; and the increase in energy charges. Members noted the areas in which reductions in expenditure were possible and the rise in interest income. The result was that net expenditure in 2006 would be confined to US\$1,979,195 against the US\$2,100,650 originally proposed. Members noted that the reserves would increase as a result. Members approved the adjustments as at Annex 3.

23. Members approved the permanent post of IT Portal Administrator as set out in paper 2006/BMC2/024.

(C) *2006 Operational Account – Status of Disbursements, Reprogramming and Requests for Urgent Funding*

24. The meeting noted in paper 2006/BMC2/013 the disbursement status of projects and the position regarding the uncommitted reserves in the combined Operational and Administrative Accounts.

(D) *2006 TILF Special Account – Status of Disbursements, Reprogramming and Requests for Urgent Funding*

25. The meeting noted in paper 2006/BMC2/014 the disbursement status of projects and the position regarding the uncommitted reserves in the TILF Special Account.
26. The meeting approved the extension of disbursement deadlines for CTI 12/2004T to 31 December 2007 (no further application for extension would be approved for this project); CTI 19/2005T to 30 June 2007; and TPT 02/2004T to 31 December 2006; and the reprogramming request for TP 01/2006T.

(E) 2006 APEC Support Fund Account – Status of Disbursements, Reprogramming and Requests for Urgent Funding

27. The meeting noted in paper 2006/BMC2/023 the disbursement status of projects and the position regarding the uncommitted reserves in the APEC Support Fund.

Agenda Item 9: 2007 Budget

(A) 2007 Administrative Account Budget

28. The meeting discussed paper 2006/BMC2/015 and approved the 2007 Administrative Account budget as at Annex 4. Members noted that the budget had been prepared as requested in a functional manner on a strict basis without contingencies. An exchange rate of US1 = S\$1.55 had been applied. Members noted that if Senior Officials did not approve the COO post the provision requested (US\$150,000) would be removed from the budget to be presented via CSOM to Ministers for approval.

Project Assessment Process

29. The APEC Secretariat explained the assessment process which had been used to prepare the evaluation matrices for projects from Working Groups and Task Forces requesting funding from the Operational Account, APEC Support Fund and the TILF Special Account. The priority areas had been identified by the SCE and the projects evaluated for quality by Project Assessment teams in the APEC Secretariat. The resulting matrices were to assist the BMC in approving or rejecting projects. (Paper 2006/BMC2/025) The Secretariat worksheets were also attached for Members' information.
30. The assessment process for CTI projects was described in Annex 1 to 2006/BMC2/017. The CTI members had ranked the projects: the top 20% were judged to be high priority items and the bottom 20% were judged to be low priority items.
31. The Secretariat and Members noted that some project proposals had been prepared without full consultation with other relevant APEC fora. Members requested fora and project proponents to ensure that full consultation was carried out at the early stages of the development of the project. As members had discussed under APEC reform it was important to improve operational linkages. Members requested APEC fora to rank proposals requesting funding from the Operational Account or APEC Support Fund together.

(B) 2007 Operational Account Budget

32. The meeting endorsed the proposal from the Chair to set aside at least 25% of the available funding for 2007 urgent projects (US\$575,000 out of US\$2,300,000 (commitment)).

33. Members discussed the continued utility of the cap of US\$300,000 for each forum to present proposals to BMC2 for Operational Account funding. Members noted that under the new project approval system priority policy areas for funding would be decided by SCE. Members agreed therefore that the rationale for maintaining the cap was no longer evident and APEC fora could present project proposals without such a cap- as was already the case for proposals seeking funding from the TILF Special Account and the APEC Support Fund. In deciding to remove the cap, Members took into consideration the possibility of distortions that might arise from a forum putting forward a single high cost project or a disproportionate number of projects. Members agreed that the Secretariat and the SCE would determine whether the amount sought by and/or the number of projects from a particular forum was commensurate with the importance and quality of these projects, based on the criteria for the assessment of projects.
34. Members noted that the value of the projects proposed for funding in paper 2006/BMC2/016 from the Operational Account was slightly in excess of this agreed value. The meeting agreed to follow the evaluation matrices prepared by the Secretariat with equal priority afforded to Ministers' priority items and sectoral Ministers' priority items. Members agreed as a matter of principle not to fund any projects assessed as low quality. Such projects would only be considered if revised proposals were received which raised the quality level sufficiently.
35. The decisions of the meeting on the 2007 Operational Account projects are at Annex 5.
36. In relation to CTI 01/2007, Members requested the SCCP to review the utility of the publication. It appeared that the substantive information was already included in the annual CTI report.

(D) 2007 APEC Support Fund Budget

37. Members agreed to discuss this item in paper 2006/BMC2/018 rev2 before the TILF Special Account as the criteria for approval were similar to those for the Operational Account. Projects should be ranked together with those seeking funding from the Operational Account. Members noted that the APEC Support Fund had attracted new donations and that further MOUs preparatory to donating funds were under discussion. Members noted that a sub-fund for human security projects had been established and that a sub-fund for projects relating to avian influenza and other pandemics would shortly be established. Projects under the APEC Support Fund at present should focus on providing capacity building for developing economies, be of high quality and will be subject to a rigorous evaluation process. Members agreed to follow the same procedure as for the Operational Account in considering projects.
38. The meeting recommended approval of the 2007 APEC Support Fund projects as at Annex 6. For projects assessed as B project proponents should prepare revised project proposals by **Wednesday 18 October 2006**. The Secretariat would then prepare a revised evaluation of the projects and send the projects the next day to BMC

members for consideration by Wednesday 25 October 2006. [Post-meeting note: the projects as revised were approved and the final Annex is attached.]

(C) 2007 TILF Special Account Budget

39. Members expressed their appreciation to Japan for its 2006 contribution to the TILF Special Account. The Affordable Level of Expenditure for 2007 TILF Special Account projects had been agreed by SOM at US\$4,500,000. Members endorsed the proposal from the Chair to follow past precedent and set aside at least 15% for urgent 2007 projects. Members noted that over time it would be preferable to adjust this ratio to permit more projects to be funded at BMC1, towards 30% or more.
40. Members noted that the value of the projects proposed for funding in paper 2006/BMC2/017rev2 from the TILF Special Account was in excess of this Affordable Level of Expenditure. The meeting agreed to follow the evaluation matrices prepared by the Secretariat, with priority to be afforded to CTI projects over projects from Working Groups/Task Forces. High priority, high quality projects from CTI would be considered before high priority, high quality projects from the latter, and so on. As with Operational Account projects Ministers' priority items and sectoral Ministers' priority items would be taken together. Members agreed that the top priority would be afforded to SOM01/2007T, the IAP Peer Review project which was subscribed to by all economies as a major deliverable for each year. Members agreed as a matter of principle not to fund any projects assessed as low quality. Such projects would only be considered if revised proposals were received which raised the quality level sufficiently.
41. The meeting discussed paper 2006/BMC2/017rev2 and recommended approval of the 2007 TILF Special Account projects as at Annex 7. For projects assessed as B project proponents should prepare revised project proposals by Wednesday 18 October 2006. The Secretariat would then prepare a revised evaluation of the projects and send the projects the next day to BMC members for consideration by Wednesday 25 October 2006. [Post-meeting note: the revised project was approved and the final Annex is attached.]

(E) Members' Contributions for 2007

42. The meeting considered paper 2006/BMC2/019 and agreed to recommend that the APEC Members' contributions to the APEC Central Fund for 2007 should revert to the aggregate level for 1998 as recommended by the 2005 Reform FOTC. These are set out as at Annex 8.

Agenda Item 10: Forecast of the Operational and Administrative Accounts 2008-2010

43. The meeting noted paper 2006/BMC2/020. Members noted that total contribution levels had been assumed from 2007 to revert back to the 1998 level, as proposed by the 2005 Reform FOTC. No further increases had been assumed.

Agenda Item 11: APEC Intellectual Property Policy

44. The meeting noted that, under the approved intellectual property policy, the APEC Secretariat had signed a host economy agreement with Australia for 2007. With the experience gained in this exercise the template for the host economy agreements had been slightly modified and would be circulated to members for information. The APEC Secretariat would soon start discussions with Peru for a host economy agreement covering the 2008 APEC year.

Agenda Item 12: APEC Information Management Portal (AIMP)

45. The Secretariat briefed the meeting on the progress of the AIMP with a special emphasis on the Project Database (PDB) through paper [2006/BMC2/022](#). It was envisaged that the PDB would be trialed in selected APEC fora for the presentation of projects at BMC1 in 2007 and its use would be required for projects to be presented at BMC2 in 2007 and thereafter. Project proponents could use their passwords as APEC fora members to initiate proposals: if they were not APEC fora members the Secretariat IT Portal Administrator would provide a password on the endorsement of the economy AIMP point of contact. Members noted the potential of the PDB in assisting the project process from application through approval and implementation to evaluation.

Agenda Item 13: Chair and Vice-Chair for 2007

46. Viet Nam and Australia confirmed that they would assume the posts of Chair and Vice-Chair of the BMC respectively in 2007.

Agenda Item 14: Dates of 2007 Meetings

47. The meeting agreed that provisionally, the BMC meetings would be held on 7-8 March 2007 and 31 July to 2 August 2007. The early first meeting would allow for projects to be considered at BMC1 without the necessity of intersessional consideration. The date of the second meeting took account of the dates of SOM3 and CSOM. However, interactions with the Finance Ministers meeting scheduled around that time may have to be considered.

Agenda Item 15: Any Other Business

48. At the conclusion of the decision process on projects Members agreed that it would be desirable to review the assessment process to make the ranking process by the CTI and the SCE categorization process by priorities more compatible. Members also requested the Secretariat to develop in conjunction with the SCE more focused priorities for SCE categorization. Members noted that this observation had been included in the recommendations to SCE. Members noted that urgent projects from Working Groups and Task Forces would first require to be categorized by SCE, either at SCE1 or inter-sessionally. Members requested that the priority areas should be adjusted to reflect the urgency criterion.

49. One other suggestion from members to help standardize the project process and to get better quality projects was for the Secretariat to develop a QAF for TILF projects, building on that for the ECOTECH projects but with appropriate modifications. There was a plea from one member that economies work together to develop projects that would assist the ordinary people in the APEC community.
50. Members suggested that the Secretariat could improve the evaluation matrix by identifying projects where the major problem was related to the budget (including from which account the project funding was sought) and those which had problems primarily related to quality. Members also suggested that within each box in the evaluation matrix projects should be listed by overall score, rather than semi-alphabetically. Members added that it would be transparent and aid the submission of better quality projects if the Secretariat could provide some pointers for projects which had not been approved. [Post-meeting note: These pointers were uploaded onto the BMC ACS on 25 October 2006.]
51. The Secretariat undertook to follow up on these suggestions from Members.

Agenda Item 16: Document Classification List

52. The classification list is at Annex 9.
(Note: documents containing budgetary information will be made publicly accessible only after the endorsement of the relevant budgets by Ministers.)

Agenda Item 17: Approval of the Summary Conclusions of the Meeting

53. The meeting approved these summary conclusions for the Chair's transmission to Senior Officials. The meeting thanked the Chair for the leadership she had provided to the meeting.

APEC Secretariat
October 2006

Proposed Adjusted 2006 Administrative Account

	Approved Budget as at 31 Jul 2006 US\$	Actual Exp as at 31 Jul 2006 US\$	Proposed Adjustment US\$	Proposed Adjusted Budget US\$
(1) <u>TRAINING/SEMINARS</u>				
1.1 Course fees, registration fees and related items	10,000	6,801.67	-	10,000
(2) <u>PUBLISHING/COMMUNICATIONS</u>				
2.1 <u>Publishing</u>				
2.1.1 Publication of APEC Literature (e.g. APEC Brochure)	55,000	1,622.43	-	55,000
2.1.2 Publication of APEC Committee Reports	45,000	0.00	(5,000)	40,000
	100,000	1,622.43	(5,000)	95,000
2.2 <u>Communications</u>				
2.2.1 Website Redevelopment and Electronic Publishing	57,000	0.00	-	57,000
2.2.2 Support for media and outreach programs	32,000	3,000.68	(12,000)	20,000
	89,000	3,000.68	(12,000)	77,000
2.3 <u>Salaries and Bonus</u>	275,600	133,308.21	(6,500)	269,100
Total for Publishing/Communications expenditure	464,600	137,931.32	(23,500)	441,100
(3) <u>LIBRARY</u>				
3.1 Subscriptions (e.g. newspapers, journals, etc)	2,000	1,255.78	-	2,000
3.2 General reference books/Encyclopedia	1,500	584.29	-	1,500
3.3 Databases (electronic information)	13,000	9,866.39	2,000	15,000
	16,500	11,706.46	2,000	18,500
(4) <u>PUBLIC RELATIONS</u>				
4.1 Official functions/receptions	12,000	90.32	-	12,000
4.2 Meetings at the Secretariat	6,000	954.22	-	6,000
4.3 Exhibitions/APEC Promotional items	5,000	2,260.05	-	5,000
	23,000	3,304.59	-	23,000
(5) <u>EQUIPMENT</u>				
5.1 Office Furniture and Equipment	15,000	8,328.26	(1,000)	14,000
5.2 Computer	33,500	6,739.52	(17,500)	16,000
5.3 Motor Vehicle	-	-	-	-
	48,500	15,067.78	(18,500)	30,000
(6) <u>TRAVEL</u>				
6.1 <u>Executive Director/Deputy Executive Director</u>				
6.1.1 SOM & Related Meetings, AMM, AELM	20,600	21,918.09	16,200	36,800
6.1.2 Ministerials, FMP and WGs	36,000	2,719.57	(28,200)	7,800
6.1.3 Outreach	24,000	24,759.05	4,100	28,100
	80,600	49,396.71	(7,900)	72,700
6.2 <u>Professional and Support Staff</u>				
6.2.1 SOM & Related Meetings, AMM, AELM	139,400	125,282.46	125,900	265,300
6.2.2 Ministerials, FMP and WGs	124,000	49,355.19	(35,500)	88,500
6.2.3 Outreach	42,000	21,580.15	(17,500)	24,500
	305,400	196,217.80	72,900	378,300
Total for Travel expenditure	386,000	245,614.51	65,000	451,000

Proposed Adjusted 2006 Administrative Account

	Approved Budget as at 31 Jul 2006 US\$	Actual Exp as at 31 Jul 2006 US\$	Proposed Adjustment US\$	Proposed Adjusted Budget US\$
(7) <u>PERSONNEL -SUPPORT STAFF</u>				
7.1 Recruitment costs	2,000	118.85	-	2,000
7.2 Insurance	25,000	21,329.69	-	25,000
	27,000	21,448.54	-	27,000
(8) <u>RESEARCH AND ANALYSIS</u>				
8.1 Research	2,000	0.00	(1,000)	1,000
(9) <u>ADMINISTRATIVE SUPPORT</u>				
9.1 <u>Communications</u>				
9.1.1 Fax charges	3,000	1,926.12	1,500	4,500
9.1.2 Telephone	22,000	7,765.40	(6,500)	15,500
	25,000	9,691.52	(5,000)	20,000
9.2 <u>Professional Fees</u>				
9.2.1 Audit fee	4,000	7,194.02	3,200	7,200
9.2.2 Legal & Professional fees	5,000	874.20	10,000	15,000
	9,000	8,068.22	13,200	22,200
9.3 <u>Maintenance/Insurance of Vehicles</u>				
9.3.1 Insurance	5,000	2,433.71	(1,500)	3,500
9.3.2 Vehicle running expenses	11,000	7,480.31	-	11,000
	16,000	9,914.02	(1,500)	14,500
9.4 <u>Stationery</u>				
9.4.1 Photocopying charges and paper	4,000	2,658.62	-	4,000
9.4.2 Printed stationery and others	7,000	5,098.77	1,000	8,000
	11,000	7,757.39	1,000	12,000
9.5 <u>Postage and courier charges</u>	30,000	17,209.84	-	30,000
9.6 <u>Office and Building maintenance</u>				
9.6.1 Office supplies	2,100	153.90	(1,000)	1,100
9.6.2 Office maintenance	52,000	22,441.38	(2,000)	50,000
9.6.3 Utilities	64,000	47,212.34	16,000	80,000
9.6.4 Insurance	4,000	625.94	-	4,000
9.6.5 Building maintenance & security charges	60,000	34,460.01	(1,000)	59,000
	182,100	104,893.57	12,000	194,100
9.7 <u>Others</u>				
9.7.1 Local transport, overtime meals, etc.	5,000	2,508.98	-	5,000
9.7.2 Bank Charges	10,000	6,361.56	-	10,000
9.7.3 Other Expenses	700	313.07	-	700
9.7.4 Staff Welfare	5,000	375.99	-	5,000
	20,700	9,559.60	-	20,700
9.8 <u>Salaries and Bonus</u>				
9.8.1 Administration	383,200	210,834.52	33,700	416,900
9.8.2 Project Management	289,300	140,498.14	(20,600)	268,700
	672,500	351,332.66	13,100	685,600
Total for Administrative Support expenditure	966,300.00	518,426.82	32,800	999,100

Proposed Adjusted 2006 Administrative Account

	Approved Budget as at 31 Jul 2006 US\$	Actual Exp as at 31 Jul 2006 US\$	Proposed Adjustment US\$	Proposed Adjusted Budget US\$
(10) INFORMATION TECHNOLOGY				
10.1 <u>Operational Costs</u>				
10.1.1 Telecommunications lines and service charges	55,000	20,166.30	(14,000)	41,000
10.1.2 Maintenance of Hardware	49,700	22,299.54	(5,000)	44,700
10.1.3 Maintenance of Software	6,300	-	-	6,300
10.1.4 Others	29,000	-	(19,000)	10,000
	140,000	42,465.84	(38,000)	102,000
10.2 <u>Development Costs</u>				
10.2.1 New Projects	15,000	5,000.00	-	15,000
10.2.2 Upgrading	20,000	-	(5,000)	15,000
	35,000	5,000.00	(5,000)	30,000
10.3 <u>Miscellaneous Expenses</u>				
10.3.1 Computer accessories, CD Rom, etc.	6,500	1,811.94	(1,000)	5,500
10.4 <u>Salaries and Bonus</u>	106,700	66,031.77	28,800	135,500
Total for IT expenditure	288,200	115,309.55	(15,200)	273,000
Total :	2,232,100	1,075,611.24	41,600	2,273,700

Estimated 2006 Administrative Account: Income

	Original Estimate US\$	Actual Income as at 31 Jul 2006 US\$	Proposed Adjustment US\$	Revised Estimate US\$
(i) Publications	(5,500)	(4,471)	-	(5,500)
(ii) Bank interest	(82,000)	(113,627)	(118,000)	(200,000)
(iii) ASF Management Fee	(38,950)	(50,000)	(49,555)	(88,505)
(iv) Miscellaneous	(5,000)	(354)	4,500	(500)
Total Estimated Income	(131,450)	(168,453)	(163,055)	(294,505)
NET ESTIMATED BUDGET	2,100,650	907,159	(121,455)	1,979,195

Proposed 2007 Administrative Account

	Approved Budget as at 31 July 2006 US\$	Adjusted 2006 Budget if approved US\$	Proposed Adjustment US\$	Proposed 2007 Budget (US\$)
(1) <u>TRAINING/SEMINARS</u>				
1.1 Course fees, registration fees and related items	10,000	10,000	-	10,000
(2) <u>PUBLISHING/COMMUNICATIONS</u>				
2.1 <u>Publishing</u>				
2.1.1 Publication of APEC Literature (e.g. APEC Brochure)	55,000	55,000	-	55,000
2.1.2 Publication of APEC Committee Reports	45,000	40,000	-	40,000
	100,000	95,000	-	95,000
2.2 <u>Communications</u>				
2.2.1 Website Redevelopment and Electronic Publishing	57,000	57,000	-	57,000
2.2.2 Support for media and outreach programs	32,000	20,000	-	20,000
	89,000	77,000	-	77,000
2.3 <u>Salaries and Bonus</u>	275,600	269,100	19,600	288,700
Total for Publishing/Communications expenditure	464,600	441,100	19,600	460,700
(3) <u>LIBRARY</u>				
3.1 Subscriptions (e.g. newspapers, journals, etc)	2,000	2,000	-	2,000
3.2 General reference books/Encyclopedia	1,500	1,500	-	1,500
3.3 Databases (electronic information)	13,000	15,000	-	15,000
	16,500	18,500	-	18,500
(4) <u>PUBLIC RELATIONS</u>				
4.1 Official functions/receptions	12,000	12,000	-	12,000
4.2 Meetings at the Secretariat	6,000	6,000	-	6,000
4.3 Exhibitions/APEC Promotional items	5,000	5,000	-	5,000
	23,000	23,000	-	23,000
(5) <u>EQUIPMENT</u>				
5.1 Office Furniture and Equipment	15,000	14,000	-	14,000
5.2 Computer	33,500	16,000	17,500	33,500
5.3 Motor Vehicle	-	-	-	-
	48,500	30,000	17,500	47,500
(6) <u>TRAVEL</u>				
6.1 <u>Executive Director/Deputy Executive Director</u>				
6.1.1 SOM & Related Meetings, AMM, AELM	20,600	36,800	41,600	78,400
6.1.2 Ministerials, FMP and WGs	36,000	7,800	21,200	29,000
6.1.3 Outreach	24,000	28,100	3,400	31,500
	80,600	72,700	66,200	138,900
6.2 <u>Professional and Support Staff</u>				
6.2.1 SOM & Related Meetings, AMM, AELM	139,400	265,300	124,500	389,800
6.2.2 Ministerials, FMP and WGs	124,000	88,500	10,000	98,500
6.2.3 Outreach	42,000	24,500	(4,500)	20,000
	305,400	378,300	130,000	508,300
Total for Travel expenditure	386,000	451,000	196,200	647,200

Proposed 2007 Administrative Account

	Approved Budget as at 31 July 2006 US\$	Adjusted 2006 Budget if approved US\$	Proposed Adjustment US\$	Proposed 2007 Budget (US\$)
(7) <u>PERSONNEL -SUPPORT STAFF</u>				
7.1 Recruitment costs	2,000	2,000	-	2,000
7.2 Insurance	25,000	25,000	-	25,000
	27,000	27,000	-	27,000
(8) <u>RESEARCH AND ANALYSIS</u>				
8.1 Research	2,000	1,000	1,000	2,000
(9) <u>ADMINISTRATIVE SUPPORT</u>				
9.1 <u>Communications</u>				
9.1.1 Fax charges	3,000	4,500	-	4,500
9.1.2 Telephone	22,000	15,500	-	15,500
	25,000	20,000	-	20,000
9.2 <u>Professional Fees</u>				
9.2.1 Audit fee	4,000	7,200	300	7,500
9.2.2 Legal & Professional fees	5,000	15,000	20,000	35,000
	9,000	22,200	20,300	42,500
9.3 <u>Maintenance/Insurance of Vehicles</u>				
9.3.1 Insurance	5,000	3,500	-	3,500
9.3.2 Vehicle running expenses	11,000	11,000	1,000	12,000
	16,000	14,500	1,000	15,500
9.4 <u>Stationery</u>				
9.4.1 Photocopying charges and paper	4,000	4,000	-	4,000
9.4.2 Printed stationery and others	7,000	8,000	(1,000)	7,000
	11,000	12,000	(1,000)	11,000
9.5 <u>Postage and courier charges</u>	30,000	30,000	(10,000)	20,000
9.6 <u>Office and Building maintenance</u>				
9.6.1 Office supplies	2,100	1,100	-	1,100
9.6.2 Office maintenance	52,000	50,000	(5,000)	45,000
9.6.3 Utilities	64,000	80,000	-	80,000
9.6.4 Insurance	4,000	4,000	-	4,000
9.6.5 Building maintenance	60,000	59,000	6,000	65,000
9.6.6 Security charges	-	-	30,000	30,000
	182,100	194,100	31,000	225,100
9.7 <u>Others</u>				
9.7.1 Local transport, overtime meals, etc.	5,000	5,000	-	5,000
9.7.2 Bank Charges	10,000	10,000	-	10,000
9.7.3 Other Expenses	700	700	-	700
9.7.4 Staff Welfare	5,000	5,000	-	5,000
	20,700	20,700	-	20,700
9.8 <u>Salaries and Bonus</u>				
9.8.1 Administration *	383,200	416,900	160,800	577,700
9.8.2 Project Management	289,300	268,700	37,500	306,200
	672,500	685,600	198,300	883,900
Total for Administrative Support expenditure	966,300	999,100	239,600	1,238,700

Proposed 2007 Administrative Account

	Approved Budget as at 31 July 2006 US\$	Adjusted 2006 Budget if approved US\$	Proposed Adjustment US\$	Proposed 2007 Budget (US\$)
(10) <u>INFORMATION TECHNOLOGY</u>				
10.1 <u>Operational Costs</u>				
10.1.1 Telecommunications lines and service charges	55,000	41,000	4,000	45,000
10.1.2 Maintenance of Hardware	49,700	44,700	-	44,700
10.1.3 Maintenance of Software	6,300	6,300	-	6,300
10.1.4 Others	29,000	10,000	10,000	20,000
	140,000	102,000	14,000	116,000
10.2 <u>Development Costs</u>				
10.2.1 New Projects	15,000	15,000	-	15,000
10.2.2 Upgrading	20,000	15,000	5,000	20,000
	35,000	30,000	5,000	35,000
10.3 <u>Miscellaneous Expenses</u>				
10.3.1 Computer accessories, CD Rom, etc.	6,500	5,500	-	5,500
10.4 <u>Salaries and Bonus **</u>	106,700	135,500	135,600	271,100
Total for IT expenditure	288,200	273,000	154,600	427,600
Grand Total :	2,232,100	2,273,700	628,500	2,902,200

Estimated 2007 Administrative Account: Income

	Original Estimate US\$	Revised Estimate US\$	Proposed Adjustment US\$	Proposed 2007 Estimate US\$
(i) Publications	(5,500)	(5,500)	-	(5,500)
(ii) Bank interest	(82,000)	(200,000)	-	(200,000)
(iii) ASF Management Fee	(38,950)	(88,505)	-	(88,505)
(iv) Miscellaneous	(5,000)	(500)	-	(500)
Total Estimated Income	(131,450)	(294,505)	-	(294,505)
NET ESTIMATED BUDGET	2,100,650	1,979,195	628,500	2,607,695

* include Chief Operating Officer's annual salary of US\$150,000

** include Director (IT)'s annual salary of US\$110,000

There is no provision possible for the SOM Contingency Fund.

2007 OPERATIONAL ACCOUNT : DECISIONS ON PROJECT PROPOSALS**(I) WORKING GROUPS****AGRICULTURAL TECHNICAL COOPERATION**

1. Application of New Technologies to Improve and Harmonise Training Standards in the Management of Fresh Post-Harvest Quality of Fruit and Vegetables in Developing APEC Economies
2. Enhance capacity of small and medium enterprises in agricultural sector of APEC Economies
3. AFAS 2007 Symposium – A Methodology for Implementing ISPM 15 (Transfer from TILF- ATC 01/2007T)

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	224,760		224,760	
ATC 02/2007	101,000	A	101,000	1
ATC 05/2007	63,150	A	63,150	2
ATC 08/2007	60,610	A	60,610	3

ENERGY

1. Operation of APEC Energy Data and Analysis
2. APEC 21st Century Renewable Energy Development Initiative (Collaborative VIII): Workshop on Recent Advances in Utility Based Financial Mechanisms that Support Renewable Energy & Energy Efficiency
3. Application of Energy Indicator Analysis in APEC Economies
4. APEC 21st Century Renewable Energy Development Initiative (Collaborative I): Workshop on Best Practices in Energy Efficiency & Renewable Energy in Buildings
5. Lessons Learned in Upgrading & Refurbishing Older Coal Fired Power Plants: A Best Practice Guide for APEC Developing Economies
6. Environmental Monitoring for Coal-Fired Power Plants in Developing Asian APEC Economies

	300,000		300,000	
EWG 01/2007	20,000	A	20,000	
EWG 02/2007	50,000	A	50,000	
EWG 03/2007	50,000	A	50,000	
EWG 04/2007	50,000	A	50,000	
EWG 05/2007	80,000	A	80,000	
EWG 06/2007	50,000	A	50,000	

FISHERIES

1. Implementation of Bali Plan of Action - Regional stock take (gap analysis) of current situation compared with Ministers' objectives
2. Assessment of Impacts of IUU fishing in Asia-Pacific (Transfer from TILF-FWG 01/2007T)

	145,000		145,000	
FWG 01/2007	75,000	A	75,000	
FWG 02/2007	70,000	A	70,000	

HUMAN RESOURCES DEVELOPMENT

1. APEC Conference on Evaluation as a Tool in Educational Planning: Best Practices in Evaluation of Educational Programs
2. Collaborative Studies on Innovations for Teaching and Learning Mathematics in Different Cultures (II) - Lesson Study focusing on Mathematical Thinking
3. Workshop cum Dialogue Session on Developing Key Performance Indicators and Productivity/Performance Benchmarks for Performance-based Remuneration Systems
4. Open Distance Education (ODE) for Greater Equity and Access among Poor and Rural Communities
5. APEC Training of Trainers in Problem-Based Learning (PBL) Approach

	290,240		209,240	
HRD 01/2007	49,950	A	49,950	4
HRD 02/2007	67,880	A	67,880	5
HRD 03/2007	55,820	A	55,820	6
HRD 04/2007	81,000	C	0	
HRD 05/2007	35,590	A	35,590	7

2007 OPERATIONAL ACCOUNT : DECISIONS ON PROJECT PROPOSALS**INDUSTRIAL SCIENCE & TECHNOLOGY**

1. Operation of APEC Climate Center for Climate Information Services
2. Roadmapping Converging Technologies to Combat Emerging Infectious Diseases
3. APEC Biotechnology Conference-Policy and Strategy
4. APEC Workshop on Participation of Women and Ethnic Communities in the S&T Workforce

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	258,005		119,000	
IST 01/2007	59,000	A	59,000	8
IST 02/2007	124,005		Transferred to ASF	
IST 03/2007	15,000	C	0	
IST 04/2007	60,000	A	60,000	9

MARINE RESOURCE CONSERVATION

1. Tsunami Preparedness and Resilience through Research, Extension, Education and Training
2. Understanding the economic benefits and costs of controlling marine debris in the APEC region
3. Marine Ecosystem Identification and Mapping in the Asia-Pacific Region
4. Satellite Application in Knowledge-based Economies (SAKE 2007)
5. Development of an APEC Strategy on Sustainable Aquaculture (Transfer from TILF-MRC 01/2007T)

	262,718		232,718	
MRC 01/2007	30,000		Transferred to ASF	
MRC 02/2007	38,000	A	38,000	
MRC 03/2007	19,128	A	19,128	10
MRC 05/2007	49,390	A	49,390	11
MRC 06/2007	126,200	A	126,200	12

TELECOMMUNICATIONS

1. Information Security Certifications Assessment Guide
2. Voice over IP (VoIP) Security Guidelines

	100,000		20,000	
TEL 01/2007	20,000	A	20,000	
TEL 02/2007	80,000	C	0	

TRADE PROMOTION

1. Best Practices for SME's Internationalization (Transfer from TILF-TP 04/2007T)

	58,120.00		58,120.00	
TP 01/2007	58,120.00	A	58,120.00	13

TRANSPORTATION

1. Intermodal Sills Seminar: Developing Core Competencies and Leadership Skills in Planning and Managing Intermodal Systems and Technology
2. Facilitation of International Shipping Project: Competition Policy Related to Liner Shipping
3. Land International Security and Commuters' Advocacy Protocol (LAND IS-CAP)

	290,128		129,500	
TPT 01/2007	49,500	C	0	
TPT 02/2007	129,500	A	129,500	14
TPT 03/2007	111,128	C	0	

(II) COMMITTEES**COMMITTEE ON TRADE & INVESTMENT**

1. Publication and Dissemination of the 2007 Blueprint for APEC SSCP
2. APEC Automotive Dialogue Road Safety Summit

	57,000		50,000	
CTI 01/2007	7,000	C	0	
CTI 02/2007	50,000	A	50,000	15

2007 OPERATIONAL ACCOUNT : DECISIONS ON PROJECT PROPOSALS**(III) AD-HOC GROUPS/PROJECTS****ANTI CORRUPTION AND TRANSPARENCY EXPERTS TASK FORCE**

1. Capacity Building Workshop on Combating Corruption Related to Money Laundering
2. The Fight against Corruption is a Common International Responsibility : Strengthening the Cooperation Mechanisms in the Asia Pacific Region

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	165,930		0	
ACT 01/2007	91,565		Transferred to ASF	
ACT 02/2007	74,365		Transferred to ASF	

COUNTER-TERRORISM TASK FORCE

1. Fifth STAR Conference (STAR V)

	143,574		143,574	
CTTF 01/2007	143,574	A	143,574	

SENIOR OFFICIALS' MEETING

1. International Symposium on the Preparation for APEC Peru 2008

	58,763		58,763	
SOM 01/2007	58,763	A	58,763	16

TOTAL**2,354,238****1,690,675****Legend**

- A -Approved
- B -Tentatively Approved
- C -Returned

Notes:

	Project No.	Remarks /Waivers	Addition/(Deductions)	
				US\$
1.	ATC 02/2007	Approved. Waiver for advance payment of travel cost is approved. Advance payment for consultant fees is restricted to 25% of the total value of the contract Advance for honoraria to speakers is not allowed.		
2.	ATC 05/2007	Approved. Waivers for advance payment for travel costs, equipment rental and hosting costs, funding of travel costs for government officials are approved.		
3.	ATC 08/2007	Approved. Waivers for funding government officials as speakers and active participant and per diem for active participants from travel eligible economies are approved. PO to submit revised budget.		
4.	HRD 01/2007	Approved. Waiver for funding government officials from travel-eligible economies is approved.		
5.	HRD 02/2007	Approved. Waiver for funding travel costs of government officials is approved. Advance payments for report and dissemination including photocopying, and communications expenses are not allowed.		
6.	HRD 03/2007	Approved. Waiver for advance payment of travel costs for Consultants is approved. Advance payment for consultant fees is restricted to 25% of the total value of the contract.		
7.	HRD 05/2007	Approved. Waiver for funding of travel costs for participants from travel eligible economies is approved.		
8.	IST 01/2007	Approved. Waivers for funding government officials who are speakers/experts and non-member participation are approved.		
9.	IST 04/2007	Approved. Waiver for funding of travel costs for government officials and non-member participation are approved.		
10.	MRC 03/2007	Approved. Waivers for advance payment, funding of travel costs for government officials and per diem for active participants from travel-eligible economies are approved. Advance payment for Short term Clerical is restricted to 25% of the total value of the contract. Advance payment for publication is not allowed.		
11.	MRC 05/2007	Approved. Waiver for funding of government officials is approved. Photocopying cost is restricted to US\$2,000.		
12.	MRC 06/2007	Approved. Waivers for translators' fee, advance payment of travel costs and funding of government officials are approved.		

Notes:

	Project No.	Remarks /Waivers	Addition/(Deductions)	
				US\$
13.	TP 01/2007	Approved. Waiver for advance payment of airfare to organiser is approved.		
14.	TPT 02/2007	PO to submit revised budget.		
15.	CTI 02/2007	Approved. Waiver for advance payment is approved.		
16.	SOM 01/2007	Approved. Waivers for simultaneous interpretation, funding of government officials are approved.		

2007 APEC SUPPORT FUND : DECISIONS ON PROJECT PROPOSALS

ASF General Fund

(I) WORKING GROUPS

AGRICULTURAL TECHNICAL COOPERATION

1. Capacity Building in the Surveillance and Diagnosis of Leafminer, Whiteflies, Thrips and Mealybug pests in Developing APEC Economies for Improved Market Access (Year2)

2. Rural Environment and Solutions for Development of Sustainable Agriculture in Viet Nam and other APEC Economies

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	230,984		129,367	
ATC 01/2007A	152,284	A	PO submitted revised budget of US\$129,367 by 18 October 2006. BMC approved on 26 October 2006	1
ATC 07/2007A	78,700		Transferred to Operational Account but subsequently categorized as C	

ENERGY

1. Survey of Biomass Resource Assessments and Assessment Capabilities in APEC Economies.

2. APEC 21st Century Renewable Energy Development Initiative (Collaborative IX): Establishment of the Guidelines for the Development of Biodiesel Standards in the APEC Region.

3. Survey of Transport Efficiency Policies in APEC Economies

4. APEC 21st Century Renewable Energy Development Initiative (Collaborative IX): Alternative Transport Fuels—Implementation Guidelines

5. Establishment of an APEC Municipal Network to Promote Energy Efficient Buildings and Communities

6. Technology Status and Project Development Risks of Advanced Coal Power Generation Technologies in APEC Developing Economies

	330,000		280,000	
EWG 01/2007A	50,000	A	50,000	2
EWG 02/2007A	50,000	A	50,000	3
EWG 03/2007A	50,000	A	50,000	4
EWG 04/2007A	50,000	A	50,000	
EWG 05/2007A	50,000		Transferred to Operational Account but subsequently categorized as C	
EWG 06/2007A	80,000	A	80,000	

2007 APEC SUPPORT FUND : DECISIONS ON PROJECT PROPOSALS

HUMAN RESOURCES DEVELOPMENT

1. Increasing the Productivity of APEC Economies through High Performance Workplace Systems

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	24,000		24,000	
HRD 01/2007A	24,000	A	24,000	5

INDUSTRIAL SCIENCE & TECHNOLOGY

1. Human Capacity Building for Natural Resources Development and Its Environmental Impacts in APEC region
2. Training for Management and Technology of Industrial Waste Resources

	83,200		83,200	
IST 01/2007A	50,000	A	50,000	6
IST 02/2007A	33,200	A	33,200	7

MARINE RESOURCE CONSERVATION

1. Capacity Building Workshops on Marine Environmental Conservation and Sustainability for Developing Economies of APEC

	44,160		44,160	
MRC 04/2007A	44,160	A	44,160	8

SMALL & MEDIUM ENTERPRISES

1. Development of Human Capital for SME Innovation Policies
2. Best Practices to Support Micro and Small Entrepreneurs: Assessment and Recommendations for APEC – Phases I - III

	168,425		168,425	
SME 01/2007A	61,400	A	61,400	9
SME 02/2007A	107,025	A	107,025	10

ANTI CORRUPTION AND TRANSPARENCY EXPERTS TASK FORCE

1. Capacity Building Workshop on Combating Corruption Related to Money Laundering (Transfer from Operational A/C- ACT 01/2007)
2. The Fight against Corruption is a Common International Responsibility : Strengthening the Cooperation Mechanisms in the Asia Pacific Region (Transfer from Operational A/C-ACT 02/2007)

	165,930		165,930	
ACT 01/2007A	91,565	A	91,565	11
ACT 02/2007A	74,365	A	74,365	12

2007 APEC SUPPORT FUND : DECISIONS ON PROJECT PROPOSALS

(II) COMMITTEES

COMMITTEE ON TRADE & INVESTMENT

1. Databases and Software Available to Support Trade Negotiations

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	130,121		130,121	
CTI 01/2007A	130,121	A	130,121	13

(III) AD-HOC GROUPS/PROJECTS

APEC FINANCE MINISTERS PROCESS

1. Deepening Prudential Regulatory Capacity in Non-life Insurance

	174,007		174,007	
FIN 01/2007A	174,007	A	174,007	14

Total for ASF General Fund (A)

1,350,827 1,199,210

ASF HUMAN SECURITY SUBFUND

(I) WORKING GROUPS

AGRICULTURAL TECHNICAL COOPERATION

- 1 Emergency Communication Network

	59,584		59,584	
ATC 06/2007A	59,584	A	59,584	15

MARINE RESOURCE CONSERVATION

1. Tsunami Preparedness and Resilience through Research, Extension, Education and Training (Transfer from Operational A/C- MRC 01/2007)

	30,000		30,000	
MRC 01/2007A	30,000	A	30,000	16

(III) AD-HOC GROUPS/PROJECTS

TASK FORCE ON EMERGENCY PREPAREDNESS

1. Senior Disaster Management Coordinators Workshop and Capacity-Building Training Programme

	196,556		196,556	
TFEP 01/2007A	196,556	A	196,556	17

Sub-Total (B)

286,140 286,140

2007 APEC SUPPORT FUND : DECISIONS ON PROJECT PROPOSALS

ASF AI SPECIFIC

(I) WORKING GROUPS

AGRICULTURAL TECHNICAL COOPERATION

1. APEC Exercise Management Project
2. Sharing Experiences with the Management of the Avian Influenza H5N1 Threat

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	129,157		129,157	
ATC 03/2007A	68,644	A	68,644	18
ATC 04/2007A	60,513	A	60,513	19

INDUSTRIAL SCIENCE & TECHNOLOGY

1. Roadmapping Converging Technologies to Combat Emerging Infectious Diseases (Transfer from Operational A/C- IST 02/2007)

	124,005		124,005	
IST 03/2007A	124,005	A	124,005	20

Sub-Total (C)	253,162		253,162	
TOTAL HUMAN SECURITY (B) +(C)=(D)	539,302		539,302	
TOTAL ASF (A) + (D)	1,890,129		1,738,512	

Legend

- A -Approved
- B -Tentatively Approved
- C -Returned

Notes:

	Project No.	Remarks/Waivers	Addition/(Deductions)	
			US\$	
ASF General Fund				
1	ATC 01/2007A	Approved on 26 October 2006 after resubmission with reduced budget. Waivers on tendering requirement for CABI-SEARC, funding of government officials and active participants from travel-eligible economies to receive per diem are approved.		
2	EWG 01/2007A	Approved. Short-term Clerical & Secretarial Staff Renumeration should not be more than US\$20 per hour.		
3	EWG 02/2007A	Approved. Waivers for funding airfare, per diem to government officials from travel-eligible economies, advance payment for airfare, per diem and hosting are approved.		
4	EWG 03/2007A	Approved. Short-term Clerical & Secretarial Staff Renumeration should not be more than US\$20 per hour.		
5	HRD 01/2007A	Approved. Waivers for advance payment and funding government officials from travel - eligible economies are approved.		
6	IST 01/2007A	Approved. Waivers for funding of airfare and per diem to government officials and per diem for active participants from travel-eligible economies are approved.		
7	IST 02/2007A	Approved. PO provided additional information by 18 Oct 2006 and approved on 26 October 2006		
8	MRC 04/2007A	Approved. Waivers for funding government officials and advance payment of airfare and per diem are approved.		
9	SME 01/2007A	Approved. Waivers on tendering requirement to contract with APEC SME Innovation Center and funding of government officials from travel eligible economies are approved.		
10	SME 02/2007A	Approved. Consultant/Researcher fee should not be more than US\$80 per hour.		
11	ACT 01/2007A	Approved. Waivers for advance payment, funding of government officials and to hire consultant from the NCCC are approved. Short-term Clerical and Secretarial Staff Renumeration should not be more than US\$20 per hour.		
12	ACT 02 /2007A	Approved. Waiver for funding of government officials is approved.		

Notes:

	Project No.	Remarks/Waivers	<u>Addition/(Deductions)</u>	
			US\$	
13	CTI 01/2007A	Approved. Waivers for advance payment and funding of airfare and per diem for government officials from travel-eligible economies are approved. Hosting costs for 3 days should not be more than US\$7500.		
14	FIN 01/2007A	Approved. Waiver for funding of government officials is approved. Short-term clerical & Secretarial Staff Renumeration should not be more than US\$20 per hour. APEC per diem travel rules will apply.		
<u>ASF Human Security Sub-Fund</u>				
15	ATC 06/2007A	Approved. Venue hire should not be more than US\$5000.		
16	MRC 01/2007A	Approved. Waiver for funding government officials is approved. Advance payment for direct labour is restricted to 25% of the total value of the contract.		
17	TFEP 01/2007A	Approved. Waiver of advance payment and funding of government officials is approved. Extension of project is subject to submission of further project proposal. Hosting and venue costs for 2 days should not be more than US\$5,000.		
<u>ASF AI Specific</u>				
18	ATC 03/2007A	Approved on 26 October 2006. PO provided additional information by 18 Oct 2006. Venue hire for 3 days should not be more than US\$7,500.		
19	ATC 04/2007A	Approved. Waivers for funding of government officials from travel-eligible economies and active participants from travel-eligible economies to receive per diem are approved. Consultant/Researcher fees should not be more than US\$80 per hour.		
20	IST 03/2007A	Approved. Waivers for advance payment, funding of airfare and per diem for government officials from travel eligible economies are approved.		

(I) WORKING GROUPS

AGRICULTURAL TECHNICAL COOPERATION

1. AFAS 2007 Symposium – A Methodology for Implementing ISPM 15
2. 11th Workshop on Technical Cooperation, Capacity Building, Risk Assessment Management and Emerging Issues in Agricultural Biotechnology

Project Code	Fund Requested US\$	Decision	Provision Recommended US\$	Note
	121,710		61,100	
ATC 01/2007T	60,610		Transferred to Operational Account	
ATC 02/2007T	61,100	A	61,100	1

ENERGY

1. APEC Energy Efficiency Labeling Network Establishment
2. Increasing LNG Trade & Investment in the APEC Region: Case Studies of Public Education and Information Campaigns in APEC Economies and Development of Best Practice Guidelines
3. Development of Solar Thermal Market in the APEC Economies
4. Increasing LNG Trade & Investment in the APEC Region: Knowledge Transfer and Capacity Building Through Visits to LNG Liquefaction & Receiving Terminals
5. Electric Motors –Alignment of Standards and Best Practice Programmes within APEC
6. Computers—2007 Conference Launching a Community of Practice to Promote Aligned Standards throughout APEC by 2010

	516,454		191,454	
EWG 01/2007T	75,000	C	0	
EWG 02/2007T	80,000	C	0	
EWG 04/2007T	116,454	A	116,454	
EWG 05/2007T	120,000	C	0	
EWG 06/2007T	75,000	A	75,000	
EWG 07/2007T	50,000		Transferred to Operational Account but subsequently categorized as C	

FISHERIES

1. Assessment of Impacts of IUU fishing in Asia-Pacific

	70,000		0	
FWG 01/2007T	70,000		Transferred to Operational Account	

HUMAN RESOURCE DEVELOPMENT

1. Capacity Building for Investment Liberalization and Facilitation

	136,000		136,000	
HRD 01/2007T	136,000	A	136,000	2

INDUSTRIAL SCIENCE & TECHNOLOGY

1. Technological Cooperative Framework on Nanoscale Analytical and Measurement Methods
2. Seminar for the Establishment of Traceability of Standards in Materials Metrology

Project Code	Fund Requested US\$	Decision	Provision Recommended US\$	Note
	124,013		59,463	
IST 01/2007T	59,463	A	59,463	3
IST 02/2007T	64,550	C	0	

MARINE RESOURCE CONSERVATION

1. Development of an APEC Strategy on Sustainable Aquaculture

	126,200		0	
MRC 01/2007T	126,200		Transferred to Operational Account	

SMALL & MEDIUM ENTERPRISE

1. APEC SMEWG Seminar on SME Management of Intellectual Property Rights
2. Enhancing the Market Development of Local Cultural Industries in APEC (the second year)

	213,700		213,700	
SME 01/2007T	94,000	A	94,000	4
SME 02/2007T	119,700	A	119,700	

TRADE PROMOTION

1. Pilot Multi Media Case Studies of Entrepreneurial SME Business
2. Seminar on MICE Opportunities in APEC Economies
3. Specialized Capacity Building Course on Trade Commissioners
4. Best Practices for SME's Internationalization

	272,722		214,602	
TP 01/2007T	90,092	A	90,092	
TP 02/2007T	68,864	A	68,864	5
TP 03/2007T	55,646	A	55,646	6
TP 04/2007T	58,120		Transferred to Operational Account	

TRANSPORTATION

1. Web- Based Atlas of Trade and Transportation Corridors (WATTS): A Web-Based Information System for Transportation Infrastructures, Trade Flows and Impediments Related to Bogor's Goals

	149,000		0	
TPT 01/2007T	149,000	C	0	

(II) COMMITTEES**COMMITTEE ON TRADE & INVESTMENT**

1. GPEG: Workshop on Government Procurement in WTO and FTA
2. IEG: Identifying Core Elements in Investment Agreements in the APEC Region
- 3.
4. BMG: Capacity Building-Biometrics Technology in Machine Readable Travel Documents
5. CPDG: APEC Seminar on Utilizing the "APEC-OECD Integrated Checklist on Regulatory Reform" in the Competition Policy and Deregulation aspects
6. IEG: Enhancing Investment Liberalization in the APEC Region - Stage 2 : Reducing Barriers to Investment across APEC to Lift Growth and Lower Poverty
7. IPEG: APEC Workshop on "The Protection and Enforcement of Intellectual Property Rights in the Digital Era"
8. SCCP: APEC Framework for Secure Trade
9. SCCP: Trade Facilitation: Time Release Survey
10. IEG: APEC High Level Public-Private Policy Dialogue on the OECD Policy Framework for Investment
11. SCCP: Arrangement of APEC Custom Business Dialogue (ACBD) in 2007
12. IPEG: APEC IPR Public Education and Awareness Market Research Best Practices
13. CPDG/SELI: APEC Training Course on Competition Policy
14. IEG: Survey on Investment Liberalization and Facilitation
15. SCSC: Latest Developments and Challenges in Food Safety and Opportunities for Practical Actions in the APEC Region
16. SCCP: SCCP Program to Implement the HS Convention
17. IPEG: APEC Project for Disseminating E-learning Content on IPR Information (Phase 2/2)
18. IPEG: APEC Project for a Regional Seminar on the Enforcement of Intellectual Property

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	2,467,530		2,207,297	
CTI 01/2007T	98,400	A	98,400	7
CTI 02/2007T	10,000	A	10,000	
CTI 03/2007T	70,225	A	70,225	8
CTI 04/2007T	58,481	A	58,481	9
CTI 05/2007T	55,250	A	55,250	10
CTI 06/2007T	127,000	A	127,000	11
CTI 07/2007T	98,760	A	92,760	12
CTI 08/2007T	129,200	A	115,700	13
CTI 09/2007T	59,023	A	59,023	14
CTI 10/2007T	133,000	A	133,000	15
CTI 11/2007T	23,400	A	23,400	
CTI 12/2007T	147,662	A	147,662	16
CTI 13/2007T	77,850	A	77,850	17
CTI 14/2007T	22,000	A	22,000	
CTI 15/2007T	51,318	A	51,318	
CTI 16/2007T	23,000	A	23,000	18
CTI 17/2007T	150,000	A	110,000	19
CTI 18/2007T	98,738	A	98,738	20

	Project Code	Fund Requested US\$	Decision	Provision Recommended US\$	Note	
19.	SCSC: Market Surveillance Workshop	CTI 19/2007T	67,938	A	56,005	21
20.	SELI: Seminar for Sharing Experiences in APEC Economies on Strengthening the Economic Legal Infrastructure	CTI 20/2007T	102,240	A	102,240	22
21.	SCSC: APEC Strategic Standards Education Program: Phase I – Case Studies and Curricula Development	CTI 21/2007T	66,400	A	60,000	23
22.	IEG: Symposium on Investment Liberalization and Facilitation	CTI 22/2007T	105,000	A	105,000	24
23.	IEG: Seminar for Promoting Public-Private Sector Dialogue	CTI 23/2007T	106,970	A	106,970	25
24.	LSIF: Capacity Building for Drug Regulatory Agencies on Clinical Trial and Good Clinical Practice	CTI 24/2007T	42,000	A	41,600	26
25.	SCSC: Seminar and Training Courses in Legal Metrology	CTI 25/2007T	80,040	A	80,040	27
26.	SCSC: HACCP Cooperation Among APEC Members	CTI 26/2007T	84,400	A	84,400	28
27.	AD: Model Port - Automated Import Documentation System	CTI 27/2007T	179,000	C	0	
28.	LSIF: Anti-Counterfeiting of Pharmaceutical Products and Medical Devices: Training Seminars for Government Officials and Relevant Stakeholders	CTI 28/2007T	105,080	A	105,080	29
29.	SCSC: Joint APMP-SIM Workshops on Senior Metrologist Approval Program (SMAP) and Measurement Uncertainty	CTI 29/2007T	80,155	A	80,155	30
30.	LSIF: Capacity Building for the ICH Quality By Design Guidelines Q8 and Q9	CTI 30/2007T	15,000	A	12,000	31

(III) AD-HOC GROUPS/PROJECTS

ANTI CORRUPTION AND TRANSPARENCY EXPERTS TASK FORCE

		48,500		47,500		
1.	Anti Corruption Cooperation - Stocktaking of Bilateral and Regional Arrangements on Anti-Corruption Matters between/among APEC Member Economies	ACT 01/2007T	48,500	A	47,500	32

ELECTRONIC COMMERCE STEERING GROUP

		286,720		260,120		
1.	APEC Project On Paperless Trading Capacity Building and Intellectual Property Protection	ECSG 01/2007T	115,100	A	115,100	33
2.	Seminars on the International Implementation of the APEC Privacy Framework: Cross-Border Privacy Rules (CBPRs) and Cooperation in Investigation and Enforcement	ECSG 02/2007T	99,800	A	73,200	34
3.	Seminar to Advance & Promote APEC Work on Cross-border Privacy Rules (CBPRs) and Cooperation in Investigation and Enforcement	ECSG 03/2007T	71,820	A	71,820	35

SOM STEERING COMMITTEE ON ECOTECH

- 1. Capacity-Building Seminar on Ease of Doing Business: Starting a Business

Project Code	Fund Requested	Decision	Provision Recommended	Note
	US\$		US\$	
	25,853		25,853	
SCE 01/2007T	25,853	A	25,853	36

SENIOR OFFICIALS' MEETING

- 1. IAP Peer Review Process in 2008

	389,840		389,840	
SOM 01/2007T	389,840	A	389,840	37

Total

4,948,242

3,806,929

Legend

- A. Approved
- B. Tentatively Approved
- C. Returned

Notes:

	Project No.	Remarks /Waivers	Additions/(Deductions)	
				US\$
1.	ATC 02/2007T	Approved. Waiver for funding travel costs for government officials is approved.		
2.	HRD 01/2007T	Approved. Waiver for funding travel costs for government officials is approved.		
3.	IST 01/2007T	Approved. Waivers for funding travel costs for government officials and advance payment for travel costs are approved.		
4.	SME 01/2007T	Approved. Waivers for advance payment and funding government officials are approved.		
5.	TP 02/2007T	Approved. Waivers for advance payment of travel costs for participants and speakers, per diem for participants from travel eligible economies who are government officials and funding non-APEC business experts with profound MICE-related experience as speakers are approved.		
6.	TP 03/2007T	Approved. Secretarial support more than US\$20 per hour is not allowed.		
7.	CTI 01/2007T	Approved. Waivers for funding experts from WTO and other international organizations and per diem for participants from travel-eligible economies are approved.		
8.	CTI 03/2007T	Approved. Waivers for advance payment for travel, funding of government officials and per diem for active participants are approved.		
9.	CTI 04/2007T	Approved. Waivers for funding government officials as active participants and per diem for active participants are approved.		
10.	CTI 05/2007T	Approved. Waivers for advance payment for communication expenses, presentation materials, seminar room rental, equipment rental, travel costs for speakers and participants, funding government officials, per diem for participants and speakers from OECD and other non-APEC economies are approved. Advance payment for direct labour is restricted to 25% of the total value of the contract.		
11.	CTI 06/2007T	Approved. Waiver for funding government officials is approved.		
12.	CTI 07/2007T	Approved after deducting amount stated. Waivers for advance payment for communication, teaching materials, conference room, equipment rental, travel costs for lecturers and participants, funding of government officials and speakers from WIPO and other IP international institutions are approved. Advance payments for photocopying and publication of final reports are not allowed.	Airfare (participants)	(6,000)

Notes:

	Project No.	Remarks /Waivers	Additions/(Deductions)	
				US\$
13.	CTI 08/2007T	Approved after deducting/adding amount stated. Waivers for funding government officials and per diem for active participants are approved. Per diem for participants residing within normal commuting distance of seminar city is not eligible.	Per Diem (experts)	(5,700)
			Airfare (experts)	(39,400)
			Per Diem (participants)	7,600
			Airfare (participants)	24,000
14.	CTI 09/2007T	Approved. Waiver for funding travel costs for experts who are government officials from WCO and Japan/other leading economies is approved.		
15.	CTI 10/2007T	Approved. Waiver for funding government officials is approved.		
16.	CTI 12/2007T	Approved. Waiver for advance payment for travel costs is approved. Advance payment for direct labour is restricted to 25% of the total value of the contract.		
17.	CTI 13/2007T	Approved. Waivers for advance payments for communication expenses, teaching materials, training room rental, equipment rental and travel costs of speakers and participants, funding of government officials and speakers from international organizations (OECD and UNCTAD) are approved.		
18.	CTI 16/2007T	Approved. Waiver for funding government officials is approved.		
19.	CTI 17/2007T	Approved after deducting amount stated. PO submitted result of Phase 1 study under CTI 14/2006T and revised itemized budget by 18 Oct 2006.		(40,000)
20.	CTI 18/2007T	Approved. Waivers on advance payment for travel costs and funding of government officials are approved.		
21.	CTI 19/2007T	Approved after deducting amount stated. Waivers for advance payment of travel costs for speakers and active participants and funding of government officials are approved.	Speaker's Honorarium	(1,600)
			Per Diem (speakers)	(2,333)
			Airfare (speakers)	(3,000)
			Airfare (active participants)	(5,000)
22.	CTI 20/2007T	Approved. Waivers for funding government officials and per diem for active participants are approved.		

Notes:

	Project No.	Remarks /Waivers	Additions/(Deductions)	
				US\$
23.	CTI 21/2007T	Approved after deducting amount stated.	Consultant Fees Project Team Researchers' Fees Per Diem (Project Team) Airfare (Project Team)	(38,400) 52,800 (3,400) (17,400)
24.	CTI 22/2007T	Approved. Waivers for funding government officials and per diem for active participants are approved.		
25.	CTI 23/2007T	Approved. Waivers for funding government officials and per diem for active participants are approved.		
26.	CTI 24/2007T	Approved after deducting amount stated. Waivers for advance payment for travel costs for speakers and trainees and conference room rental and funding experts from non-APEC members are approved. Advance payment for direct labour is restricted to 25% of the total value of contract. Advance for photocopying is not allowed.	Hosting	(400)
27.	CTI 25/2007T	Approved. Waivers for funding government officials as active participants and advance payment for travel costs for speakers and active participants, equipment and hosting are approved. Advance payments for honorarium and photocopying are not allowed.		
28.	CTI 26/2007T	Approved. Waiver for advance payment (25%) to start up the project is approved.		
29.	CTI 28/2007T	Approved. Waivers for advance payment for travel costs for speakers and active participants, per diem for active participants, funding of government officials and invite speakers from non-APEC members are approved. The rate for Consultant fee should not exceeded US\$80/hr and the Hosting Cost should not exceed US\$10,000 for both seminars.		
30.	CTI 29/2007T	Approved. Waivers for advance payment for travel costs for speakers and active participants, per diem for active participants, funding of government officials, funding of speakers other than APEC region and business class airfare for speakers/experts for flights under 12hrs are approved.		
31.	CTI 30/2007T	Approved after deducting amount stated. Waivers for advance payment of travel costs, per diem for active participants and funding of government officials are approved. PO to submit revised budget.		(3,000)

Notes:

	Project No.	Remarks /Waivers	Additions/(Deductions)	
				US\$
32.	ACT 01/2007T	Approved after deducting amount stated. Waiver for advance payment of travel cost is approved. Advance payments for direct labour fee is restricted to 25% of the total value of contract. Advance for publication of report is not allowed.	Publication of report	(1,000)
33.	ECSG 01/2007T	Approved. Waivers for per diem for active participants, funding of government officials and simultaneous translation are approved.		
34.	ECSG 02/2007T	Approved after deducting amount stated. Waiver for per diem for active participants and advance payment of travel costs are approved. Advance payment for honorarium is not allowed.	Per Diem (active participants) Airfare (active participants)	(6,600) (20,000)
35.	ECSG 03/2007T	Approved. Waivers for per diem for active participants and advance payment of travel cost are approved.		
36.	SCE 01/2007T	Approved. Waivers for per diem for active participants, funding of government officials and advance payment of travel costs are approved.		
37.	SOM 01/2007T	Approved. Waivers for tendering requirement, advance payment for travel cost and business class travel for trips exceeding 9hrs travel time are approved.		

2007 Members' Contributions

Economy	Recommended 2007 contribution (US\$)	%
Japan	696,000	18.00
United States of America	696,000	18.00
Canada	350,000	9.07
China	299,000	7.74
Australia	259,000	6.70
Korea	230,000	5.95
Chinese Taipei	183,000	4.73
The Russian Federation	156,000	4.04
Mexico	155,000	4.02
Hong Kong, China	106,000	2.75
New Zealand	106,000	2.75
Singapore	106,000	2.75
Brunei Darussalam	58,000	1.50
Chile	58,000	1.50
Indonesia	58,000	1.50
Malaysia	58,000	1.50
Papua New Guinea	58,000	1.50
Peru	58,000	1.50
Philippines	58,000	1.50
Thailand	58,000	1.50
Viet Nam	58,000	1.50
	3,864,000	100.00



Asia-Pacific
Economic Cooperation

2006/CSOM/010anxB
Agenda Item: VIII

BMC Intersessional Work (September – November 2006)

Purpose: Information
Submitted by: BMC Chair



**Concluding Senior Officials' Meeting
Ha Noi, Viet Nam
12-13 November 2006**

**BMC Intersessional Work
(15 September to 12 November 2006)**

The BMC met in this period from 10-12 October 2006 so most business was transacted at that meeting (BMC2).

Project Approvals

BMC2 considered the 2007 projects. There were four projects on which the BMC requested further information by 18 October 2006. The information was provided and the BMC approved the projects on 26 October 2006. These approvals are reflected in the BMC2 Summary Record attached to my report to CSOM (Annexes 6 and 7 to Annex A)

Amendment to the *Guidebook on APEC Projects*

A minor amendment was identified under the ISO process to Chapter 6.7 (c) of the *Guidebook* to spell out the justifications required for the award of a contract below US\$20,000 without a tender. BMC approved this amendment on 26 October 2006. The amended section now reads:

“For contracts of US\$20,000 or below, the Project Overseer should select the contractor and notify the APEC Secretariat Director (Program) including *justifications for the choice* and details of the selected contractor and specific tasks to be performed (Terms of Reference). *For a simple service contract (such as providing translation/ secretarial services or goods), as a justification it is sufficient to show that the selected contractor is an established one and offers value for money. For more complex tasks (such as undertaking research or organising a conference) the justification should indicate the experience of the selected contractor and, for research, brief CVs of the principals....”*



Asia-Pacific
Economic Cooperation

2006/CSOM/010anxC
Agenda Item: VIII

**Guidance on Preparing Requests for Funding for
2007 Projects under the Operational and TILF
Special Accounts and the APEC Support Fund for
Consideration in 2007**

Purpose: Information
Submitted by: BMC Chair



**Concluding Senior Officials' Meeting
Ha Noi, Viet Nam
12-13 November 2006**

**Guidance on Preparing Requests for Funding for 2007 Projects
under the Operational and TILF Special Accounts and the APEC Support Fund
for Consideration in 2007**

1. Please ensure that project proponents read the *Guidebook on APEC Projects*, which can be downloaded from the APEC website <http://www.apec.org> before commencing project formulation. The edition of the *Guidebook* to be used is the 6th edition. Annex B of the *Guidebook* provides the format for project proposals.
2. To help ensure the relevance of APEC projects to the APEC community, all projects put forward for APEC funding must have the active involvement of at least three economies as proposing/co-sponsoring economy.
3. If a project has linkages with other fora it is essential that all the other relevant fora are consulted regarding the project before it is presented to BMC. This is to avoid duplication of effort and to improve the project by incorporating their advice into the project. If this step is omitted the project will be returned to the forum.
4. Please note that for projects seeking funding under either the Operational Account or the APEC Support Fund it is mandatory that the Quality Assessment Framework (QAF) (Annex B3 of the *Guidebook*) be completed by an evaluation team from the concerned forum. The scoring should be done independently by each evaluation team member in an objective manner. The observations arising from the QAF should be acted upon to improve the project and this should enhance its chance of obtaining funding. The QAF score is an important component of the assessment by the APEC Secretariat of the quality of the project.
5. It is important that projects are ranked by fora before presentation to the BMC. Projects seeking funding from the Operational Account or the APEC Support Fund should be ranked together in one list. Projects seeking funding from the TILF Special Account should be ranked together in a separate list. Equal ranking of two or more projects is not permitted.
6. After the APEC forum has submitted its projects to the Secretariat the projects will be assessed for quality by an appropriate Secretariat Project Assessment Panel (SPAP). The results of this assessment will be passed to the project proponent and the forum Chair so that further improvements may be considered to the project. If necessary the SPAP will then conduct a further evaluation. The project's relevance to APEC priorities will be assessed by the SCE (for ECOTECH projects, defined to be all projects from Working Groups and Task Forces) or ranked by the CTI (for all projects from CTI and its sub-fora.). Projects from SOM, EC and the Finance Ministers' Process will not follow this step for relevance. The (final) SPAP quality assessment and relevance will be used to prepare an evaluation matrix for the reference for BMC in considering the priority for funding requests. Low quality projects will not be funded, even if funds are available in the relevant account. Such funds would be better employed for higher quality and more relevant projects to be submitted later.
7. Following the decision made at BMC2 in 2004, the allowable expenses for Operational and TILF Special Account projects have been harmonized at the more

liberal latter. The following are the guidelines of maximum funding that the BMC uses in assessing the reasonableness of budgets – these are maxima, but may need to be tailored to the circumstances of each economy:

- Honorarium : US\$1,500 [should normally be less (say US\$300 – 1,000). Government officials are not eligible];
- Secretarial support : US\$20 per hour (less, if the prevailing rate is less);
- Communications : US\$2,000;
- Photocopying : US\$2,000 (or US\$0.10 per page);
- Publications : US\$5,000 - electronic publishing preferred;
- Consultant : US\$80 per hour [depending on the prevailing rate (the project proponent should certify that this is the market rate)];
- Hosting costs : US\$5,000 for a 2 day conference; competitive bidding to be used where possible; and
- Speakers : usually no more than 6/day.

8. To stretch the value of the TILF contribution the BMC requires that projects requesting funding from the TILF Special Account should have an element of self-funding for those economies which do not make substantial contributions to the TILF Special Account: of the order of 50% for projects from developed economies; of the order of 20% from developing economies. Self-funding may be from the proposing economy or co-sponsoring economies, from the private sector or from civil society. For APEC Support Fund projects it is desirable that there be some self-funding, although there is no specified percentage.

Submission of 2007 Projects for Consideration Intersessionally in January 2007 or at the BMC1 2007 Meeting

9. The BMC has agreed that there should be greater discipline in the submission of projects.

For Intersessional Consideration

10. Since SOM will be held in mid-January 2007, BMC1 in 2007 advanced to early March and there are new procedures for determining the relevance of projects to APEC priorities, this year there will be no intersessional consideration of projects before BMC1.
11. If there is further funding available after BMC1, BMC will advise on the procedure and timing to be followed.

For Consideration at BMC1 (7-8 March 2007)

12. Only projects responding to Leaders and Ministers priorities and those of the Australia 2007 year should be put forward at BMC1. (SCE will provide advice at SCE1 on ECOTECH priorities for the year.)
- **Wednesday 10 January 2007:** for all fora/sub-fora to advise Secretariat of the projects to be submitted to BMC1 (name, cost estimate and as much detail as possible);
 - **Wednesday 31 January 2007:** for all fora to submit finalized projects to the Secretariat. The projects should be ranked by all fora (except that for projects from CTI ranking may take place immediately after this date). No late submissions would be entertained;
 - **Friday 23 February 2007:** for APEC Secretariat to have uploaded projects onto BMC ACS;
 - **Wednesday 7 to Thursday 8 March 2007:** BMC1;
 - For projects seeking funding under the Operational Account or the APEC Support Fund the proposals should be accompanied by a completed QAF filled in by persons from the relevant APEC forum who are independent of the project;
 - Directors (Program) and Director (Finance) of the APEC Secretariat would assist in the initial process to improve project proposals and ensure conformance with the guidelines;
 - The SPAP evaluations from the APEC Secretariat will be communicated as soon as possible to project proponents and fora chairs to allow time to improve projects; and
 - BMC members should submit their comments as soon as possible after uploading onto the BMC ACS website to allow the Secretariat/project proponents to respond.