



**Asia-Pacific
Economic Cooperation**

2022/SOM2/CTI/IS01

**Group on Services Terms of Reference 2022-2025
(Endorsed Intersessionally, 16 March 2022)**

Purpose: Information
Submitted by: APEC Secretariat



**Second Committee on Trade and Investment
Meeting
Bangkok, Thailand
15-16 May 2022**

**GROUP ON SERVICES (GOS)
TERMS OF REFERENCE (TOR)
2022-2025**

Background

The Group on Services (GOS) was established in 1997 as a sub-forum of the Committee on Trade and Investment (CTI) to promote services development, liberalization and facilitation in the APEC region.

The GOS ensures that APEC's work on services is focused, and delivers results-oriented outcomes in accordance with the Osaka Action Agenda and directions from Leaders and Ministers.

Goals and/or Strategic Focus

The goals of the GOS are to:

1. Ensure that APEC's work on services is aligned with the Putrajaya Vision 2040 and directions from Leaders and Ministers.
2. Ensure that APEC's work on services builds on the APEC Services Competitiveness Roadmap (2016-2025).
3. Ensure that the GOS takes responsibility for supporting Senior Officials in monitoring and encouraging action to implement the APEC Services Competitiveness Roadmap (2016-2025).
4. Respond to the CTI guidance and take forward initiatives that facilitate the development of open and efficient services markets in the APEC region.

Objectives

The GOS will work towards increasing competitiveness in the services sector by 2025, as established in the APEC Services Competitiveness Roadmap Implementation Plan. To deliver on this commitment, APEC members set the targets of:

- Ensuring an open and predictable environment for access to services markets by progressively reducing restrictions to services trade and investment;
- Increasing the share (%) of services exports from APEC economies in the total world services exports so that it exceeds the current share in world services exports by 2025;
- Increasing trade in services in the APEC region so that by 2025, the compound average annual growth rate exceeds the historic average of 6.8 per cent and the share (%) of value-added of the services sector in the total GDP of the APEC region exceeds the global average level by 2025.

Priorities

1. The GOS will play a leading role in assisting the Senior Officials in incorporating appropriate adjustments to the APEC Services Competitiveness Roadmap and its Implementation Plan resulting from the Roadmap's mid-term review.
2. Without prejudice to any other areas of focus decided by the GOS, the GOS will continue to implement work in five priority areas as part of the "Final Push in Services to achieve the unfinished business of the Bogor Goals" by 2025, which include:
 - i. Domestic Regulations on Services – championed by the United States
 - ii. Developing an APEC Index to Measure the Regulatory Environment in Services Trade of APEC – to be confirmed

- iii. Mutual Recognition of Qualification and Licensing – championed by Australia
- iv. Environmental Services – championed by New Zealand
- v. Manufacturing-related services – championed by Malaysia

Leadership

The GOS will be led by a Convenor elected by and from among GOS members on consensus basis for a period of two (2) years, unless otherwise determined by GOS members, with possibility of reelection. The Convenor will administer the meetings and generally give oversight to the efforts of the Group. The Convenor shall participate in the meeting in an officiating capacity and not as an official representative of their respective APEC member economy.

Convenor Selection Process

1. The Convenor shall invite member economies to submit nominees at least three months before the end of the current Convenor's tenure. The Convenor, with the assistance of the APEC Secretariat, shall circulate the names and curriculum vitae of the nominees, among member economies to conduct a round of voting to select a preferred candidate.
2. Once the round of voting is completed, the two leading candidates will be announced and submitted for a second round of voting. The candidate with the most votes will be submitted for member's consideration to seek endorsement and ensure consensus on the selection of the GOS Convenor.

If the Convenor is unable to complete his/her term and resigns prior to completing their term,

1. the economy of the Convenor should nominate a replacement to complete the term;
2. a process to select a new Convenor might be initiated, if deemed necessary.

Should the Convenor be absent from a plenary meeting, a delegate from the host economy should lead the meeting.

Meeting arrangements

GOS plenary meetings are held twice a year in advance of CTI plenary meetings during the first and third Senior Officials meeting (SOM1 & SOM3 clusters), unless otherwise decided by the GOS.

The date and venue of GOS plenary meetings should be agreed in coordination with the corresponding APEC host economy.

The GOS will organise a cross-fora collaborative event once a year during the second Senior Officials meeting (SOM2 cluster) with the aim of monitoring the implementation of the APEC Services Competitiveness Roadmap until 2025, unless otherwise decided by members. The event should seek to actively engage relevant stakeholders in the services sector.

Friends of the Convenor (FotC)

- FotC can only be established with the agreement of the Chair of CTI.
- FotC can be established, on an as-needs basis at the discretion of the Convenor, where work cannot be undertaken within the existing committee structure, due to the sensitive or highly technical nature of the issue, or time pressures;
- FotC's can make recommendations to the full membership but are not decision making bodies.
- FotC have Terms of Reference (TOR), or Work Plans, setting out the mandate of the FotC

- and how its work relates to other relevant APEC sub-fora;
- TOR and Work Plans for FotC include sunset clauses; and
- FotC automatically dissolve upon with the expiration of the term of the Convenor of the GOS, unless the incoming Convenor explicitly requests that they continue and all members agree.
- Any additional resource requirements from the Secretariat or host economy must be mutually agreed.

Engagement with Other Stakeholders

Given the cross-cutting nature of services, the GOS will collaborate actively with other APEC fora, including to implement the APEC Services Competitiveness Roadmap.

The GOS may invite external stakeholders from international organizations, government, business, including the APEC Business Advisory Council (ABAC), academia, NGOs and any other relevant actors to attend and participate in meetings, subject to APEC non-member participation rules and guidelines.

Reporting Structure

The GOS will report to the CTI after each of the two plenary meetings held annually during the first and third APEC Senior Officials Meeting clusters (SOM1 & SOM3).

The GOS Convenor will report to Senior Officials on the implementation status of the APEC Services Competitiveness Roadmap (ASCR) once a year, during SOM3 preferable. For this purpose, updates will be requested beforehand from relevant APEC fora regarding the implementation of the APEC-wide actions included in the ASCR under their purview.

Forum Review

The TOR shall be reviewed when necessary upon consensus of all member economies.

Quorum

Quorum for GOS meetings constitutes attendees from 14 economies. Decisions can be made if quorum and consensus are reached. If the quorum is not reached, the meeting may continue, but decisions must be put to the full membership for consideration.

Should the GOS fail to meet quorum for one meeting, the group must notify the CTI. Should the GOS fail to meet quorum for two consecutive meetings it will be referred to Senior Officials for a decision on whether it should continue to exist.

Sunset Clause

The GOS's term is **1 January 2022 to 31 December 2025**. Prior to the expiration of this and any subsequent term, the mandate of GOS and its TOR shall be reviewed by the GOS and the CTI who may make a recommendation on continuation of its mandate to be put forward for Senior Officials' approval. The GOS will cease to exist upon the expiration of these TOR unless renewal is explicitly approved by Senior Officials.