

2022/SOM3/CTI/027

Agenda Item: XIV

Market Access Group Convenor's Report

Purpose: Information Submitted by: MAG Convenor



Third Committee on Trade and Investment
Meeting
Chiang Mai, Thailand
26-27 August 2022

MARKET ACESS GROUP (MAG) CONVENOR'S SUMMARY REPORT TO CTI3 2022

1. How the forum's work contribute to CTI's objectives, including taking forward the <u>Aotearoa Plan of Action</u>, as we pursue the <u>Putrajaya Vision 2040</u>:

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

a. Support for the Multilateral Trading System

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

MAG has undertaken the following work to support the Multilateral Trading System:

a) WTO Trade Facilitation Agreement

 Indonesia provided an update on their notifications to the WTO on the full implementation of their Category B commitments pertaining to Article 3 (Advance Rulings), Article 5.1 (Notifications for Enhanced Controls or Inspections), and Article 7.4 (Risk Management) of the WTO Trade Facilitation Agreement.

b) WTO 12th Ministerial Conference

 MAG members exchanged views on the WTO 12th Ministerial Conference and there was broad agreement on the positive outcomes of the MC12. Members also highlighted their openness to further discussions on this front, and to explore meaningful steps that could be taken to possibly support implementation of the outcomes.

c) WTO Information Technology Agreement (ITA) Expansion

- Japan shared that they were considering a project to analyse the impact of existing ITA, with a view to encourage further participation by member economies in the ITA.
- MAG members further exchanged views on the benefits of joining the ITA and participating economies encouraged other member economies that are not part of the ITA to consider joining.

d) Initiative on Promoting Transparency of WTO Technical Barriers to Trade Notifications

 Peru updated on their self-funded study on the "Initiative on Promoting Transparency of Technical Barriers to Trade (TBT) World Trade Organisation (WTO) Notifications" with the objective to develop guidelines to improve the completeness and clearness of information contained in these TBT notifications to the WTO. Peru shared that a two-day Public-Private Dialogue (PPD) was organised on the sideline of MAG, where a set of best practices would be drafted by the participants involved and further updates would be provided.

b. Regional Economic Integration

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

MAG has undertaken the following work to support regional economic integration:

a) APEC Trade Repository

- The Philippines updated on the usage of the APEC Trade Repository, which showed consistent good utilisation of APEC Trade Repository. Increase in users have remained steady in the range of 4,000 and all APEC economies have been utilising the APEC Trade Repository. Philippines urged member economies that have yet to provide an update on the utilisation of the APEC Trade Repository for this year to do so soon.
- Indonesia updated on their "Study on Strategy to Promote the Utilisation of the APEC Trade Repository", which included a presentation of their preliminary analysis of the desk research and questionnaire. The responses would be further processed and analysed.

b) Supply Chain Framework Action Plan Phase III (SCFAP III)

• Singapore updated that they were currently working on the Third Phase of the framework with the CTI group. Since the last update, Singapore had prepared a survey to get views from companies that participate in supply chains. The survey findings will be presented in greater detail at CTI. Overall, the findings largely corroborate the five chokepoints, with firms highlighting issues such as the need to improve interoperability between different digital systems, automation to address manpower shortages and support in the uptake of more sustainable practices. Singapore would seek endorsement for the SCFAP III from CTI, with the goal of having Ministers or Leaders endorse the finalised framework at AMM/AELM in November.

c) The 14th APEC Alliance for Supply Chain Connectivity (A2C2)

 The United States updated that this year A2C2 meeting would be held virtually post-SOM3, to engage both public and private stakeholders on the SCFAP III. More information would be made available through the CTI.

c. Trade Facilitation and Connectivity

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

MAG has undertaken the following work to promote trade facilitation and connectivity:

- a) APEC Pathfinder on Facilitating Trade in Remanufactured Goods, Trade of Remanufactured/Refurbished Consumer Electronic Products in APEC, and Building Capacity in Trade of Refurbished Medical Devices
 - The United States updated on the APEC Pathfinder on Facilitating Trade
 in Remanufactured Goods, which aims to promote trade in
 remanufactured goods and the status of 2 self-funded projects
 pertaining to refurbished consumer electronic products and
 refurbished medical devices. Further comments were provided by
 economies during the meeting.

d. Innovation and Digitalisation

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

N	Jil			
N	311			

e. Sustainable and Inclusive Growth

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

MAG has undertaken the following work to support sustainable growth:

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

 Significant progress had been made to address the outstanding technical issues since the last discussion during MAG1. During the recent MAG meeting, economies further discussed the outstanding issues and would exchange their views and comments intersessionally. The MAG convenor set an aspirational target for HS transposition to be concluded and endorsed by Sep 2022.

b) Developing Recommendations for Potentially Producing a Voluntary, Non-Binding Reference List of Environmental Goods

 Australia updated that they had circulated a proposal on the selffunded Trade Policy Dialogue to facilitate development of a common APEC understanding of what can be considered an environmental good earlier this year. After several rounds of construction comments and suggestions, the proposal was ready for endorsement and implementation. Australia shared that they would be able to share the draft agenda soon and would be looking at having this TPD on 12 Sep 2022.

c) Development of draft Environmental Goods Work Plan

 Australia provided an update on the draft environmental goods work plan, which incorporated member economies' comments and suggestions. Further comments and suggestions were provided verbally during the meeting, which the MAG Convenor urged member economies to send them in as soon as possible so that Australia could take them into account. The MAG convenor set an aspirational target for work plan to be finalised and endorsed by end-Aug 2022.

2. Forum Main Objectives/Deliverables expected for 2022

Please provide a brief list of the forum's 2022 objectives and expected outcomes/deliverables.

- Organise a Trade Policy Dialogue to facilitate development of a common APEC understanding of what can be considered an environmental good.
- Update on Supply Chain Framework Action Plan Phase III and AC2C.
- Update on the Initiative on Promoting Transparency of Technical Barriers to Trade (TBT)
 World Trade Organisation (WTO) Notifications
- Finalise Study on Strategy to Promote the Utilisation of the APEC Trade Repository
- Endorsement of the HS transposition of the APEC EG list from HS 2017 to HS 2022
- Endorsement of the Environmental Goods Work Plan

3. Planned private sector engagement in 2022

Please provide a list of planned private sector engagement in 2022

NΙ	

4. Planned cross-fora collaboration in 2022

Please provide a list of planned cross-fora collaboration in 2022

Nil

5. Main outcomes from most recent plenary meeting

Please provide in list format

- Progress in APEC economies' implementation of the WTO TFA i.e., Indonesia
- Updated utilisation of the APEC Trade Repository, which showed consistent utilisation of the APEC Trade Repository
- Peru updated on their self-funded study to analyse APEC economies' implementation of the WTO TBT notification
- Progress on the HS transposition of the APEC EG List from HS 2017 to HS 2022, with aspirational target to endorse the EG list by Sep 2022.
- Progress on the Environmental Goods Work Plan, with aspirational target to endorse the work plan by end-Aug 2022.

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

Please advise how many economies participated in the most recent plenary meeting.

The quorum was met with 21 member economies participated in MAG2.

7. What is your Forum doing to maintain/increase its relevance to APEC member economies and increase participation from its members?

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

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

8. Decision points needed from CTI

- Seek CTI's endorsement of the [Insert Forum's Name] Convenor's Report. Please add any additional decision points needed from CTI
 - Seek CTI's endorsement of MAG Convenor's Report