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**Aligning the Economic and Technical Cooperation
Medium-Term Priorities with the APEC Putrajaya
Vision 2040**

Purpose: Consideration

Submitted by: SCE



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Aligning the ECOTECH Medium-Term Priorities with the APEC Putrajaya Vision 2040

1. Introduction

The ECOTECH Medium-Term Priorities focused members collective efforts on meeting the commitments outlined in the Economic and Technical Cooperation Section (Part II) of APEC's framework for achieving the Bogor Goals - the Osaka Action Agenda. During the 2014 review of the Manila Declaration, members agreed that the concepts of ECOTECH had broadened and it was time for a 'new cycle' that refreshed and updated existing priorities. Similarly, with APEC having adopted the Putrajaya Vision 2040 (APV2040) and subsequently an implementation plan to achieve its objectives in 2021 -the Aotearoa Plan of Action (APA), there is a need to revisit the ECOTECH Medium-Term Priorities to ensure that they are fit for purpose and aligned with APEC's APV2040.

2. Background

Historically, the 1996 Manila Declaration on an Asia-Pacific Economic Cooperation Framework for Strengthening Economic Cooperation and Development outlined the key areas of APEC economic and technical cooperation. In 2006, Ministers reaffirmed their commitment to the Manila Declaration, with a revised set of priorities established in 2010 and further refined in 2014 (2014/SOM3/SCE/002) that covered cross-cutting and work stream priorities:

Cross-cutting priorities

1. Developing human capital through capacity building
2. Developing and strengthening the dynamism of SMEs
3. Harnessing technologies for the future and supporting innovation
4. Inclusive growth - addressing the social dimension of globalization, health, gender

Workstream priorities

5. Regional economic integration
6. Structural reform
7. Safeguarding the quality of life through sustainable growth
8. Human security

Due for review in 2019, SCE took the decision to delay to ensure that the Medium-Term priorities were aligned with the APV2040 including through its implementation plan, the APA (2019/SOM1/019, 2021/SOM1/SCE/SUM and 2021/SOM2/SCE/021).

In 2020, APEC Economic Leaders charted APEC's course for the next 20 years with the APV2040. Further, in 2021, APEC Economic Leaders agreed to implement the APV2040 including through the APA. The APA outlines the three economic drivers, alongside the objectives contained in the APV2040, while adding Medium-Term priorities or collective actions as the mechanism to facilitate the achievement of the longer-term goals of the APV2040 as well as the continuous improvement of APEC as an institution and review and renewal.

3. Approach

This approach fully subscribes to the original aims that guided the formulation of APEC's ECOTECH Medium-Term Priorities and seeks to identify key areas of APEC economic and technical cooperation as outlined in the APV2040.

The SCE plays a lead role in supporting the achievement of APEC's vision including through the APA, and provides direction to SCE sub-fora on implementation matters. The collective actions are central to advancing APEC's ECOTECH agenda and APEC Leaders' ECOTECH-related priorities. The SCE will continue to oversee, coordinate and provide policy guidance to the SCE sub-fora, while also contributing to the implementation of the ECOTECH Medium-Term Priorities.

As evidenced by the mapping exercise below, the previous ECOTECH Medium-Term Priorities align and are captured within the APV2040 and APA's economic drivers, objectives and collective actions. This exercise acknowledges the synchronicity between the APA's medium-term priorities or collective actions and the timelines and intention of the ECOTECH Medium-Term Priorities. Thus, the mapping seeks to first align and then integrate relevant collective actions into the ECOTECH Medium-Term Priorities framework for its next five-year cycle.

The below chart details the three economic drivers (column one), ECOTECH-related objectives (column two), and accompanying ECOTECH-related collective actions (column three) of the APA to implement the APV2040, mapped against key responsible SCE sub-fora spearheading specific areas of work on APEC's ECOTECH-related Collective Actions (column four) as well as the previous ECOTECH Medium-Term Priorities (column five). Note that the below identification of key responsible sub-fora is not exhaustive, and other sub-fora may contribute to the achievement of the outcomes outlined in the APV2040 and the APA.

This exercise provides further guidance to SCE and its sub-fora as they implement the APV2040 including through the APA, and will center and focus ECOTECH-related workstreams around the specific collective actions most relevant to each SCE sub-fora. SCE sub-fora will be expected to reflect the updated ECOTECH Medium-Term Priorities (the ECOTECH-related collective actions of the APA to implement the APV2040) in their work plans as well as in end year reporting, while using existing templates and reporting structures. When it comes time to renew Terms of Reference and Strategic Plans, SCE sub-fora will also be expected to carefully consider and incorporate ECOTECH-related Collective Actions in all governance document updates.

In addition, the SCE and its sub-fora are encouraged to work towards the achievement of ECOTECH Medium-Term Priorities in a manner that is reflective of APEC's efforts to continuously improve APEC as an institution, outlined in the Putrajaya Vision 2040 and the APA. These efforts could include deepening engagement with ABAC and the private sector, as well as PECC, PIF, ASEAN, and other international and regional organizations; promoting engagement with a broader range of economic stakeholders, such as NGOs and civil society, to reflect the breadth of the APEC Putrajaya Vision 2040; and continuously improving communications of APEC's work to the broader public.

4. Next Steps and Reporting

Originally, all APEC Committees and fora were requested to recognize the ECOTECH Medium-Term Priorities in their work planning; however, in recent years only SCE and SCE sub-fora have reported on them annually. In addition, the SCE sub-fora are required to report on activities under each priority in their annual fora report (see generally 2014/AMM/015, Annual Work Plan and Fora Report Templates).

As of 2023 while SCE and its sub-fora continue implementing the Putrajaya Vision in a comprehensive and balanced manner in accordance with their mandate, and make provision for implementing the APV2040, including through the APA, in their terms of reference, work plans and strategic plans, SCE and its sub-fora will also draw from the ECOTECH-related APA Collective Actions or renewed ECOTECH Medium-Term Priorities outlined in the mapping below to inform annual workplans. These collective

actions will serve to update the previous ECOTECH Medium-Term Priorities, which were incorporated into SCE sub-fora work plans. The key responsible SCE sub-fora, are expected to reflect some or all of the ECOTECH Collective Actions identified in the mapping (now the ECOTECH Medium-Term Priorities) in their work plans and end year reporting. However, all SCE sub-fora are welcome to self-identify and incorporate relevant ECOTECH-related Collective Actions in their governance and reporting documents.

SCE and its sub-fora will continue to report on progress in the implementation of the APV2040 and the achievement of the ECOTECH Medium-Term Priorities through existing reporting templates, submitted on an annual basis, as per the standard reporting processes in place. This reporting will then be included in the *Senior Officials' Report on Economic and Technical Cooperation* tabled at the APEC Ministers' Meeting. SCE will review the ECOTECH Medium-Term Priorities in 2027 with a view towards adjusting, as deemed necessary, and in full alignment with the priorities set out in the APV2040 and the APA.

Mapping the APEC Putrajaya Vision 2040 and Aotearoa Plan of Action ECOTECH-related Objectives and Collective Actions against previous ECOTECH Medium-Term Priorities

Economic Driver	APEC Putrajaya Vision 2040/Aotearoa Plan of Action Objectives	ECOTECH Medium-Term Priorities (APA ECOTECH-related Collective Actions)	Key Responsible SCE Sub-fora	Previous ECOTECH Medium-Term Priorities
Trade & Investment	We will promote seamless connectivity, resilient supply chains and responsible business conduct	<ul style="list-style-type: none"> • Implement APEC's Connectivity Blueprint, including by strengthening connectivity and resilient supply chains within APEC, and by cooperating to equip businesses to better understand their supply chains; • Address key infrastructure gaps and enhance connectivity by creating transparent regulatory environments, promoting dialogue, and sharing best practices that enable quality infrastructure development and investment, which remains accessible, sustainable and affordable with respect to life-cycle costs; • Improve digital connectivity in the region; • Promote and cooperate on measures that facilitate the safe cross-border movement of people, particularly in the context of changing pandemic related health and travel measures, so as to strengthen tourism, aviation and similarly affected sectors; • Promote capacity building to improve physical, institutional and people-to-people connectivity. • Strengthen multi-stakeholder cooperation to promote responsible business conduct, particularly with the private sector.¹ 	HWG HRDWG PPSTI PPWE SMEWG TWG TELWG TPTWG	Regional Economic Integration
Innovation & Digitalisation	To empower all our people and businesses to participate and grow in an interconnected	<ul style="list-style-type: none"> • Identify ways to support resilience and recovery by utilising science, technology and innovation systems, including through capacity building; • Adopt new and emerging technologies to stimulate growth, connectivity and digital transformation; 	ACTWG EPWG EWG HWG	Harnessing technologies for the future and supporting

¹ The following collective action listed under the first driver in the APA were excluded from this mapping as they relate to workstreams primarily driven by non ECOTECH focused APEC fora:
 •Promote trade and investment facilitation for all, including by: fully implementing the WTO Trade Facilitation Agreement, and seeking to build on it where appropriate; working towards digitalising border processes facilitated by application of internationally recognised standards, strengthening customs cooperation and increasing port cooperation; and the adoption and improvement of effective standards and conformance systems, encompassing standardisation, accreditation, metrology, conformity assessment and market surveillance.

	<p>global economy, we will foster an enabling environment that is, among others, market-driven and supported by digital economy and innovation.</p>	<ul style="list-style-type: none"> • Share best practice, and promote approaches for a digital economy that fosters competition and promotes innovation; • Address challenges and barriers to achieving an enabling, inclusive, open, fair and non-discriminatory digital and innovation environment; • Collaborate to develop an innovative digital business environment, including through frameworks and understandings on best practice that encourage the development, application, uptake and management of new technologies; • Deepen APEC’s multi-stakeholder engagement and collaboration on digital issues, especially with business; • Promote ecosystems that support MSMEs, including those in the creative industry, to take advantage of the digital economy; and • Support the identification and integration of new and emerging sustainable transportation and mobility technologies and services.² 	<p>HRDWG PPSTI PPWE SMEWG TWG TELWG TPTWG</p>	<p>innovation</p>
	<p>We will 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.</p>	<ul style="list-style-type: none"> • Accelerate APEC work and capacity building on the digital economy, including by prompt and effective implementation of APEC’s Internet & Digital Economy Roadmap; • Cooperate on measures to address the digital divide, including facilitating access to digital infrastructure and supporting development of digital skills and digital literacy; • Cooperate to accelerate digital transformation, including by supporting the digitalisation of industries such as services, manufacturing and agriculture; • Stimulate practical application of digital technologies for inclusive & sustainable growth in such areas as trade, finance, public services and healthcare. • Promote e-commerce / digital trade, including by supporting the development and implementation of international and regional norms and standards for the digital economy, compatibility of standards, regulations and systems, and supporting discussion and sharing best practice on rules and regulations in e-commerce / digital trade.³ 	<p>ATCWG ACTWG HWG HRDWG PPSTI PPWE SMEWG TWG TELWG TPTWG</p>	<p>Harnessing technologies for the future and supporting innovation</p>

² The following collective actions listed under the second driver of the APA were excluded from this mapping as they relate to workstreams primarily driven by non ECOTECH focused APEC fora: •Promote measures, interoperable approaches, and the use of digital technologies to facilitate trade and investment;

³ The following collective actions listed under the third driver of the APA were excluded from this mapping as they relate to workstreams primarily driven by non ECOTECH focused APEC fora: •Cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions; •Cooperate on the provision of consumer protection in the digital

<p>Strong, Balanced, Secure, Sustainable and Inclusive Growth</p>	<p>To ensure that the Asia-Pacific region is resilient to shocks, crises, pandemics and other emergencies, we will foster quality growth that brings palpable benefits and greater health and wellbeing to all, including MSMEs, women and others with untapped economic potential.</p>	<ul style="list-style-type: none"> • Build on APEC’s Agenda on Advancing Economic, Financial and Social Inclusion to enhance economic inclusion for all, including by: <ul style="list-style-type: none"> ○ Advancing inclusive policies, including under the economic drivers of trade and investment, and innovation and digitalisation, to promote sustainable economic growth opportunities and improve quality of life for all members of society; ○ Advancing gender equality and the economic empowerment of women, particularly through accelerating the full implementation of the actions in the La Serena Roadmap for Women and Inclusive Growth and building on them; ○ Promoting start-ups and advancing MSMEs’ access to finance, global markets, and global value chains as well as assisting in building their capacity to effectively participate in the wider economy; ○ Building on APEC’s work on supporting MSMEs’ and women’s economic empowerment, and cooperate to further develop APEC’s work on other groups with untapped economic potential, such as indigenous peoples as appropriate, people with disabilities, and those from remote and rural communities; ○ Promoting economic and technical cooperation to enhance capacity building and inclusive economic participation; and ○ Sharing experiences and best practice to promote inclusiveness and quality of life, including through: promoting structural reform to remove barriers to economic participation; encouraging the transition of economic actors from the informal to the formal economy; and data analysis. • Enable quality and equitable health access and outcomes for all with a view to achieving universal health coverage, including by strengthening health systems, by cooperating on: <ul style="list-style-type: none"> ○ preventing, detecting, responding to, and recovering from, pandemics; ○ accelerating equitable access to safe, effective, quality-assured, and affordable vaccines for all; ○ supporting the safe, secure and efficient operation of resilient health related supply chains; and ○ the use of digital technologies that foster health system innovation, 	<p>ATCWG ACTWG EPWG HWG PPWE SMEWG PPSTI</p>	<p>Human security; Inclusive growth; Developing and strengthening the dynamism of SMEs</p>
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environment; •Promote cost-effective mechanisms that support cross-border business-to-business engagement, including through electronic transactions and dispute resolution including under the APEC Collaborative Framework for Online Dispute Resolution of Cross Border Business-to-Business Disputes; and

		<p>such as telemedicine and digital health;</p> <ul style="list-style-type: none"> • Ensure lasting food security, food safety and improved nutrition for all, as well as reducing food waste and loss in the region by promoting agricultural and food trade, agricultural sustainability and innovation, and implementing the Food Security Roadmap Towards 2030; and <p>Enhance cooperation to foster secure growth, including by implementing the APEC Beijing Declaration on Fighting Corruption, Santiago Commitment to Fight Corruption and Ensure Transparency, and the APEC Consolidated Counter-Terrorism and Secure Trade Strategy.</p>		
	<p>We will intensify inclusive human resource development as well as economic and technical cooperation to better equip our people with the skills and knowledge for the future.</p>	<ul style="list-style-type: none"> • Innovate and exchange expertise on skills and human resource development, and cooperate on sharing lessons and best practice in these areas; • Cooperate to improve the collection and analysis of skills and labour market data sets, including to better assess and bridge skills gaps and mismatches between skills and employment; • Strengthen economic and technical cooperation to intensify capacity building in inclusive human resource development; • Cooperate on the development of skills and literacy for all to accelerate the digital transformation of the region's economy, including by implementing APEC's Education Strategy and the APEC Framework on Human Resources Development in the Digital Age; and • Build on existing APEC work on mutual recognition of qualifications to deepen and widen its coverage. 	<p>HRDWG PPWE SMEWG TWG TELWG PPSTI</p>	<p>Developing human capital through capacity building</p>
	<p>We will promote economic policies, cooperation and growth, which will support global efforts to comprehensively address all environmental challenges, including climate change, extreme weather and natural disasters, for a</p>	<ul style="list-style-type: none"> • Cooperate in relevant APEC fora to develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges - including climate change - and support sustainable growth, such as through: <ul style="list-style-type: none"> ○ structural reform; ○ trade, including APEC's work on facilitation of trade in environmental goods and services; ○ public finance, including tax policy and rationalising and phasing out inefficient fossil fuel subsidies that encourage wasteful consumption, while recognising the importance of providing those in need with essential energy services; ○ sustainable infrastructure and transport; ○ promoting sustainable growth across sectors and the development of cost effective low and zero emissions technologies, sustainable finance and, if appropriate, carbon 	<p>ATCWG EPWG EWG EGILAT OFWG PPWE SMEWG TWG TELWG TPTWG PPSTI</p>	<p>Structural Reform; Human security; Sustainable growth</p>

	sustainable planet.	<ul style="list-style-type: none"> pricing mechanisms; and <ul style="list-style-type: none"> o ensuring energy security, access, reliability and resilience through energy transition. • Seek to deliver existing Leaders' commitments on energy issues: particularly to accelerate progress towards the 2030 target of doubling the share of renewable energy in the APEC energy mix, including in power generation, from 2010 levels by 2030; and to deliver a plan to reduce aggregate energy intensity by 45%, from 2005 levels, by 2035; • Work towards the sustainable resource management of agriculture, forestry and marine resources and fisheries, including by implementing the APEC Roadmaps on Marine Debris, and Combatting Illegal, Unreported and Unregulated (IUU) Fishing, and commitments to combat illegal logging and associated trade; • Further implement the APEC Disaster Risk Reduction Framework; • Advance APEC's circular economy work; and • Advance work on sustainable tourism. 		
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