Committee on Trade and Investment Chair's Report

Purpose: Consideration
Submitted by: CTI Chair

Executive Summary

The Committee on Trade and Investment (CTI or "the Committee") met on 4 and 5 March 2024, in Lima, Peru, under the chairmanship of Christopher Tan of Singapore.

The report highlights the discussions and outcomes arising from the meeting. Overall, CTI members are actively engaged in a very comprehensive agenda with a number of initiatives under way.

CTI's work program in 2024 is organized around priority areas that contribute to the overall APEC 2024 priorities, as well as the implementation of the Putrajaya Vision 2040, and Aotearoa Plan of Action: (i) Support for the Multilateral Trading System; (ii) Deepening Economic Integration in the Region, (iii) Trade Facilitation, Connectivity, Digitalisation and Innovation; and (iv) Inclusion & Sustainability.

Being the first CTI meeting, the Committee was updated on the Peru's host year themes as they relate to the CTI and its sub-fora. Substantive discussions were also held on the latest developments in the WTO, including the outcomes of the recently concluded 13th WTO Ministerial Conference (MC13) as well as the implementation of the FTAAP Agenda work plan which included the first of three CTI Dialogues on the FTAAP, led by Peru.

Prior to the CTI plenary meeting, nine of the sub-fora held their meetings on the margins of the SOM1. All nine sub-fora Convenors (or their designates) reported on their work at the CTI plenary meeting where their respective reports were endorsed. The reports are submitted to Senior Officials for information.

At the CTI plenary meeting, the following projects proposals / initiatives / documents were endorsed:

- o Project Proposal "A path to paperless trade: analysing the legal barriers and economic benefits of adopting the UNCITRAL MLETR";

- o Tasking to the Market Access Group (MAG) to continue implementation of the APEC Work Plan on Environmental Goods, develop a Framework of Discussions for Producing an APEC Reference List of Environmental Goods, and continue the work on HS Transposition;

- o Terms of Reference of the Regulatory Harmonization Steering Committee (RHSC);

- o Terms of Reference of the Sub-Committee on Standards and Conformance (SCSC) to incorporate the RHSC as a subsidiary body of the SCSC;

- o Terms of Reference for the Asia-Pacific Model E-port Network (APMEN);

- o APMEN Annual work plan 2024; and,

- o Terms of Reference for the APEC Alliance for Supply Chain Connectivity (A2C2).

CTI also asks that Senior Officials note:

- o That CTI had intersessionally endorsed the updated Terms of Reference for the Business Mobility Group (BMG) in December 2023; and

- o the document "Items for Noting".

A number of proposals for endorsement remained outstanding. They are elaborated in the report.

Recommendations

CTI recommends that Senior Officials**:**

- **endorse** the CTI Chair's report from this meeting;

- **note** the document *"Items for Noting"* (Annex A);

- **note** the subfora convenors reports (Annex B).

6 March 2024

The SOM Chair
First APEC Senior Officials' Meeting (SOM1)

APEC COMMITTEE ON TRADE AND INVESTMENT (CTI): CTI CHAIR'S REPORT

Introduction

1.   The Committee on Trade and Investment (CTI) met on 4 and 5 March 2024, in Lima, Peru. All 21 APEC economies were present. The APEC Policy Support Unit (PSU) was present and contributed to a number of items, including those which it had led the work for the CTI. The CTI was joined by Lead Shepherd of the Small and Medium Enterprises Working Group (SMEWG), the APEC Business Advisory Council (ABAC), and the Pacific Economic Cooperation Council (PECC). A guest from the Economic Research Institute for ASEAN and East Asia (ERIA) gave a presentation to members.

2.   In line with the Putrajaya Vision 2040 (PV2040) and the Aotearoa Plan of Action (APA), the meeting was organised under the following four priority areas:

   a.   Support for the Multilateral Trading System;

   b.   Deepening Economic Integration in the region, including through discussion of the Free Trade Area of the Asia Pacific (FTAAP) Agenda;

   c.   Trade Facilitation, Connectivity, Digitalisation, and Innovation;

   d.   Inclusion and Sustainability issues.

3.   Three CTI events were held on the margins of SOM1:

• Workshop on "Implementing the APEC Pathfinder on Building Blocks for Facilitating Digital Trade" (29 February 2024);
• Workshop on "Prospects of Low-Carbon Trade among APEC Economies" (2 March 2024); &
• First CTI Dialogue on "A New Look at the FTAAP: How to Advance the FTAAP agenda" (3 March 2024)

    While one was held intersessionally:

• Workshop on "Sharing Best Trade Policy Practices to Enhance Synergies between Trade and Innovation" (1 February 2024)

4.   All CTI sub fora, with the exception of the Automotive Dialogue scheduled to meet at SOM2, met on the margins of SOM1. They also held a number of events prior to their plenary meetings.

Progress on the 2024 CTI Work Program

5.   The main discussion points of the meeting were as follows. Where deadlines for comments have been set, and if no comments are received by the deadline, the proposal would be deemed as endorsed.

Peru's APEC 2024 Priorities

6.   Under the theme "*Empower. Include. Grow.*", **Peru** elaborated on its three priorities, namely:

- Trade and investment for inclusive and interconnected growth;
- Innovation and digitalization to promote transition to the formal and global economy; and
- Sustainable growth for resilient development

7.   Several economies voiced their support, including by highlighting possible areas of cooperation. Peru welcomed the support expressed by members.

Update by the APEC Business Advisory Council (ABAC)

8.   **ABAC** updated the meeting on the outcomes of the ABAC1 meeting in Kuala Lumpur which took place from 14 to 16 February 2024, and shared the ABAC plans for 2024. The ABAC1 meeting included the ABAC Dialogue with APEC Senior Officials. The CTI Chair also participated in ABAC1. The CTI noted that ABAC had released a Statement in support of the WTO in advance of the 13th WTO Ministerial Conference (MC13).

Leader and Ministerial Mandates from 2023 and the San Francisco Principles

9.   The **United States** presented the "San Francisco Principles on Integrating Inclusivity and Sustainability into Trade and Investment Policy" and a Compendium of APEC Policy Actions and Initiatives relating to the San Francisco Principles. The United States welcomed members' feedback on the compendium.A deadline of 20 March was set for written comments.

10.   Members discussed the outcomes from 2023, including from the APEC Economic Leaders Meeting, and the APEC Annual Ministerial Meeting.

Support for the Multilateral Trading System (MTS)

11.   **China** updated the meeting on the (a) Trade and Environmental Sustainability Structured Discussions (TESSD); (b) Dialogue on Plastics Pollution and Sustainable Plastics Trade (IDP); and (c) Investment Facilitation for Development (IFD). On (c), China noted that 123 Ministers issued a joint statement at WTO MC13.

12.   **New Zealand** spoke on the Fossil Fuel Subsidy Reform (FFSR) initiative.

13.   Mr Jose Luis Castillo Mezarina, Director General of International Trade Negotiations at the Ministry of Foreign Trade and Tourism, **Peru**, provided an update on the outcomes from the WTO MC13. Members exchanged views on MC13 and shared views on how APEC could support the WTO.

14.   **China** introduced and sought endorsement of a concept note "Workshop on WTO reform focusing on the way to revitalize WTO's function and contribute to digital, green and inclusive trade". As a few economies requested for more time to consult, a deadline of 20 March was set for written comments.

Economic Integration in the Region

15.   The **CTI Chair** introduced the updated matrix related to the FTAAP agenda Work Plan. One economy proposed making the entries more systematic and will work with the Secretariat on this.

16.   **Peru** updated members on the First CTI Dialogue on "A New Look at the Free Trade Area of the Asia-Pacific (FTAAP): How to Advance the FTAAP Agenda" held on 3rd March 2024. The second dialogue will take place on the margins of CTI2.

17.   The **PSU** presented the first draft on the *A New Look at the Free Trade Area of the Asia-Pacific (FTAAP): Review of APEC's Progress*. Comments to the draft should be sent to the PSU by 20 March 2024.

18.   The **PSU** shared that the *PSU Study on Convergence and Divergence (across all chapters of trade agreements)* will be circulated to economies by mid-March. Both of these studies will assess whether the work done by APEC is moving the FTAAP agenda forward consistent with the mandate from the Aotearoa Plan of Action.

19.   In response to the 2021 AMM instruction to officials to continue to support ongoing efforts to conclude, ratify, implement and upgrade high standard and comprehensive trade agreements, updates on regional economic efforts were presented at the CTI: -

- **Indonesia** provided an update on the Regional Economic Comprehensive Agreement (RCEP). Indonesia noted that with the implementation of the agreement by all participating members, an RCEP Support Unit (RSU) had been established within the ASEAN Secretariat and would be expected to be operational by the end of the year.

- **Canada,** as Chair of the CPTPP Commission in 2024, provided updates on developments in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Five Senior Officials meetings and a Ministerial Meeting were scheduled for 2024.

- **New Zealand** updated the meeting on the Digital Economy Partnership Agreement (DEPA).

- **Peru** updated on the Pacific Alliance and on the candidates for "Associated States", including Singapore becoming the first "Associated State" to the PA following the signing of the Pacific Alliance – Singapore Free Trade Agreement.

- Dr. Intan Murnira Ramli, **ERIA,** provided an update on the achievements, trends, and challenges towards ASEAN Economic Integration.

20.   **Australia** updated the meeting on its project, "Workshop on building the capacity of digital trade/e-commerce agreement negotiators".

21.   The **United States** sought endorsement of its updated initiative "FTAAP Agenda Work Program on Labor-related Provisions, on Technical Assistance and Capacity Building in FTAs/RTAs". As one economy requested for more time to consult, a deadline of 20 March was set for comments.

22.   **Japan** and the **United States** spoke on their joint initiative "FTAAP Agenda Work Program on State-owned Enterprises (SOEs)" and their decision to temporarily withdraw the proposal, while retaining SOEs as a focus area in the FTAAP agenda Work Plan. The proponents noted that similar work had been done by the Organisation for Economic Co-operation and Development (OECD). The proponents would re-scope / re-formulate the initiative for submission to the CTI in the future.

23.   **China** provided an update on the project "FTAAP Work Program: Digital identity system for entities" (CTI 204 2023A). A hybrid workshop is planned for later this year.

24.   **Korea** provided an update on the "4th Regional Economic Integration Capacity Building Needs Initiative (CBNI 4)".

Trade Facilitation, Connectivity, Digitalisation and Innovation

25.   **Japan** and **the PSU** updated the meeting on the "Peer Review and Capacity Building on APEC Infrastructure Development and Investment".

26.   **Peru** provided an update on project "Improving Supply Chain Transparency with digital exchange of traceability and ESG (Environmental, Social and Governance) credentials to facilitate APEC trade flows" (CTI 207 2023A).

27.   **The United States** and **Peru** sought endorsement of the joint Project Proposal "Digital Trade Policy Dialogue". Australia and Singapore offered their co-sponsorship. As there was a request for more time to consult, a deadline of 20 March was set for comments.

28.   **Australia** sought endorsement of a Project Proposal "A path to paperless trade: analysing the legal barriers and economic benefits of adopting the UNICITRAL Model Law on Electronic Transferable Record (MLETR)". **The proposal was endorsed.**

29.   **Australia** sought endorsement of the Project Proposal "Implementing the Principles for the Interoperability of Electronic Invoicing Systems in the APEC Region". Singapore and the United States offered their co-sponsorship. As there were requests for more time to consult, a deadline of 20 March was set for comments.

30.   **Australia** provided an update on an DESG project "Measuring the Economic Relationship between Digitalisation and Digital Trade" (DESG 01 2024S).

31.   **Singapore** and **the PSU** provided an update on the "Mid-term review of Phase Three of the APEC Supply Chain Connectivity Framework Action Plan (SCFAP III)". The PSU requested for members' timely response for the requested input.

32.   **China** sought endorsement of a Concept Note "Policy Dialogue on Building an Eco-system Friendly for Application of Electronic Bill of Lading". As a few economies requested for more time to consult, a deadline of 20 March was set for comments.

33.   In **Korea**'s intervention, Korea shared that it would be submitting a concept note on sustainable supply chains.

Inclusion and Sustainability Issues

34.   **New Zealand** provided updates on the Inclusive Trade Action Group (ITAG) and the Global Trade and Gender Arrangement (GTAGA).

35.   **Canada** provided an update on the 2 March workshop "Prospects of low-carbon trade in the APEC region" (CTI 03 2023S).

36.   **Peru** provided an update on the project "Promoting women's economic empowerment through trade policy and trade agreements: Sharing Experiences and Lessons Learned in the APEC Region" (CTI 206 2023A). Indonesia offered its co-sponsorship.

37.   **Malaysia** provided an update on project "MSME-Specific Provisions in FTAs" (CTI 205 2023A). A two-day workshop is being planned in 2024.

38.   **Russia** provided an update on project "Exploring interoperability in APEC approaches on Green Finance and Sustainable Investing".

39.   **Peru** sought endorsement of its Project Proposal "CTI Policy Dialogue on promoting inclusive trade to foster MSME growth and formalization". Australia and China offered to co-sponsor the proposal. As one economy requested for more time to consult, a deadline of 20 March was set for comments.

40.   The **United States** sought endorsement of its Project Proposal "Implementing the San Francisco Principles: Trade, Trade Policy, and Data". As a few economies requested more time to consult, a deadline of 20 March was set for comments.

41.   **China** informed that it is considering to submit, intersessionally, a proposal on green supply chains.

Other Initiatives and Projects

42.   **Peru** provided updates on three of its projects.

   a.   "Public-Private Dialogue (PPD) on substantiating environmental claims in advertising to increase consumer confidence and improve competition" (CTI 203 2023T)

   b.   "Public-Private Dialogue (PPD) on policies and good practices related to influencers advertising in order to prevent harm to consumers and improve competition" (CTI 208 2023A)

   c.   "Best practices to prevent misleading pricing and discounts and similar practices at online shopping platforms and other types of online sales of goods and services" (CTI 202 2023T)

43.   Each of the three projects was planned as one-day event to be held at the margins of SOM3, tentatively scheduled from 12 to 14 August 2024 in Lima, Peru.

Reports of Sub-Fora Convenors & Endorsement Sub-fora Convenors' reports

44.   **CTI Chair** shared that he engaged the sub-fora convenors prior to CTI1 and presented the CTI 2024 priorities at all the sub-fora held during SOM1.

45.   The nine sub-fora convenors (or their designates), (i) BMG, (ii) DESG, (iii) GOS; (iv) IEG; (v) IPEG; (vi) MAG; (vii) SCSC; (viii) SCCP; and (ix) CD, attended the CTI plenary, where they presented their respective reports. Their respective reports were **endorsed** by the CTI.

46.   CTI **endorsed** the tasking to the MAG to continue implementation of the APEC Work Plan on Environmental Goods, develop a Framework of Discussions for Producing an APEC Reference List of Environmental Goods, and continue the work on HS Transposition.

47.   The CTI also registered that the revised ToR of the Business Mobility Group (BMG) was endorsed by the CTI intersessionally in December 2023.

Participation from other fora

48.   **The SME Working Group (SMEWG) Lead Shepherd (LS)** spoke on the fora's core work and cross-cutting issues. The LS spoke on MSMEs' engagement in trade and the intersection between SMEs and Trade and encouraged further cross-fora collaboration between CTI and SMEWG.

Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action

49.   The **Chair** noted that 13 economies had showcased their APA individual actions in 2023 and encouraged remaining economies to do so in subsequent meetings. Peru informed the meeting of its intent to provide a second update to the CTI of its individual actions later this year. New Zealand also indicated their intention to provide an update to the CTI later this year and encouraged others to do so.

Updates from Observers and Guests

50.   **PECC** shared insights into the sessions at the EC on issues such as Good Regulatory Practice and how the different APEC committees/groups could work together on issues of common interests. The PECC highlighted digital issues as an area of collaboration and synergies between various APEC groups.

Governance

51.   The following were presented and endorsed by CTI:

    a. Terms of Reference of the Regulatory Harmonization Steering Committee (RHSC);

    b. Terms of Reference of the Sub-Committee on Standards and Conformance (SCSC) to incorporate the RHSC as a subsidiary body of the SCSC;

    c. Terms of Reference for the Asia-Pacific Model E-port Network (APMEN);

d. APMEN Annual work plan 2024; and

e. Terms of Reference for the APEC Alliance for Supply Chain Connectivity (A2C2)

52. **Korea** shared that it is looking to submit the Terms of Reference for the APEC Harmonization Centre intersessionally.

53. **Secretariat** informed members on the upcoming Fora Assessments and Review that would take place in 2025. The CTI would be asked to agree on the approach later in the year, for the assessment and review to take place in 2025.

Updates from the APEC Secretariat

Project Update

54. The **APEC Secretariat** provided an update on Projects including key dates for Project Session 1, Project Data for 2024.

Items for noting

55. The CTI continued with the practice of having *Items for Noting* which serves as an update to the CTI of developments of other CTI projects. The CTI **endorsed** this document and submit this to Senior Officials for your noting.

Other Business

56. **Peru** updated members on the preparations for the inaugural Joint MRT-Women's Ministerial Meeting in May 2024.

Summary and conclusion

57. The CTI Chair closed the meeting by thanking CTI members, and observers for their active participation, and Peru's generous hospitality.

Christopher TAN
Chair, APEC Committee on Trade and Investment

Enclosed

| Annex A | Items for Noting |
| Annex B | Convenors' report |

Items for Noting –First Committee on Trade and Investment Meeting 2024

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
1.	APEC Workshops for Capacity Building in Self-Declaration of Origin for FTAs/RTAs (SCCP 02 2022T) (Japan)	Trade facilitation, connectivity, digitalization and innovation	Japan	**Current status and progress/update:** - Japan held a virtual workshop for the capacity building, where businesses using FTA/RTA from three economies shared the advantages and challenges of the self-declaration system from the user's perspective, as well as suggestions for its operation. **Next steps:** - Japan has been working on completing the draft report, which will be circulated in CTI, SCCP in due course. **Request to CTI members:** - Economies are encouraged to review the report and cast their views on that, if any.
2.	Research on How Economies Can Help Businesses Build and Maintain Open, Secure and Resilient Supply Chains (Japan)	Trade facilitation, connectivity, digitalization and innovation	Japan	**Current status and progress/update:** - The research report has been compiled and endorsed in CTI. The publication has been uploaded on APEC Secretariat website. **Next steps:** - Nil **Request to CTI members:** - Nil

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[1] For members' ease of reference, a document number from past CTI meetings will be provided

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
3.	Research on how economies can help utilize paperless trade platforms in post-COVID 19 era (Japan)	Trade facilitation, connectivity, digitalization and innovation	Japan	**Current status and progress/update:** - Japan has worked on completing the contract procedures. The research activity has started. **Next steps:** - The draft report will be circulated for comments after CTI1. **Request to CTI members** - Economies are encouraged to review the report and cast their views on that, if any.
4.	Study on the Impact of Information Technology Agreement (ITA) and future of ICT trade (MAG 01 2022T) (Japan)	Support for the Multilateral Trading System (MTS)	Japan	**Current status and progress/update:** - Japan held an online workshop where experts shared their views on the benefits of ITAs, emerging ICT products, regional trade trends, and the potential of new ICT solutions to global challenges. **Next steps**: - Circulation of the draft final report. **Request to CTI members** - Economies are encouraged to review the report and cast their views on that, if any.
5.	"Sharing best trade policy practices to enhance synergies between trade and innovation" (Japan)	Trade facilitation, connectivity, digitalization and innovation	Japan	**Current status and progress/update:** - Japan held an online workshop that focused on discussions on several trade policy practices in APEC region and shared best practices, impacts, benefits and challenges of the trade policy practices in APEC region. **Next steps:** - Circulation of the draft final report.

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
				Request to CTI members - Economies are encouraged to review the report and cast their views on that, if any.
6.	"APEC Seminar on Cross-Border Telework" (CTI 201 2023T) (Japan)	Trade facilitation, connectivity, digitalization and innovation	Japan	**Current status and progress/update:** - Project Proposal (PP) has been under the quality assessment process by the PMU. **Next steps:** - BMC approval of the PP. Signing of the acceptance letter will be followed by a bidding process to find a contractor for the project. **Request to CTI members** - Nil
7.	APEC Trade Repository	Updates from Sub-Fora Convenor/ Chair	the Philippines	**Current status and progress/update:** - The Philippines provided to MAG members the latest APECTR usage report covering the period 1 August 2023 to 15 February 2024. **Next steps:** - Nil. **Request to CTI members** - Nil.
8.	**Blueprint 2.0.: Work Plan on Cooperation on Implementing and Taking Full**	Trade Facilitation and Connectivity	China, Indonesia and United States	**Current status and progress/update:** - China, Indonesia, and the United States Work Plan on Cooperation on Implementing and Taking Full Advantage of Statistics Related to GVCs[2] for workstream 3 of Blueprint 2.0

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[2] 2020/SOM1/CTI/033

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
	Advantage of Statistics Related to GVCs 2020/SOM1/CTI/033 2020/CTI-E/IS02 2020/CTI3/IS02			was endorsed on 9 March 2020. The Work Plan seeks to help APEC economies to better utilize the TiVA database by undertaking a survey of economies' needs and challenges in developing and utilizing TiVA data; providing capacity building; and assisting APEC economies in developing better underlying statistics that goes into TiVA compilation. Phase 1 of the five-year work plan calls for a survey to be conducted to identify the level of understanding TiVA statistics; assess capacity building needs; and identify the type of extended SUTs and supporting data that are needed by each economy. On 9 September 2020, the draft survey was circulated in CTI for comments and endorsement. On 2 December 2020, the survey was circulated to economies for completion and re-circulated on 22 January 2021. Responses were received from 14 economies. **Next steps:** - Individual economies will have engaged with ministries, departments, and agencies that are interested in the use of statistics that are related to global value chains in their work, and will have submitted one (1) consolidated response that reflects the input from the various organizations that were consulted. China, Indonesia, and the United States will circulate a summary of results from the survey and a capacity building plan* will be developed that addresses various needs from APEC economies on how to access the database and how to effectively use and improve the quality the TiVA data for policy analysis. **Request to CTI members** - We ask economies to participate in capacity building activities when scheduled.

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
9.	**APEC Alliance for Supply Chain Connectivity (A2C2), including its extension until the end of 2023** 2020/CTI2/008	Trade Facilitation and Connectivity	United States	**Current status and progress/update:** - The Unites States hosted the 15th Meeting of the APEC Alliance for Supply Chain Connectivity (A2C2) on August 1, 2023. Panels included a focus on challenges faced by public and private sector stakeholders and effective strategies to address SCFAP III chokepoints. The event closed with a facilitated discussion, where there was robust dialogue involving panelist and participants from both government and the private sector. Participants highlighted the benefits of the A2C2 forum that allows APEC to discuss these supply chain issues, with an emphasis on the fact that all of these issues connect and small improvements in one area can greatly impact other aspects of the supply chain as well. We heard of additional initiatives that tie into the SCFAP chokepoints, including electronic certifications that are helping to speed-up agricultural trade, new training programs for MSMEs, and payment digitization for e-commerce shipments that make trade simpler. **Next steps:** - Building on previous A2C2 meetings, the United States intends to host an in person A2C2 meeting in 2024 at SOM3 in Lima to continue engagement around themes related to SCFAPIII implementation. - The United States has circulated a proposal to extend the Terms of Reference of the A2C2 for another four years to the CTI. **Request to CTI members** - The United States welcomes ideas from economies on ways to support implementation of SCFAPIII utilizing the A2C2. - Economies are requested to endorse the proposed extension of the Terms of Reference of the A2C2.

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
10.	**Study: Policies and Regulatory Frameworks on Modern Digital Economy Issues – Open Government Data** CTI 05 2021S	Internet and Digital Economy and E-Commerce	United States	**Current status and progress/update:** - A self-funded proposal on open government data was endorsed by economies on May 12, 2021. A study was endorsed in April by the CTI to identify emerging practices across the APEC region on the subject of facilitating access to open government data (OGD). This study is part of a project led by the United States aimed at highlighting emerging practices in the region surrounding OGD. It is hoped that through this stock take and subsequent policy discussions, CTI regulators and other APEC economy officials can gain a better understanding of the various policies and regulatory frameworks on OGD measures to better facilitate ways for companies to make more effective use of data that is growing across the region. As this report shows, OGD mechanisms and initiatives are already well established in every APEC member economy, across all types of organizations, and through many key sectors. - The report was endorsed by the CTI on April 19, 2023. In this study, one of the recommendations is to "Follow guidelines and best practices around OGD". In addition, the endorsed proposal for this study notes that: "This study will help shape future APEC work such as identifying best practices and promoting a consistent approach to ensure that the data governments choose to make available are more easily retrievable and usable throughout the APEC region." Therefore, the United States has drafted a set of principles for facilitating access to open government data. The Non-Binding Principles for Facilitating Access to Open Government Data in the APEC region were endorsed by CTI in October 2024 and appended to the 2024 annual CTI report. **Next steps:**

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
				- Nil **Request to CTI Members:** - Nil
11.	**Trade Policy Dialogue on Digital Trade** CTI 04 2023S	Internet and Digital Economy and E-Commerce	United States, Peru	**Current status and progress/update:** - A proposal for a Digital TPD in 2023 was endorsed on June 16, 2023. Building off a successful TPD held on the margins of SOM1, the United States implemented an additional in-person digital TPD on the margins of the APEC Third Senior Officials' Meeting (SOM3) in Seattle to further advance these discussions and provide an opportunity for economies and companies to discuss innovations and approaches to emerging issues surrounding digital trade and e-commerce, with a focus on supporting MSMEs. **Next Steps:** - A summary report from the August 2023 trade policy dialogue was endorsed by CTI members in October 2023. - A proposal for a Digital TPD in 2024 was circulated by Peru and the United States for endorsement at CTI1. **Request to CTI members** - Economies are requested to endorse the proposal for a Digital TPD in 2024.
12.	Workshop on Implementing the APEC Pathfinder on Building Blocks for Facilitating Digital Trade CTI 09 2023S	Trade Facilitation, Connectivity, Digitisation and Innovation.	United States	**Current status and progress/update:** - The self-funded proposal self-funded proposal Workshop on Implementing the APEC Pathfinder on Building Blocks for Facilitating Digital Trade was endorsed in August 2024. - With 11 economies signed onto the APEC Pathfinder on Building Blocks for Facilitating Digital Trade, economies continue to examine ways they can collectively and

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				individually address issues of digital trade, including e-commerce. - The workshop was held during SOM1, 2024, aiming to allow APEC economies to deepen work related to the Pathfinder and offer opportunities for economies not yet engaged to explore heightened involvement. **Next steps:** - An outcomes report will be circulated to CTI members intersessionally. **Request to CTI members** - Members are encouraged to endorse the outcomes report when it is circulated. - Members which are not yet part of the Pathfinder are encouraged to consider joining.
13.	**Promoting Compostable Bio-Plastics in the Asia Pacific Region** CTI 04 2022S	Sustainability	United States	**Current status and progress/update:** - The self-funded proposal on promoting compostable bio-plastics in the Asia Pacific region was endorsed by economies on April 29, 2022. Chile is a co-sponsor of this work. - This project seeks to strengthen the policy environment in APEC to guide the use of compostable bioplastics as well as provide more clarity for labeling and composability standards, with the aim of reducing plastic pollution in the region. - A study was undertaken to provide a comprehensive assessment of the policy frameworks that govern the use and trade of compostable bioplastics. This study involved a survey distributed in September 2022 that gathered economy-level information on the issues related to compostable bioplastics.

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
				- During 2023 SOM1, the U.S. hosted a workshop to share and build upon the findings of the study and to showcase regional best practices in regulating compostable bioplastics with a focus on promoting greater compatibility of compostability standards and labeling requirements. **Next steps:** - The report, "Promoting Compostable Bioplastics in the APEC Region: Policy Frameworks to Enable Trade, Investment and Innovation" was endorsed by CTI in February 2024 and will be published soon. **Request to CTI members** - Nil
14.	**FTAAP Work Program on APEC efforts to address inclusion in trade agreements and trade policy** CTI 08 2022S	Economic Integration in the Region	United States	**Current status and progress/update:** - A self-funded proposal on an FTAAP work program on APEC efforts to address inclusion in trade agreements was endorsed by APEC economies on May 15, 2022. This workstream consists of a primary workshop, a stock-take study, and a follow-on workshop. - Building upon a half-day workshop held on the margins of SOM1 and, the U.S. hosted a one-day workshop on the margins of SOM3, which aimed to promote dialogue and information sharing on experiences and lessons learned to incorporate inclusion aspects in trade agreements. Through these activities, participants learned best practices that help address and reduce trade barriers faced by micro, small and medium-sized enterprises (MSMEs); women; indigenous people; and others with untapped economic potential, while simultaneously learning how to apply these practices to enhance their trade agreements.

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
				- The stock-take study is currently underway, with preliminary findings reported out during the SOM3 workshop. **Next steps:** - Work is also underway on the stock-take report, which will map the various efforts of APEC economies to incorporate inclusion aspects in trade agreements. Potential areas of consideration include evaluating the extent of gender (and/or inclusion) impact assessments as well as identifying indicators and processes to measure progress in achieving more inclusive trade agreements both in the context of specific groups as well as various intersections of these groups. The study will be circulated in early 2024 to the CTI. - The United States is considering possible follow-on activities based on the outcomes of the SOM3 workshop and the stock take study. **Request to CTI members** - Economies are strongly encouraged to review the stock take study and provide feedback when circulated.
15.	**FTAAP Work Program on Multi-stakeholder Engagement** CTI 06 2022S	Economic Integration in the Region	United States	**Current status and progress/update:** - This project was endorsed during SOM2 2022. On August 11, 2022, the U.S. circulated a survey to CTI members to stock-take current APEC economy approaches and procedures to undertake multistakeholder engagement in developing trade agreements. - In 2022, under APEC's FTAAP agenda, the United States launched a work program on strengthening multistakeholder engagement approaches for the development of trade agreements. - The United States conducted an economy-level survey for a more in-depth understanding of the topic in mid-2022.

No.	Initiative or item[1]	CTI agenda topic	Lead economy	Progress update or other information to note
				Through this survey, CTI members and other trade stakeholders shared individual experiences and lessons-learned from administering and participating in these approaches. The United States appreciates the robust responses to the survey, where 139 respondents from 11 economies responded.
				- The United States hosted a half day workshop at SOM1, where participants considered how multistakeholder engagement can help economies pursue trade objectives, how to identify and reach trade stakeholders, and how to mitigate potential obstacles or concerns.
				- The CTI endorsed an outcomes report in February 2024, which highlights the landscape of multistakeholder engagement approaches and procedures, along with their resulting outcomes and lessons learned, building from the information shared through the survey and workshop, as well as follow up engagement with APEC economies. Through a comprehensive examination of insights and experiences from both APEC members and non-government stakeholders, this report also suggests initial steps APEC economies could take as reference.
				Next steps:
				- The endorsed outcomes report will be published to the APEC website soon.
				Request to CTI members
				- Nil

Annex B: Convenor Reports

1. Chemical Dialogue (CD)
2. Business Mobility Group (BMG)
3. Digital Economy Steering Group (DESG)(on work other than the APEC Internet and Digital Economy Roadmap)
4. Group on Services (GOS)
5. Investment Experts' Group (IEG)
6. Intellectual Property Rights Experts Group (IPEG)
7. Market Access Group (MAG)
8. Sub-Committee on Customs Procedures (SCCP)
9. Sub-Committee on Standards and Conformance (SCSC)

CHEMICAL DIALOGUE

Convenor's report to Committee on Trade and Investment for CTI1/2024

1. **Forum Main Objectives/Deliverables expected for 2024**
   Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

   - The CD's main objectives are to:
     - Continue advancing the CD's work on marine debris and sustainability, including encouraging APEC endorsement and participation in CD-led project proposals – including further exploration of chemical recycling.

     - Provide APEC economy updates on regulatory improvements and action plans and encourage APEC endorsement and participation in CD-led project proposals – including further exploration of the OECD Mutual Acceptance of Data (MAD) system.

     - Publish the CD Risk Assessment Compendium as an APEC resource and tool for best practices.

     - Advance consistent implementation of the Globally Harmonized System for the Labelling and Classification of Chemicals, including encouraging APEC participation in CD-led project proposals – including one related to convergence of GHS.

     - Encourage continued contribution to the G.R.E.A.T. system.

2. **How the forum's work contribute to APEC and CTI's objectives,**

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

   a. **Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action**

   - The CD's work supports collective actions under the Aotearoa Plan of Action (APA) to implement the APEC Roadmap on Marine Debris and advance APEC's circular economy work.

   - The CD's work also supports efforts under the Aotearoa Plan of Action (APA) to reduce unnecessary barriers to trade and foster regulatory reform.

   b. **Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals**

   - The CD continues to discuss and take action on:
     - Preventing barriers to trade in chemicals through promoting regulatory cooperation and implementation of good regulatory practices;

c.   **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..."*

The CD aims to reduce trade barriers that may impede market access.

d.   **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…"*

-

   •   The CD will continue its efforts to address marine debris including work to examine and overcome barriers to investment in waste management infrastructure that would support a more circular economy.

   •   The CD will look to support CTI efforts on sustainable materials management policy and help APEC economies identify and frame domestic policies that promote waste management and recycling (WMR) infrastructure, addressing barriers to trade and increasing markets for sustainable materials.

e.   **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*

   •   The CD will continue work to promote regulatory cooperation and convergence, including through continuing to encourage cross-fora collaboration with the OECD's Mutual Acceptance of Data (MAD) Program, to encourage more APEC economies to participate in such a program.

   •   The CD will continue work to promote more consistent international implementation of the Globally Harmonized System for the Classification and Labeling of Chemicals ("GHS"). The GHS is an UN-developed system that was

> designed to promote a globally harmonized approach for all chemical labeling. The CD has revised the GHS comparison report and convergence recommendations to consider recent developments and will develop additional capacity building efforts to help APEC economies address GHS divergences.
>
> • The CD will continue work to support the implementation of Good Regulatory Practices in the chemical sector.

f. 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."*

> • The CD continues to explore interest in data exchange, particularly for regulatory cooperation and convergence by focusing on data communication within the supply chain through the digitalization of hazardous information.

g. 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"*

> • The CD continues to support the work of the Virtual Working Group on Marine Debris, created to tackle the challenge of marine debris in the Asia-Pacific and encourage cross-fora collaboration among different APEC workstreams.
>
> • The CD continues to explore project proposals related to sustainability and capacity building programs, including projects that build off of Thailand's priority of a Bio-Circular Green (BCG) economy.

3. **Planned private sector / stakeholder engagement in 2024**

   Please provide a list of planned private sector engagement in 2024

> • The CD is one of APEC's tw industry dialogues and, as such, the private sector is institutionally involved in every aspect of the CD's work for 2024.

- Additionally, an industry representative serves as the Industry Co-Chair of the CD and Industry representatives serve as co-chairs of each of the CD's Virtual Working Groups – including the Virtual Working on Regulatory Cooperation and Convergence; Virtual Working Group on GHS; Virtual Working Group on Data Exchange, and Virtual Working Group on Marine Debris. Multiple working groups are preparing to implement projects for the upcoming year, including convergence on GHS.

4. **Planned cross-fora collaboration in 2024**
   Please provide a list of planned cross-fora collaboration in 2024

   - The CD regularly engages in cross-fora collaboration including work with the OFWG on marine debris, work with PPSTI on circular economy, work with CTI on recyclable materials policy, work with the SCSC on regulatory cooperation and Good Regulatory Practice, and work with the SCCP on customs practices for chemicals.

5. **Main outcomes from most recent plenary meeting**
   Please provide in list format

   - The 32nd Chemical Dialogue took place in-person on 1 March.

   - The CD welcomed proposed work from subgroups on regulatory cooperation, GHS, data exchange, marine debris and advanced recycling. This included:
     - A workshop on the use of the OECD Mutual Acceptance of Data (MAD) Program held the day before the meeting.
     - Encouraging cross-fora collaboration with the OFWG through the implementation of the marine debris blog series on the Virtual Working Group on Marine Debris website and participation in the OFWG project Good Practices for Traceability Mechanism of Marine Debris Recycled Products in the APEC Region

6. **Was quorum reached at the most recent plenary meeting?**
   Please advise how many economies participated in the most recent plenary meeting and indicate efforts to increase participation from members

   Quorum was reached. 15 economies attended.

7. **What is your Forum doing to increase participation from its members?**
   Please provide a brief list of planned efforts to increase participation from members

   - The Forum is maintaining and increasing its relevance to APEC member economies through active virtual working groups (on regulatory cooperation and convergence, on GHS, on Data Exchange, and marine debris) that implement capacity building projects on a variety of regulatory cooperation and marine debris/sustainability issues.

> - The CD will consider using audio-visual connections to allow remote participation.

8. Decision points needed from CTI

- *Seek CTI's endorsement of the Chemical Dialogue's Convenor's Report.*

Please add any additional decision points needed from CTI

> The current CD terms of reference expire on 31 December 2025. One economy has indicated that the lack of participation by regulators has diminished meaningful work. Industry representatives uniformly supported the work of the CD and expressed a desire for its continuation. Other economies supported the group's continuation, as well. The CD had a frank discussion of the issue and will continue these conversations intersessionally.

Business Mobility Group (BMG)

Convenor's report to Committee on Trade and Investment for CTI1/2024

1   Forum Main Objectives/Deliverables expected for 2024

Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

- Improve the efficiency of economies' processing of APEC Business Travel Card (ABTC) applications and pre-clearances, including through the development of ABTC system related tools.
- Discuss issues and best practices associated with, and identify shared actions to support, the uptake of the APEC Business Travel Card by businesswomen.
- Develop, contribute to, and share approaches to gathering ABTC customer feedback on the ABTC Scheme to inform improvements, including in collaboration with the APEC Business Advisory Council.
- With digitization and sustainability at the fore, support and encourage APEC members to transition to the virtual ABTC and discontinue issuing physical ABTCs.
- Build types of data and access to data to inform the growth and improvement in the ABTC and travel facilitation, with a focus on business-persons underrepresented in the ABTC Scheme, such as employees of SMSEs, women, and business persons with disabilities.
- Raise awareness and knowledge of risks and opportunities associated with the integrity of the ABTC, including in relation to the potential impacts of artificial intelligence on the immigration and border environment in the context of business travel facilitation through ports and ABTC integrity.

2   How the forum's work contribute to APEC and CTI's objectives

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

a. **Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action**

The BMG contributes to all three APA economic drivers through:
- enhancement and digitalization of the ABTC Scheme, including through seeking to improve transparency, simplicity, and reliability.
- sharing innovations and best practices associated with safe and seamless cross-border travel facilitation and people-to-people connectivity, in consideration of economic resilience and recovery
- advancing inclusivity in the ABTC Scheme, including MSMEs and bona fide businesswomen.

b. **Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals and the 2023 San Francisco Principles on Integrating Inclusivity and Sustainability into Trade and Investment Policy**

The BMG contributes to the implementation of mandates through:

- focusing on advancing inclusivity in the business travel environment, including to promote and engage MSMEs, and women and persons with disabilities, etc. within the immigration and border management, and business environments
- advancing resource efficiency and sustainability through sharing best practices on, and implementing, streamlined and digital practices.

c. 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..."*

The BMG supports the Multilateral Trading System by:
- Enhancing and monitoring the integrity of the ABTC Scheme
- Promoting digitalization of cross-border systems

d. 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…"*

The BMG supports regional economic cooperation by:
- Contributing to collaborative, frank and open discussions about cross-border travel facilitation and the ABTC System
- Committing to collaborative, open and transparent practices associated with the ABTC and business travel facilitation in the APEC Region

e. 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*

The BMG supports the Multilateral Trading System by:
- Enhancing and monitoring the integrity of the ABTC Scheme
- Promoting digitalization of cross-border systems
- Supporting and facilitating business travel

f. 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, marketdriven 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."*

> The BMG supports innovation and digitalization by:
> - enhancement and digitalization of the ABTC Scheme, including through seeking to improve transparency, simplicity, and reliability of the Scheme.
> - sharing innovations and best practices associated with safe and seamless cross-border travel facilitation and people-to-people connectivity, in consideration of economic resilience and recovery.

g. 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"*

> The BMG supports sustainable and inclusive growth by advancing inclusivity in the ABTC Scheme, in particular promoting the value of MSMEs and women in trade facilitation and economic growth, and digitization of the ABTC.

3. Planned private sector / stakeholder engagement in 2024

Please provide a list of planned private sector engagement this year

> - In 2024, the BMG Convenor will lead the continuation of discussions and development of collaborations and participation in the BMG with the WTTC, IATA, ICAO, APEC's Policy Partnership for Women and the Economy working group (PPWE).
> - The BMG will also support ABAC's survey of the regional business communities' perceptions, issues and opportunities associated with the ABTC Scheme.
> - At BMG 1 2024, members indicated their interest in continuing and growing engagements with the private, non-for-profit and academic sectors and other APEC working groups on advancing women's economic participation, and the threats and opportunities associated with artificial intelligence in the immigration and border management context.

4.   **Planned cross-fora collaboration in 2024**

Please provide a list of planned cross-fora collaboration in 2024

- BMG Convenor is presenting to the Friends of the Chair on Connectivity at SOM1 2024.
- BMG is supporting ABAC with its survey aimed at gathering business insights on areas of improvement for ABTC.
- BMG has indicated its support for cross-collaboration with the Policy Partnership for Science, Technology and Innovation Working Group.
- BMG Convenor to explore cross-collaboration with the Small to Medium Enterprise working group.
- BMG Convenor to explore further cross-collaboration with the Policy Partnership on Women and the Economy working group.

5.   **Main outcomes from most recent plenary meeting**

Please provide in list format

Following consultation at BMG2 2023, the BMG returned to a pre-COVID meeting structure, reintroducing meetings of the ABTC and Integrity working groups, followed by the plenary.

- The **ABTC Working Group's** discussions covered a range of key topics identified by economies in the development of the agenda, including handling the correction of data entry errors, opportunities to enhance communication methods with ABTC holders and administrators, and gender in the context of ABTC holders.
- Of note, the BMG heard from the APEC Communication and Public Affairs Unit (CPAU) to share insights arising from the recently released Perception Survey report "Communicating the APEC Putrajaya Vision 2040". The CPAU identified implications for the BMG identified in the report, including: the need to raise public awareness of APEC's efforts to improve innovation and digitization, manage data, and promote APEC's goals; and, the opportunity to promote the ABTC as a positive outcome of multilateralism and international trade and investment. The CPAU referred to opportunities for the BMG to elevate the ABTC's visibility, and deconflict the recognition of the ABTC Scheme as an exclusive program, while it also seeks to improve and promote inclusivity; promote the ABTC Scheme through innovative, and targeted and improved communication methods and media, including engaging better through social media. The BMG Convenor committed to work with the CPAU to improve APEC's website for the ABTC, including to ensure language is simple and gender sensitive, and explore opportunities to promote the ABTC through social media.
- In the context of communication between ABTC administrators and with ABTC holders, a number of actions were also taken to improve communication, including: review of the ABTC Operating Framework to establish communication standards and practices between economy administrators; investigate possibility of updates to the ABTC Core inbox to allow for multiple economies to be selected for a message to be sent to and whether an improved alert system can be implemented; and, publication of where APEC lanes are located across all APEC members' land, air and sea ports.
- The BMG also received an update from Australia on the progress of the ABTC online lodgement project. Online lodgement (OL) offers applicants the opportunity to apply for an ABTC through an online system rather than in-person or by mail. Over a number of years, work between Australia, Singapore and Thailand sought to enable more efficient processing of ABTC applications and pre-clearances, initially through a web-

based solution. With changes to immigration and border technologies, a web-based solution is no longer deemed effective, and efforts are instead underway to enable an application programming interface solution, which is a way for two or more computer programs or components to communicate with each other. Australia's next milestone to understand the capacity to implement this solution is December 2024.

- In the context of continued discussions on improving the inequitable distribution of men to women ABTC's holder, with women making up on %23 of ABTC holders across all members, the BMG also received a presentation from Papua New Guinea (PNG) on its recent developments towards adopting a Gender Equity Social Inclusive (GESI) Policy across all working environments. Section 55 of the Constitution of Papua New Guinea calls for equality of citizens in all areas of social, economic and political development irrespective of race, tribe, place of origin, political opinion, colour, creed, religion or sex. The domestic Public Service GESI Policy assists Public Service agencies, officers and employees to embrace the GESI principles of respect, equity and diversity, and provides the framework for change by ensuring that relevant values and principles are adopted into PNG's long- and short-term strategic planning, enabling its agencies to collaborate with other stakeholders to address this issue in the Public Service.

- The **ABTC Integrity Working Group** discussed outcomes from the pre-clearance survey, an action from BMG2 2023, in relation to the potential for sharing additional data points already collected in the ABTC System that would assist economies with undertaking more efficiently their pre-clearance assessments. It was agreed that further work would be undertaken to determine any barriers legislative barriers to sharing key data identified in the survey, before seeking further consideration and ultimately agreement from the BMG to share any additional data points.

- Economies also presented on a range of topics related to improving key elements of the ABTC Scheme's integrity, including improvements to ABTC forms and the issuing of ABTC's, and digitization and automation projects that seek to efficiently and effectively transition travellers through border checkpoints or issue visas. Presentations were received from Australia, China, Indonesia, PNG, Philippines, Singapore and Thailand.

- Other issues raised included fraud detection and prevention, ABTC fees, and best practices and approaches to the assessment of applicants according to the bona fide business person definition.

- During the **plenary**, Peru provided an overview of its APEC objectives and priorities for its 2023 host year, sharing the APEC 2024 theme "Empower. Include. Grow" and outlining the three priorities of: Trade and investment for inclusive and interconnected growth; Innovation and digitization to promote transition to the formal and global economy; and, Sustainable growth for resilient development, which seeks to promote energy transition. The Chair of the Committee on Trade and Investment and the APEC Business Advisory Council (ABAC) also presented to the BMG.

- ABAC acknowledged its long-standing relationship with the BMG and the opportunity to engage more productively in 2024. Following intersessional engagement between the BMG Convenor and ABAC, ABAC was able to introduce its proposal conduct of a survey aimed at gathering business insights on areas of improvement for ABTC. The Regional Economic Integration Working Group (REIWG) members endorsed the proposed collaboration following ABAC's meeting 14-16 February 2024. ABAC and BMG will collaborate to develop the survey's content with a view to delivering the survey results and recommendations by BMG 2 2024

- BMG members also made a range of presentations. Australia presented on the Passport Checking Service (previously the Regional Movement Alert System), which was established in 2005, as a measure to support the ABTC Scheme and improve the identification of fraudulent or expired travel documents, or visa issues. Only four

economies engage with the CPS; however, a number of economies indicated their interest in engaging with Australia further to investigate the benefits and technical aspects of the PCS.
- Australia also provided an introductory presentation on the role of artificial intelligence in the immigration and border management context. The BMG welcomed the opportunity to continue exploration this topic at BMG2 2024 and beyond, potentially in collaboration with the WTTC.

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

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

Yes.
- **ABTC Working Group**: **17** members present. Brunei Darussalam, Mexico, United States and Viet Nam were not present.
- **Integrity Working Group**: **18** Brunei Darussalam, Mexico, and the United States were not present.
- **BMG Plenary**: **18** members were present. Brunei Darussalam, Chile, and Mexico were not present.

7. **What is your Forum doing to increase participation from its members?**

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

- The BMG's agenda is informed by all economies, ensuring meetings are owned by members and address their needs.
- The Convenor and her team, including the APEC Secretariat, seek to engage BMG members' interest in the BMG through engaging broadly with industry and economy stakeholders, and undertake contemporary research to identify and deliver discussions on emerging opportunities and threats to the ABTC and business travel facilitation, to develop meeting agendas.
- The Convenor and her team, including the APEC Secretariat, maintain transparent communication in the delivery of actions identified at each BMG, indicating commitment to the BMG advance their ABTC Scheme and travel facilitation goals.

8. **Decision points needed from CTI**

Please add any additional decision points needed from CTI

- Seek CTI's endorsement of the Convenor's Report.

**DESG Chair's report to Committee on Trade and Investment for CTI1/2024
on e-commerce and trade-related digital economy issues**

In line with 2018 CSOM recommendations, the DESG preserves the functions of the former Electronic Commerce Steering Group (ECSG) and continues to report to the CTI on matters of the ECSG's work programme on e-commerce and trade-related digital economy issues.

NOTE: For matters related to the comprehensive implementation of the APEC Internet and Digital Economy Roadmap (AIDER), the DESG reports to the SOM.

1   Forum Main Objectives/Deliverables expected for 2024

Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

> • Implement ongoing APEC projects:
>   o *Information Sharing on Legal and Regulatory Interoperability for Privacy Protections in APEC* – the United States

2   How the forum's work contributes to APEC and CTI's objectives

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

a. **Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action**

> DESG work programme on e-commerce and trade-related digital economy issues broadly contributes to the APA Collective Actions:
> • 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
> • Cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions

b. **Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals and the 2023 San Francisco Principles on Integrating Inclusivity and Sustainability into Trade and Investment Policy**

> • Promote the interoperability and standardization of e-commerce/digital transactions
> • Cooperate on facilitating the flow of information and data, and strengthening business and consumer trust in digital transaction

c. **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…"*

- *Survey on E-Commerce Regulations in APEC*, updated annually by Singapore. This database of information, which is available to the public on the APEC Trade Repository, facilitates the transparency of economies' domestic regulations and approaches on e-commerce.
- Discussion of the WTO moratorium on customs duties on electronic transmissions and UNCITRAL Model Law on Electronic Transferable Records (MLETR), held during the DESG Plenary Meeting on 2-3 March 2024.

d. 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…"*

- Ongoing work on the APEC Cross-Border Privacy Rules (CBPR) and Privacy Recognition for Processors (PRP) Systems which promote interoperability between different data privacy regulations to facilitate trade and build trust in e-commerce
  - Endorsed recertification of *JIPDEC* in Japan, *Korea Internet & Security Agency (KISA)* in Korea and *NCC Group* in the United States as CBPR system Accountability Agents
- Submitting and updating Data Privacy Individual Action Plans (IAP) which improve the transparency of data protection frameworks of member economies

e. 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*

Promoting regulatory cooperation through the APEC Cross Border Privacy Enforcement Arrangement (CPEA) and the CBPR System

3. Planned private sector / stakeholder engagement in 2024

Please provide a list of planned private sector engagement this year

Actively engage relevant stakeholders and experts, including from the Centre for Information Policy Leadership (CIPL)

4. Planned cross-fora collaboration in 2024

Please provide a list of planned cross-fora collaboration in 2024

Actively engage other fora for discussions on e-commerce and data privacy issues

5.   Main outcomes from most recent plenary meeting

Please provide in list format

Main outcomes of the DESG Data Privacy Subgroup (DPS) 48th meeting on 1-2 March 2024: The meeting was attended by 15 member economies: Australia; Chile; People's Republic of China; Indonesia; Japan; Korea; Mexico; Malaysia; Peru; the Philippines; Russia; Singapore; Chinese Taipei; Thailand; the United States; and Viet Nam.

Also in attendance was a representative of a guest organization: Centre for Information Policy Leadership (CIPL).

Members noted:

- Report of CBPR Joint Oversight Panel (JOP) activities from the United States on behalf of JOP Chair
- Updates from existing CBPR economy participants: Japan; Korea; Singapore; Chinese Taipei; and the United States
- Updates on data privacy developments by interested member economies: Australia; Chile; People's Republic of China; Japan; Korea; Peru; the Philippines; Singapore; Chinese Taipei; and the United States.
- Updates from guest organizations: Centre for Information Policy Leadership (CIPL).

Members discussed the possibility of having dedicated workshops or other sessions on items that Members see appropriate, drawn from the DPS Work Plan.

Members discussed the possibility of updates of the APEC Privacy Framework.

Members agreed to extend the current term of the DPS governance positions until DESG 2 2024, to align them with the terms of the DESG governance positions.

During the DESG Plenary meeting on 2-3 March 2024, members also agreed on the reappointment of the current members of the APEC CBPR JOP Ms. Shannon Coe (the United States), Ms. Makiko Tsuda (Japan) and Ms. Evelyn ~~Goe~~ Goh (Singapore) for the next two-year term.

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

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

The DESG1 2024 meeting reached quorum with 17 economies in attendance.

7.   What is your Forum doing to increase participation from its members?

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

- Further discussion about the development of the APEC CBPR system within the DPS
- Consideration of further areas of work in the Privacy Framework

• Submitting and updating Information Privacy IAPs, and consideration of possible ways to make IAPs more useful

8. **Decision points needed from CTI**

Please add any additional decision points needed from CTI

Seek CTI's endorsement of DESG Chair's Report on E-Commerce and Trade-Related Digital Economy Issues.

Group on Services

Convenor's report to Committee on Trade and Investment for CTI1/2024

1   Forum Main Objectives/Deliverables expected for 2024

Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

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GOS Core Services Issues
1.   Domestic Regulations on Services – championed by the United States.
2.   Developing an APEC Index to Measure the Regulatory Environment of Services Trade – (champion vacant as of 2024)
3.   Mutual Recognition of Qualification and Licensing – championed by Australia.
4.   Environmental Services – championed by New Zealand.
5.   Manufacturing-related services (MRS) – championed by Malaysia.

- CTI Tasking; Environmental related services-championed by New Zealand
  CTI tasking to take forward discussions on how to increase trade in environmental and environmentally related services, including by supporting liberalization, facilitation, and cooperation, as agreed in the 2021 APEC Ministerial Statement. GOS has endorsed a Model Schedule of Environmental and Environmentally-Related Services. GOS completed the first review of the 2021 Reference List on Environmental and Environmentally-Related Services. The GOS Convenor will provide an update on APEC's work in this area to the WTO Committee on Trade in Services in March 2024.

- CTI Tasking; Services to support the movement of essential goods-led by Australia
  In support of emphasis by Ministers (MRT 2020,2021,2023,2023, AMM 2021, AMM 2023), CTI has tasked GOS with taking forward the assignment of these Ministers Statements on Services to Support the Movement of Essential Goods. In 2023, the APEC Non-Binding Guidelines on Logistics-related Services that Support the Movement of Essential Goods During a Public Health Emergency were endorsed by GOS and CTI and welcomed by APEC Ministers.

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2   How the forum's work contribute to APEC and CTI's objectives

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

a. **Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action**

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"GOS Core Services Issues (formerly Final Push on Services)": GOS continues to implement "GOS Core Services Issues" to address unfinished business of the Bogor Goals, focusing on five priority areas: domestic regulations, development of an APEC Index to Measure the Regulatory Environment in Services Trade, mutual recognition of qualifications and licensing, environmental services and manufacturing-related services. Work on each priority area is led by a champion economy GOS members focusing on ways GOS can contribute to the effective implementation of the Aotearoa Plan of Action or "APA".

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b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals and the 2023 San Francisco Principles on Integrating Inclusivity and Sustainability into Trade and Investment Policy

- APEC Services Competitiveness Roadmap (ASCR): GOS is responsible for monitoring progress under the APEC Services Competitiveness Roadmap endorsed by APEC Leaders in 2015 and is tasked to provide updates to Senior Officials regarding the 19 APEC-wide targets.
- Environmental related services: In 2021, GOS developed a non-binding and non-exhaustive Reference List of Environmental and Environmentally Related Services, and the Reference List was subsequently endorsed by Ministers at AMM 2021. CTI has tasked GOS to take forward discussions on how to increase trade in environmental and environmentally-related services. In 2022 GOS endorsed a Model Schedule of Environmental and Environmentally-Related Services, and has completed the first review of the 2021 Reference List. In 2024, GOS is considering opportunities to further raise awareness and use of the Reference List.
- Services to support the movement of essential goods: APEC Ministers have repeatedly emphasized the importance of services that support the movement of essential goods. In 2023, the APEC Non-Binding Guidelines on Logistics-related Services that Support the Movement of Essential Goods During a Public Health Emergency were endorsed by GOS and CTI and welcomed by APEC Ministers.
- Services and Structural Reform: In 2024, GOS endorsed the APEC Policy Brief: Drivers of Services Competitiveness and the Contribution of Structural Reform. GOS and the EC held a joint workshop on Services and Structural Reform at SOM 1.

c. 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..."*

- The GOS actively engages in activities in this area with the United States serving as champion economy of domestic regulation of services in the GOS Core Services Issues. In 2024, GOS endorsed the report developed by the United States, titled "Services Domestic Regulation: Envisioning Next Generation Technical Standards Principles."

d. 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…"*

- GOS is undertaking work on "GOS Core Services Issues (Formerly Final Push on Services)" to address issues in support of the APEC Services Competitiveness Roadmap (ASCR), focusing on five priority areas (further detailed below).

- GOS is accountable for the implementation and monitoring of APEC-wide actions under the ASCR to develop services sectors in the APEC region as enablers of economic growth and inclusion.

- GOS continues to implement activities to support the following two tasks, as requested by the CTI: environmental related services and services to support the movement of essential goods (further detailed below).

e. **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*

- Canada, as previous Chair of the Technical Group and previous champion economy for the issue, updated GOS on the developments of APEC Index on Measure the Regulatory Environment of Services Trade of APEC, with a view to expand the coverage to all APEC economies and all 22 services sectors covered in APEC Index.

- GOS continues to implement activities to support the mutual recognition of qualifications and skills under the leadership of Australia, contributing to people-to-people connectivity, as indicated in the APEC Connectivity Blueprint 2015-2025. (Further detailed below).

- GOS has endorsed a Model Schedule of Environmental and Environmentally-Related Services that economies may draw from in negotiating trade agreements pertaining to this sector.

- GOS supports the implementation of the Ministers statement on Services to Support the Movement of Essential Goods. Australia noted the project is concluded following the endorsement of the Non-Binding Guidelines on Logistics-related Services that Support the Movement of Essential Goods During a Public Health Emergency.

f. **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, marketdriven 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."*

- The APEC Index to Measure the Regulatory Environment of Services Trade provides a helpful tool for policymakers in the region to support decision making

> processes on services trade policy, including by enabling policymakers to review and address barriers to digitally enabled services.
>
> - In 2024, GOS endorsed the report developed by the United States, titled "Services Domestic Regulation: Envisioning Next Generation Technical Standards Principles."

g. **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"*

> New Zealand, a champion economy for the work stream on Environmental Services, updated economies on the result of the review of Environmental and Environmentally Related Services. They recalled that GOS has endorsed the addition of two subsectors to the Reference List relating to materials for recycling and to fire management services that support forest ecosystem functioning, and have agreed to conduct another review in 2025 in order to keep the list up-to-date.
> - Australia updated economies on the implementation of the guidelines for Services that support the clean-up of marine debris.
>
> - Australia updated economies on the joint GOS – PPWE project on enhancing women's participation in the services sector. Australia they will deliver a research paper and workshop this year, with additional public private dialogues planned for 2025.
>
> - Chile updated on the project "Knowledge Intensive Business Services (KIBS) and barriers faced by women in international trade in services". Chile noted that they require additional responses to their survey to facilitate a study and holding a parallel workshop in 2024.

3. **Planned private sector / stakeholder engagement in 2024**

   Please provide a list of planned private sector engagement this year

> The GOS Plenary Meeting at SOM1 included the following presentation by private sectors/stakeholders.
> - Asia-Pacific Services Coalition (APSC) provided a video presentation on their priorities for the GOS in 2024. APSC priorities include structural reforms, digital services, services standards, and cross-fora collaboration between the GOS, DESG, and EC.

4.   Planned cross-fora collaboration in 2024

Please provide a list of planned cross-fora collaboration in 2024

- GOS-ASCR cross-fora event: The GOS is accountable for the implementation and monitoring of APEC-wide actions under the APEC Services Competitiveness Roadmap (ASCR) in 17 APEC sub-fora. A cross-fora collaborative event to be organized in the margin of every SOM2 until 2025 to support efforts in monitoring its implementation.

- GOS-EC: GOS endorsed the APEC Policy Brief: Drivers of Services Competitiveness and the Contribution of Structural Reform. Australia hosted a joint EC-GOS workshop on these issues.
- GOS-PPWE: GOS and PPWE endorsed the joint self-funded project proposal on "Enhancing women's economic empowerment in APEC through greater participation in high-skill digitized service sectors". The background paper and workshop will be delivered in 2024 and additional policy private dialogue are planned for 2025.

5.   Main outcomes from most recent plenary meeting

Please provide in list format

GOS noted updates from champion economies on their respective workstreams under the "GOS Core Services Issues":
- Domestic Regulation of Services (United States): Members took note of the updates of the United States self-project "Services Domestic Regulation: Envisioning Next Generation Technical Standards Principles" including recent endorsement of the report: ""Services Domestic Regulation: Envisioning Next Generation Technical Standards Principles." Some economies and speakers noted the importance of technical standards for digitally-enabled services, and the need for GOS to focus work in this area.
- Developing an APEC Index to Measure the Regulatory Environment of Services Trade of APEC (Canada): Canada, as the previous champion economy for this issue, provided the developments of APEC Index and last technical group meeting. The OECD presented on the current development of the APEC Index, highlighting additional completed sectors for some economies. Members welcomed the updates of the United States self-funded project "Practical Application of the APEC Index on the Regulatory Environment of Services Trade in Research and Policy" and will consider further work in 2024 on how to use the Index in practical ways. The GOS Convenor noted that a champion economy is needed and encouraged economies to volunteer.
- Mutual Recognition of Qualifications and Licensing (Australia): Australia briefed on developments relating to the project "APEC Professional Services and Mutual Recognition Agreement Project (Multi-Year)." Australia hosted a workshop at SOM 1 on exploring opportunities and challenges for Professional Services Mutual Recognition in APEC.
- Manufacturing–related services (Malaysia): Malaysia, the champion economy for Manufacturing-related Services, summarized outcomes from its recent capacity

building activities which discussed the rapid development of manufacturing-related services (MRS) across the APEC region and its implications for trade agreements and policies.

- Services and Structural Reform (Australia): In 2024, GOS endorsed the APEC Policy Brief: Drivers of Services Competitiveness and the Contribution of Structural Reform. GOS and the EC held a joint workshop on Services and Structural Reform at SOM 1.

CTI Tasking:
- Environmental Services (New Zealand): New Zealand, the champion economy for Environmental Services, recalled that in 2023 GOS conducted the first review of "The Reference List of Environmental and Environmentally Related Services" which was endorsed by APEC Ministers in 2021. As the result of the first review, GOS has endorsed the addition of two subsectors to the Reference List relating to materials for recycling and to fire management services that support forest ecosystem functioning. These additions can be found at APEC website GOS page: updatedeslist_dec2023_gm20240202.pdf (apec.org)
- In order to keep the reference list up-to-date and relevant for policymakers, GOS has agreed to conduct its next review of the list in two years. In addition, GOS endorsed a Model Schedule of Environmental and Environmentally-Related Services in December 2022. New Zealand and the GOS Convenor will brief the WTO Committee on Trade in Services on this work on March 26.
- Australia updated on the implementation of the Guideline "APEC Non-binding Guidelines on Services that Support the Clean-up of Marine Debris" endorsed by GOS and CTI and welcomed by Ministers at MRT 2023. Australia noted that the project is concluded, and they are considering how to contribute to relevant discussions on plastics in non-APEC fora, including the WTO.

CTI Tasking: Services to Support the Movement of Essential Goods
- Australia noted the project is concluded following the endorsement of the Non-Binding Guidelines on Logistics-related Services that Support the Movement of Essential Goods During a Public Health Emergency.

Inclusive Services Trade
- Australia updated economies on the joint GOS – PPWE project on enhancing women's participation in the services sector. Australia they will deliver a research paper and workshop this year, with additional public private dialogues planned for 2025.
- Chile updated on the project "Knowledge Intensive Business Services (KIBS) and barriers faced by women in international trade in services". Chile noted that they require additional responses to their survey to facilitate a study and holding a parallel workshop in 2024.

Supporting the Implementation of the Enhanced APEC Agenda for Structural Reform (EAASR)
- Australia updated economies on the Joint EC and GOS Project: Services and Structural Reform, including the recently endorsed APEC Policy Brief: Drivers of Services Competitiveness and the Contribution of Structural Reform. Australia hosted a joint EC-GOS workshop on these issues.

ASCR Progress Report

- The APEC Policy Support Unit provided an update on the ASCR. The PSU noted the outputs and targets in the ASCR matrix may need to be reviewed and updated. The PSU noted the process for requesting PSU support for the next review of the ASCR.
- The GOS Convenor requested economies update the ASCR matrix as needed, including the outputs and targets. The GOS Convenor also took note of the process to request PSU support for the ASCR review and suggested the formation of a Friends of the Chair to develop the process.

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

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

Quorum was reached with 17 economies present.

7. What is your Forum doing to increase participation from its members?

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

- Clustering workshops and/or technical meetings in the margins of the GOS meeting to attract attendance by services experts.
- Potential inclusion of policy discussion or information sharing topics in the GOS agenda.

8. Decision points needed from CTI

Please add any additional decision points needed from CTI

- Seek CTI's endorsement of Convenor's Report.

INVESTMENT EXPERTS' GROUP

Convenor's report to Committee on Trade and Investment for CTI1/2024

1   Forum Main Objectives/Deliverables expected for 2024

Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

With the overarching goal of fostering economic development and prosperity throughout the APEC region, the objectives of the IEG are delineated as follows:

- To conduct work pertinent to investment matters and report findings to the CTI
- To address investment-related issues and enhance the liberalisation and facilitation of investment within the APEC region
- To bolster capacity building in investment through economic and technical cooperation among member economies
- To bolster investment promotion endeavours among member economies to streamline investment flows within the region

Aligned with these objectives, the IEG reaffirms its commitment to two primary pillars of focus:
- **International Investment Regime – Principles and Practices**: This pillar delves into various investment challenges and issues through the lens of international instruments, notably International Investment Agreements (IIAs)
- **Investment Promotion, Facilitation, and Retention**: This encompasses ongoing initiatives such as the Investment Facilitation Action Plan (IFAP), Investment Policy Dialogue (IPD), and Investment Promotion Agency (IPA). Additionally, it encompasses discussions on best practices and addresses crosscutting issues such as global value chains (GVC), public-private partnership (PPP), and infrastructure development.

Recognising the dynamic nature of the international investment landscape, the IEG is actively exploring the relevance of various indicators within the framework of the Free Trade Area in Asia-Pacific (FTAAP) Agenda. This includes comprehensive assessments of International Investment Regime Principles and Practices; Investment Promotion, Facilitation, and Retention Issues, covering domains such as Inclusive and Responsible Business and Investment (IRBI), as well as Responsible Business Conduct (RBC).

Furthermore, the IEG is engaged in a thorough review of the APEC Secretariat's report on members' Investment Facilitation Action Plan (IFAP): The Progress and Recommendations. These recommendations, based on eight (8) fundamental principles including transparency, dispute resolution, predictability, simplicity, regulatory efficiency, corporate governance, and mutual cooperation, play a pivotal role in facilitating swift investment flows to bolster productive business ventures. Moreover, the recommendations put forth by PSU also encompass an examination of the Investment Facilitation Index Pillar E on Cooperation, aiming to enhance collaborative efforts in advancing investment facilitation initiatives.

IEG members remain vigilant in monitoring the latest developments and progress in investment-related matters on the global stage. This includes significant milestones such as the substantive textual advancements in the WTO joint initiative on the Investment Facilitation for Development Agreement, the utilisation of the Organisation for Economic

Co-operation and Development (OECD) Foreign Direct Investment (FDI) Qualities Policy Toolkit, insights from the World Economic Forum's Climate FDI initiative, and ongoing discussions regarding reforms in investor-state dispute settlement mechanisms.

2 How the forum's work contribute to APEC and CTI's objectives

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

a. Implementing the [Putrajaya Vision](#), including through the [Aotearoa Plan of Action](#)

In the realm of innovation, sustainable development, and inclusive growth strategies, the IEG remains steadfast in its commitment to bolstering investment inflows across the APEC region. This commitment is upheld through a multifaceted approach that includes conducting analytical studies on investment best practices, tracking progress on the eight (8) principles outlined in the Investment Facilitation Action Plan (IFAP), fostering dialogues on investment-related matters, organising capacity-building initiatives, and forging partnerships with various stakeholders and international organisations.

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 [Bangkok goals](#) and the 2023 [San Francisco Principles](#) on Integrating Inclusivity and Sustainability into Trade and Investment Policy

"…4. APEC will marshal existing targets and workstreams in conjunction with the following goals, key areas and aspirational targets:
a. Supporting global efforts to comprehensively address all environmental challenges, including climate change, extreme weather and natural disasters, for a sustainable planet, particularly in terms of climate mitigation, adaptation and resilience by …
>   *ix. Supporting finance and investments in sustainability and climate action, including disaster risk finance insurance, and, if appropriate, carbon pricing and non-pricing mechanisms and international carbon credit markets, as well as exploring options to support the alignment of financial flows towards a greener and cleaner global economy, for example taxonomies and other alignment approaches…*
b. Progressing sustainable and inclusive trade and investment and ensuring that they are mutually supportive with our environmental policies…"

Aligned with items 4(a)(ix) and 4(b) of the 2022 Bangkok Goals, the IEG continues to explore work towards supporting investments in sustainability and climate action, and progressing sustainable and inclusive trade and investment including through evaluating linkages between international investment agreements and climate change.

"…Trade and investment policies should be a driver of inclusive and sustainable growth in the Asia-Pacific region and contributed to efforts to foster quality growth that brings palpable benefits and greater health and wellbeing to all, including MSMEs, women and others with untapped economic potential, including Indigenous Peoples as appropriate, persons with disabilities and people from rural and remote areas…

- *Strengthen cooperation within APEC to support circular economy approaches and to underscore the importance of facilitating trade and investment in*

environmental goods and services, as a means to support our clean energy transitions, improve our environmental and economic performance, halt and reverse biodiversity loss, contribute to green growth and decent work, and better address global and regional environmental challenges while collaborating to improve opportunities for MSMEs to be competitive, specialised, innovative and expand into international markets;…"

In line with the 2023 Leaders' Declaration on San Francisco Principles on Integrating Inclusivity and Sustainability into Trade and Investment Policy, the IEG remains committed to advancing discussion aimed at supporting sustainable investment practices. This includes initiatives such as green financing for forest preservation, promoting the circular economy, advocating for net zero objectives, and fostering green transformation efforts.

c. **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…"*

The IEG remains steadfast in bolstering the multilateral trading system by engaging in fruitful dialogues with external stakeholders like the Organization for Economic Cooperation and Development (OECD), United Nations Conference on Trade and Development (UNCTAD), the World Economic Forum (WEF), and the World Trade Organization (WTO). These engagements serve as invaluable platforms for APEC's investment policymakers to gain insights and best practices, subsequently leveraging this knowledge to drive positive policy changes within their respective economies

d. **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…"*

Investment stands as the foundation of economic vitality, acting as a catalyst for innovation, manufacturing growth, and trade expansion. Since its inception, the IEG has been instrumental in shaping APEC's investment landscape, notably through the development and endorsement of the Non-Binding Investment Principles (NBIPs) by APEC Leaders in Jakarta in 1994. Operating under the CTI umbrella, the IEG remains dedicated to advancing investment liberalisation and facilitation while fostering economic and technical cooperation among member economies.

The APEC NBIPs demonstrates APEC's commitment to promoting investment and addressing the challenges posed by dynamic business environments. Originally endorsed in 1994 and successfully revised in 2011, the NBIPs serve as guiding beacons amid shifting

investment dynamics. In response to ongoing developments, the IEG is presently engaged in deliberations to update the principles under the Investment Facilitation Action Plan (IFAP), ensuring their relevance and efficacy in supporting the objectives of the NBIP. Additionally, the IEG meticulously examines the international investment regime, providing a forum for collaboration among industry stakeholders, academia, and policymakers to exchange insights and coordinate efforts aimed at fostering fair and transparent regional economic integration.

e. 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*

The IEG persists in refining a crucial aspect of its work centred on investment promotion, facilitation, and retention. Members are actively engaged in initiatives such as the Investment Facilitation Action Plan (IFAP), Investment Treaty Reform, WTO Investment Facilitation for Development Agreement (IFD) and policy dialogues aimed at sharing best practices on cross-cutting issues like global value chains, sustainable investment, and structural change.

f. 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, marketdriven 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."*

The IEG stays abreast of emerging investment-related workstreams, including digital Foreign Direct Investment (FDI) initiatives, and discussions on trade and investment within the metaverse.

g. 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"*

Member economies proactively engage in discussions and information sharing to align international investment regimes with sustainability and inclusive goals, exemplified by initiatives such as IRBI, Climate FDI, Circular Economy. They concurrently develop strategies to foster sustainable and environmentally friendly investment.

3.   Planned private sector / stakeholder engagement in 2024

Please provide a list of planned private sector engagement this year

Japan has proposed a new research / study project titled "APEC Companies' Best Practices on Long-Term Foreign Direct Investment (FDI) within APEC Economies" which will require active involvement and engagement from private sectors to contribute to the final study results.

Additionally, the OECD has shared and invited member economies to participate in their upcoming events, including:
- "Development of Model Language for Future IIAs, in Alignment with FDI Qualities Principles, 12 March 2024;
- Completion of project component 2 on domestic implementation of international commitments, envisaged by June 2024; and
- RBC events, TBC.

4.   Planned cross-fora collaboration in 2024

Please provide a list of planned cross-fora collaboration in 2024

There are no specific engagements planned currently, the IEG will continue to seek possible collaboration with other fora in the upcoming meeting.

However, there are few initiatives proposed by the international organisations such as WEF to the IEG members to the potential workshops in SOM3 as follows:
- Workshop on Trade and Indigenous Peoples; and
- Workshop on Cross-border Digital Payments.

5.   Main outcomes from most recent plenary meeting

Please provide in list format

The First IEG plenary meeting was held on 29 Feb - 1 March 2024, covering a wide range of topics, including:

- implementing the Putrajaya Vision 2040 including through Aotearoa Plan Action (APA) by showcasing individual actions such as promoting private investment through Public

Private Partnerships (PPP) and improving investment policies and business environment for economic growth;

- new investment issues on FTAAP Agenda, such as discussion related to investment for ESG, climate investment, sustainability, inclusivity, digitalisation, IRBI guideline and toolkit, trends in biodiversity conservation, digital FDI, circular economy and towards net zero; Following-up of Next Generation Trade and Investment Issues (NGeTIs) will be incorporated in the discussion of facilitating FTAAP agenda Work Plan.
- international investment regime principles and practices, such as the APEC Investment Commitment Handbook Project, FDI Qualities Review, green transformation, and key issues and challenges from the perspective of international instruments such as International Investment Agreements;
- investment promotion, facilitation and retention issues, e.g. best practices aimed at attracting quality FDI, member economies' IFAP implementation report on progress and recommendations, and the recent progress in the negotiation of WTO joint initiative on Investment Facilitation for Development;
- Proposal of IFAP update: Japan suggested that IEG consider updating Investment Facilitation Action Plan (IFAP) in line with current APEC goals, i.e., PV 2024 and APA, with the support from PSU. No objections for the suggestion were received at the meeting. IEG Convenor requested APEC Secretariat to make necessary coordination including developing a workplan towards endorsement from CTI/SOM/Ministers. It will be discussed intersessionally, and reported at IEG2 in August.

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

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

Yes, the most recent plenary meeting recorded participation from 17 economies namely: Australia; Brunei Darussalam; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Papua New Guinea; Peru; the Philippines; the Russian Federation; Singapore; Chinese Taipei; the United States of America; and Viet Nam; and 2 guests: the Organization for Economic Cooperation and Development (OECD), and the Economic Research Institute for ASEAN and East Asia (ERIA).

7. **What is your Forum doing to increase participation from its members?**

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

IEG members have been diligently pursuing their chosen areas of focus within the established frameworks of APEC, all while aligning with their respective national priorities. Moving forward, the IEG remains committed to advancing its overarching objectives, which include:

- Undertaking work and addressing investment-related issues to promote the liberalization and facilitation of investment across the APEC region.
- Enhancing capacity building in investment through collaborative efforts in economic and technical cooperation among member economies.

- Supporting investment promotion activities aimed at facilitating the flow of investments within the region.
- Encourage more participation in IEG through organising workshops / dialogues regarding to deliberations and understanding of the latest development related to IEG permanent agenda / topic.
- Gather feedback and suggestions through an informal survey among member economies to enhance and refine the agenda of the IEG Meeting. This aims to foster greater participation from member economies, encouraging them to share insights and experiences from various perspectives related to investment.
- Broadening cross-fora collaboration to leverage support from other CTI sub-foras and related forums.
- Engaging in outreach efforts to bolster economies' involvement and engagement from other relevant sub-foras.
- Exploring the possibility of implementing a hybrid attendance option to accommodate diverse participation preferences, particularly for the engagement of investment experts.

8.   **Decision points needed from CTI**

Please add any additional decision points needed from CTI

The IEG seeks CTI's endorsement of the Convenor's Report.

INTELLECTUAL PROPERTY RIGHTS EXPERTS' GROUP (IPEG)

Convenor's report to Committee on Trade and Investment for CTI1/2024

1   Forum Main Objectives/Deliverables expected for 2024
Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

Overall Objective:

- Deepen the engagement of economies in IPEG to significantly contribute to the vision for an open, dynamic, resilient and peaceful Asia-Pacific community by 2040

Specific Objectives

- Sustain the active stakeholder engagement in IPEG and discuss how the group can address private sector issues

- Identify and conduct specific activities for the implementation of the Aotearoa Plan of Action (APA) in line with the APEC Putrajaya Vision 2040.

- Provide the necessary support to the work and the priorities of the Committee on Trade and Investment (CTI) as well as to the work of relevant APEC bodies.

Expected Deliverables

- Report on the information exchange on how economies can contribute to the Bangkok Goals on Bio-Circular-Green (BCG) Economy and promote sustainable technology

- Report on the information exchange on how economies can contribute to the San Francisco Principles on Integrating Inclusivity and Sustainability into Trade and Investment Policy

- Report on the information exchange on how economies can contribute to the La Serena Roadmap for Women and Inclusive Growth

- Report on the information exchange on how economies can move forward on IP Financing

- Two Concept Notes (CNs) for APEC-funded projects contributing to APA implementation:
    1. (ROK) Trade Secrets - a guide to safeguarding intangible assets for (M)SMEs
    2. (ROK) IP & Education for Young Innovators

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2   How the forum's work contribute to APEC and CTI's objectives
   a. Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action

IPEG-58 discussed and identified IPEG's contribution to Putrajaya Vision including through the Aotearoa Plan of Action.

Various activities undertaken by the fora (more detail below) directly implements APA Collective Action: *"Promote adequate and effective protection and enforcement of intellectual property, including by providing capacity building, particularly to spur economic development and innovation"*

- *Hong Kong, China shared its plan on how to use IP as a driver for economic growth. In particular, Hong Kong, China shared their strategies such as being a regional IP trading centre and its positioning as an international innovation and technology (I&T) centre and an East-meets-West centre for international cultural exchange, to give a synergistic effect to its development as a regional IP trading centre.*

- *Indonesia outlined how various ministries work together to build awareness of the importance of IP protection. For IP protection and enforcement, Indonesia has established a task force consisting of law enforcement agencies that expedite the resolution of IP cases. To promote IP protection to spur economic development, Indonesia strengthens capacity building of, women, indigenous people, students, academics, law enforcement officials, MSMEs and businesses on the importance of IP protection to support a healthy climate of innovation and creation in the economy.*

b. **Implementing Leaders or Ministerial mandates from previous years, including the 2022 [Bangkok goals](#) and the 2023 [San Francisco Principles](#) on Integrating Inclusivity and Sustainability into Trade and Investment Policy**

IPEG-58 discussed and identified ways by which IPEG can contribute to Bangkok Goals on BCG and the 2023 San Francisco Principles.

- **Chile** outlined how INAPI's experience in the WIPOGREEN Latin American acceleration project has advanced through Phases 1, 2 and 3 and provided lessons learned to date. The project deals with climate-smart agriculture in Latin American economies including Chile and Peru. The chosen approach is focused on directing activities on specific crops and regions, connecting to funding sources, and providing technical assistance on technology.

- In 2022, **China** issued the Green and Low-Carbon Technology Patent Classification System, which clarifies the basis for statistical monitoring of green and low-carbon technology patents. In 2023, China set up a Green Intellectual Property Promotion Center in Zhejiang Province to provide operational services in the areas of database construction, patent navigation, integration of patents and standards, intellectual property transactions, open licensing, and patent industrialization, focusing on the inclusive sharing of green and low-carbon technologies.

- **Indonesia** described how its IP application process has become paperless, benefitting the environment and the IP applicants who register their IP from anywhere and at any time. The economy's 33 Regional Offices throughout the territory continue to provide in-person guidance and expertise. Furthermore, through Geographical Indications (GI), Indonesia has contributed to the green

economy through environmental preservation, pursued by the community that manages the current 138 GI registered products through the Geographical Indication Protection Society.

- **Japan** shared with the group about the introduction of the Green Transformation Technologies Inventory (GXTI) that Japan's Patent Office (JPO) implemented. The presentation also included an overview of WIPO GREEN and Latin American Acceleration Project connecting green tech providers and seekers and supporting the development and diffusion of environmental innovation. Over 128,000 technologies, needs, and experts have been registered, and more than 2,500 users have utilized it across the world.

- **Singapore** shared that it has embarked on an internal study to enable better understanding of the trends in green trade marks in Singapore, and the frequency with which goods and services specifications of Singapore trademarks reflect issues related to sustainability. The preliminary results would be shared on World IP Day in April 2024.

- **Chinese Taipei** outlined how their "Assisting in Semiconductor Industry Transformation: Green Technology IPR Protection" has led to green innovation that can address climate change and promote sustainable development.

c. **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…"*

IPEG-58 discussed a presentation by **PSU Director**, Carlos Kuriyama, on research currently underway. The research compared the content of RTA/FTAs (PSU studied AANZFTA, CPTPP, RCEP, USMCA, and the Pacific Alliance) by identifying their areas of convergence and divergence, as well as recommending approaches that an eventual FTAAP should take. In addition, the project needs to examine whether new topics (i.e. new RTA/FTA chapters) and new innovative approaches need to be included in an eventual FTAAP to address current economic trends and challenges. Below is a summary of the Work in Progress in IP:

- Similarities exist in objectives, transparency, and some procedural aspects.
- Differences in protection levels present challenges, like trademark types and copyright infringement online.
- Striking a balance between ambitious and flexible approaches will be crucial in a broader FTAAP.

- **Indonesia** noted that it joined the Madrid Protocol and is currently increasing the terms of protection of Industrial Design to align with Geneva Act 1999 (Hague System) to 15 years. The economy also continues to push for articles recognizing genetic resources, traditional knowledge, and traditional cultural expressions (GRTKTCE) in every international negotiation as well as bilateral and regional negotiations.

- **Russia** shared the experience of the Eurasian Economic Union (EAEU) with regard to concluding Free Trade Agreements. Within the Union, IP falls under coordinated

policies. Despite the fact that there are extensive provisions in IP in the EAEU, domestic regulations remains crucial for regulation and thus targeted integration initiatives are being done to develop a harmonized approach towards the promotion and protection of IP rights.

Moving to Genetic Resource, Traditional Knowledge and Folklore (GRTKF) / Traditional Cultural Expression (GRTKTCE)

- **China** shared that it gives great importance to both domestic regulations (passage of the Administration of Human Genetic Resources and amended rules on patent to cover materials containing genetic functioning units) and international cooperation (WIPO legal instrument) with regard to GRTKTCE.

- **Indonesia** continues developing its GRTKTCE database to make an inventory of Indonesian GRTKTCE assets. Indonesia also lent its support to the Regional Meeting on the Diplomatic Conference on Intellectual Property, GR and TK associated with GR in Bali last year and will participate in the next Diplomatic Conference in Geneva in 2024.

- **Peru** outlined its implementation efforts of a law that establishes the protection regime for the collective knowledge of Indigenous Peoples related to biological resources; specifically, the development of intercultural guides to promote the regime among Indigenous Peoples.

- **Russia** continues to focus on education campaigns, especially for indigenous group who are unaware that the results of their intellectual activities could and should be protected as IP rights. In 2023, Rospatent and WIPO Russia held a workshop on IP and the protection of TKTCE aimed at increasing awareness about the IP system and how it can serve the needs of the indigenous peoples.

On **Geographical Indications**,

- **Indonesia** celebrated that 2024 has been designated Year of Geographical Indications to raise the profile of this significant IP issue. As such GIs will receive special attention from the government and GI-related stakeholders.

- **Peru** shared their recent declaration of protection of their 11th appellation of origin (AO): "Orégano de Tacna". In doing so, they described how the protection procedure was carried out and outlined main challenges during the processing of the application, as well as the next steps to promote this new Peruvian AO domestically and abroad.

- **Russia** put into force the Geneva Act of the Lisbon Agreement and is receiving international applications for registration of appellations of origin (AOs) and geographical indications (GIs) since August 2023. Furthermore, Rospatent promotes the Lisbon system by: a) publishing a guide for the registration of GIs and AOs, b) creating "Regional brands of Russia" on the official Rospatent website, and c) organizing training seminars in Russian regions.

- **The United States** highlighted the importance of substantive examination, adversarial use of experts and evidence in opposition proceedings, and illustrative recent caselaw relating to geographical indications.

On the **protection of designs**,

- **Indonesia** shared that recent amendments to their Industrial Design (ID) law are to increase its effectiveness, harmonize it with international developments, create a conducive environment, and strengthen the law. ID protection includes recordation and registration, where maximum protection is 5 years counted since the product was first commercialized in Indonesia and can be extended for another 5 years, twice.

- **Japan** introduced recent developments of design law domestically to protect a wider variety of designs including design for graphical user interface (GUI), interior, and building. Japan also implemented new border measures in 2022.

- **Korea** shared about their recently-amended design protection law to improve the protection of related designs. This system aims to lessen the proliferation of counterfeit products.

- **Russia** shared that there was an increase in design applications and emphasized the importance of protecting new types of designs such as graphical user interface (GUI). Russia also reiterated the development of a uniform approach to design protection consistent with WIPO.

d. **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…"*

In relation to supporting the IP needs of MSMEs,

- **Canada** shared different IP initiatives for MSMEs such as its participation with a survey to understand better the needs of MSMEs and youth with the main objective to plug knowledge gaps currently not addressed by other sources of information. Canada also shared the IP Village initiative – an industry-wide collaboration to help businesses and entrepreneurs better understand how to effectively utilize IPs.

- **China** created a guide on intellectual property for MSME that tackles IPR protection. China also strengthened IPR protection on online platforms and set-up a total of 112 IP Protection Centres, a one-stop rapid collaborative protection for IPRs.

- **Indonesia** outlined activities and engagement program it offers to involve its 6.4 million MSMEs in annual IP programs and also maintain creative programs to improve their business and bring IP services/ information closer to the public.

- **Korea** recognizes that supporting SMEs, which make up of 99% of Korean enterprises, is crucial for domestic economic prosperity. In this regard, it actively promotes SMEs by a) supporting SMEs' activities to develop and manage intellectual property through providing patent big data analysis in their competitive field; b) offering specialized examination services to ensure swift and secure intellectual property protection for

SMEs' innovative and emerging technologies; c) endeavouring to provide essential funding through IP finance and patent technology commercialization funds, thereby enabling SMEs to continue innovating and maintain competitiveness in the global market. Actively incorporating feedback from SMEs into policy-making, Korea is committed to addressing the challenges faced by these businesses and promoting their sustainable growth.

- **The Philippines** shared about the different initiatives such as the (1) SciTech Superhighway – designed to facilitate the filing of applications for the registration/grant and protection of IP rights particularly inventions, utility models (UMs), industrial designs (IDs) and trademarks (TMs) resulting from DOST-supported researches, studies and innovations, including those from MSMEs; (2) Copyright Plus Program – aimed at educating creators, particularly the underrepresented sectors, on the economic and cultural benefits of protecting their copyright; (3) "Juana Make a Mark" – a trademark registration incentive program that allows eligible women-led MSMEs to have their trademarks registered at a reduced cost; (4) Juan for the World – aims to help Philippine MSMEs' advance globally by protecting their trademarks under the Madrid Protocol; (5) WIPO Committee on the Development of IP (CDIP) Projects to address technology creators (e.g., academic and research institutions, enterprises) and technology intermediaries, including Technology Transfer Offices (TTO), and Technology and Innovation Support Centers (TISCs) and build their capacity to engage in, and support innovation collaboration; and (6) various activities engaging other potential GI products involving MSMEs.

- **Russia** offers state registration services and paid services. Such services are offered to every type of the company and person, not specifically to SMEs. Russia has developed several IP support programs aimed at facilitating technology development and alleviating particular issues for SMEs, including loans to SMEs with IP as collateral, tax-free inventory, patent box, tax exemptions, coordination with the Russian Export Center, R&D cost coefficient of 1.5, and the registration of trademarks by self-employed workers.

On the Creative Economy,

- **The Philippines** shared that for the implementation of the ASEAN Copyright Information Network (ACIN), a centralized page for copyright-related information in ASEAN, the compilation of ASEAN Member States' (AMS) Copyright Laws, Policies, and Strategies is being updated in light of the amendments on the copyright-related laws of AMS such as the Philippines, Thailand, and Viet Nam. Once the compilation is updated, it will be uploaded to the ASEAN IP Portal for information and reference of all stakeholders.

- **Chinese Taipei** organized a competition on patent portfolio analysis. The competition is conducted on the GPSS (Global Patent Search System) platform, where competitors can search for patents, analyze statistics and charts, and even build advanced technology functionality matrices directly on the platform to identify technology evolution and development trends and other important information. This helps companies build patent portfolios and develop competitive strategies.

In relation to IP Financing and Commercialization, the Philippines organized a workshop on 25 February 2024. Below are some of the key takeaways from the dialogue:

o Financial institutions are good at understanding the business status of their partners based on financial information. However, they are often not good at understanding their partners' technical capabilities, which include their intellectual properties.

o Member economies learned from Japan's experience creating an IP mentoring team consisting of both business and IP experts to focus on startups mainly in the early phase, to support the development of appropriate business models and IP strategies linked to business strategies. This was echoed further by the International Trademark Association's (INTA) presentation which underscored the current limitation where finance professionals lack IP knowledge and IP professionals lack finance knowledge.

o Developing experts who understand both management and intellectual property is crucial to further the growth of not only IP financing, but also the startup and IP ecosystem.

o Trademarks should not be excluded from the Balance Sheets. The blanket exclusion of trademarks and brands from being recognized as intangible assets on the balance sheets of the entities that developed them means that as long as a trademark has not been sold, it does not have a reported accounting value.

o INTA recommended that an assessment of "legal aspects" for brand valuation include consideration of the legal status of trademarks and other IP associated with the brand in each jurisdiction where there is intent to use. ISO 10668 should be enhanced by documenting a set of local registries and other records that enable those performing brand valuation to access legal records. Such a resource database would best serve brand owners if developed locally.

- **Canada** discussed the challenges facing IP-backed financing including valuation and lack of understanding of intangibles. There are ongoing initiatives such as the Business Development Bank of Canada's (BDC) IP-backed fund to make funding accessible to IP-rich SMEs. CIPO plays a key role in supporting IP-backed financing by conducting research, increasing awareness, and engaging in dialogue with stakeholders. The potential benefits of IP ownership for SMEs include increased business value, revenues, and better business prospects. The global value of intangibles has increased tenfold over the last 25 years, making it important for policymakers to support IP-backed financing.

- **Singapore** launched the Intangibles Disclosure Framework (IDF) in September 2023 as part of the Singapore IP Strategy 2030. Jointly developed with industry/private sector, the IDF enables enterprises to disclose and communicate the value of intangibles to stakeholders in a systematic and comprehensive manner. Singapore is also working with industry, including with the Institute of Valuers and Appraisers Singapore (IVAS) to develop IA/IP valuation guidelines that are interoperable across jurisdictions.

e. **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*

On innovative ways to enhance IP systems and emerging issues/evolving technologies:

- **Canada** outlined its IT Modernization Initiative (ITM). ITM is a Canadian Intellectual Property Office (CIPO)-wide effort to leverage new technologies to modernize, harmonize, and integrate IP services across various lines of business. IT Modernization at CIPO comprises two distinct portfolios to implement front and back of office solutions. The presentation also provided an overview of the Next Generation Patents (NGP) system and the timeline for delivery.

- **Chile** presented a proposal for a self-funded project on "Trends and Developments in IP protection of Software and Software-Related Inventions in the APEC region." The study aims to analyze trends in IP Protection for software and software-related inventions to promote innovation and connectivity in a global economy. The analysis and insights gained from this self-funded project by Chile will be used to provide valuable data and constructive dialogue among APEC Intellectual Property Offices, businesses, and researchers. The project also aims to gather information about the legal basis for software protection in various economies, the criteria for patent requests, any changes in patent protection, and the presence of any administrative guidelines. Statistically, it seeks to determine the number of patented software and inventions related to software.

- **China** attaches great importance to the development of artificial intelligence and other technologies, as well as the risks and challenges they pose. First, China has built a smarter, more convenient, accurate and efficient intellectual property protection system, and promoted the widespread application of scientific and technological means such as "intelligent trademark identification" and "non-intrusive inspection" in the fight against infringement and counterfeiting. Secondly, China has strengthened the monitoring of the dissemination of AI-generated content, paid attention to complaints and reports of AI-generated content in the crackdown on online infringement. Thirdly, In view of the difficulty of the traditional "licensing model" to match the development speed of artificial intelligence, combined with the revision of the supporting regulations of China's copyright law, China focuses on the issue of "text and data mining exceptions".

- **Japan** presented an update on JPO's recent experience, including an Action Plan for Utilizing AI technology and AI utilization examples for examinations. JPO also introduced guidelines on the AI/IoT fields. The Manga Patent Examination Guidelines by JPO for AI/Internet of Things (IoT) fields are available in multiple languages and provide easy-to-understand, comprehensive guidance on patent eligibility, novelty, inventive step, and description requirements.

- **Korea** outlined a) the main elements of a recent government-published guide on copyright issues concerning artificial intelligence as well as b) the main features of the recently-opened Copyright Museum of Korea.

- **Russia** explained that in 2023, Rospatent was part of an experiment to optimize and automate the processes of government functions, which allowed it to significantly

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reduce time to provide a number of services. The speeding up processes associates with: a) the creation of new systems and services that speed up and simplify communicating with applicants, and b) the use of AI in systems. Russia therefore outlined the development of new information retrieval systems of Rospatent, the implementation of WIPO standards in the process of developing systems, and the implementation of AI in the overall workflow processes.

- **Singapore** shared about IPOS' flagship annual event, IP Week@SG, which has become the world's premier innovation conference for the sharing of insights on IP and innovation matters, while bringing the government, business, tech and legal communities together to foster new and energise existing partnerships. Stakeholders can expect a 2-day Global Forum on IP (GFIP) Conference; a 2-day exhibition and associated events plus the WIPO-IPOS IP Innovation Awards. Past event programme discussion on key issues such "Navigating IP Challenges in Generative AI". IP Week@SG 2024 would be held on 27-28 Aug 2024. Singapore looks forward to member economies' support and participation in the event and would discuss intersessionally with the Chair, secretariat and host economy to deconflict with the 59th IPEG meeting dates.

f. 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."*

In relation to **Anti-Counterfeiting** and other Enforcement-related Activities, IPEG members shared views:

- **China** paid attention to the key areas, markets, sectors and products vulnerable to IPR infringement and counterfeiting, carried out overall plans and targeted actions, realized effective rectification and deterrence, and thus further purified the market environment. First, rectification in key areas were deepened. Through the "Sword Network 2023" special action, 1,513 cases of online infringement and piracy were investigated, 2,390 infringing and pirated websites were closed, and more than 2.44 million infringing and pirated links were deleted. Through the 2023 special action to crack down on theatrical film piracy and dissemination, more than 53,000 links to infringement and piracy of theatrical films have been deleted, and 224 illegal websites (APPs) have been closed. China launched the 2023 "Iron Fist" campaign to investigate and prosecute cases in the field of people's livelihood, investigating and prosecuting 44,000 cases of trademark infringement, counterfeiting of patents and other illegal cases. Secondly, further strengthen the remediation of key products. In 2023, China destroyed more than 200 varieties of counterfeit and shoddy anti-epidemic materials, food and drugs, clothing, shoes and hats, tobacco and alcohol, cosmetics and pirated publications, weighing 4,734.2 tons and worth 830 million yuan. Thirdly, rectification involving key processes were deepened. In 2023, China carried out "Longteng" campaign to comprehensively strengthen IPR protection, "Blue Net" campaign to protect the IPR in delivery channels, and "Clean Net" campaign to protect the IPR of

export transhipment goods, detaining 62,000 batches of suspected import and export infringing goods, involving 82,889,000 pieces of goods.

- **Japan** shared experiences in cooperating with police and customs and contributing to the crackdown on counterfeit goods. The presentation included counterfeit goods identification seminar at overseas offices.

- **Korea** introduced the Korea Copyright Protection Agency (KCOPA). KCOPA engages in various activities to promote and protect copyright in Korea, including copyright awareness campaigns, response systems against copyright infringement, and international cooperation. KCOPA is involved in fact-finding surveys and production of statistics on copyright infringement, research and development of technology for copyright enforcement, and provision of support to investigate and regulate copyright infringements. KCOPA is committed to strengthening cooperative ties with investigation agencies from other jurisdictions and promoting digital copyright infringement forensics to ensure proper enforcement of copyright laws.

- **Peru** gave an update on their APEC-funded project for a "Guidebook in Digital Enforcement to Improve Fight Trademark Counterfeiting". In January, the Letter of Acceptance (LOA) was received and signed for APEC funding by APEC. Currently Peru is working on the drafting of the Request for Proposal (RFP) for the selection of the contractor to start the execution of the project.

- **Peru** also outlined activities on IP protection in the digital market. Knowing that commercial agents have adapted to the digital market after the pandemic, it has been important for the fight against counterfeit to adapt. INDECOPI summarized the principal challenges local authorities face in dealing with counterfeiting on the digital market, as well as the measures adopted through modification of domestic laws and signing collaborative agreements.

- **The Philippines** provided various updates on efforts to improve IP enforcement in the economy which include: (1) Rules on Voluntary Administrative Site Blocking or the Supplemental Rules to Memorandum Circular No. 2020-049 known as the "Revised Rules of Procedure on Administrative Enforcement of Intellectual Property Rights (IPR); (2) Conduct of the IP Enforcement Summit (IPES 2023) of November 2023; (3) Soft launching of the IPTracker system; and (4) introduction of IPOPHL's new Anti-Piracy Ambassador in partnership with WIPO "Matteo Guidicelli."

- **United States** presented on the INFORM Consumers Act, which requires online marketplaces to verify and share information on high volume transaction third-party sellers in an effort to deter bad actors from selling stolen or harmful goods.

g. **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"

In relation to the La Serena Roadmap,

- **Canada** highlighted the internal and external initiatives at the Canadian Intellectual Property Office to provide strategic support to underrepresented groups. It provides an in-depth overview of CIPO's People Management Framework and the recent work to deliver on CIPO's 2023-2028 Equity, Diversity (including gender diversity), Inclusion and Accessibility plan. Externally, the presentation briefly highlights IP awareness and education outreach activities to reach, inform, and actively engage with stakeholders from underrepresented communities across Canada.

- **Chile** addressed the Gender Agenda of the Institute of Industrial Property of Chile, referring to the actions envisioned to close the gender gap as well as several reports from its database and the Gender Network.

- **Japan** presented JPO's team that is dedicated to promoting diversity and inclusion (D&I) and participates in various international initiatives aimed at improving the DEIA situation among IP offices. Some of the initiatives JPO supports include the Global Mentoring Program (GMP) and WIPO's Community Enterprises Program (WEP), which provides support to community enterprises from IPLCs in Peru, Bolivia, Colombia, and Ecuador. JPO also conducts research on how gender and inventor diversity can promote innovation and affect patent quality and quantity. Additionally, they interview IP professionals to discover role models and create tools to design their own career visions.

- **Korea's** presentation focused on the current status, challenges, and impact of career breaks on women's inventing activities and their utilization of IP. Korea recommends launching customized support programs by stages for women to prioritize gender equality and boost support for new inventors. The survey conducted for the presentation identifies the need for specialized support during a career break for women inventors.

- **Peru** shared activities it is carrying out to bring women closer to IP, which allow the economy to continue the fight to reduce the gender gap and create better opportunities to empower women through IP. These include strategic alliances, contests, exhibitions, IP publications, events, workshops, seminars, social networks, among others. And Peru shared IP statistics to show how women's participation on IP has increased.

- **Russia** is committed to promoting women's participation in high-tech industries, creative industries, and technical professions. Women's role in the business sector in Russia has improved significantly, with one-third of leading positions held by women and many women entrepreneurs stating that conditions for starting a business have improved. Women are increasingly involved in innovation work in Russia and are responsible for a significant number of patented inventions.

In terms of Inclusivity,

- **Peru** opened a discussion on the APEC 2024 flagship theme of informality with an introduction addressing the impact of informality on the Peruvian IP system. Peru shared its perspectives on how the economy envisioned IP as a relevant tool to contribute with the transition of economic actors towards formality. In this regard, the economy shared an IP legal initiative related to the reduction of applications fees that seeks to encourage formalization among our economic actors. The objective of this intervention is to open the dialogue on this topic and encourage IPEG economies to engage in the discussion and, if, possible, share best practices the development of IP initiatives to contribute to the transition towards formality of economic actors.

On **education**

- **Canada** outlined its approach to IP awareness and education services. Seeking to reach as many target audiences as possible, Canada presented the current state of IP awareness in Canada and its priorities under this mandate. The presentation provided an overview of the tools it has developed to inform about IP rights, including e-learning modules, the Canadian IP Voices podcast, and economy-wide webinars on various IP topics.

- **Hong Kong, China** presented the results of a study on the IP-intensive industries in Hong Kong, China. The study aimed at educating the public and the stakeholders about the economic contributions by the IP-intensive industries of Hong Kong, China in relation to GDP, employment and wages.

- **Japan** shared about the I-OPEN Project which integrates IP rights in solving social issues, providing continuous support and mentoring for startups, NGOs, and individuals. JPO also held seminars and other events in six cities throughout Japan to raise public awareness of IP, especially among SMEs and mid-sized companies that are unaware of its importance.

- **Korea** presented about their IP Education and Capacity Building efforts as well as a proposal for an APEC-funded project on "IP & Education for young innovator." The project entails gathering practices in youth invention education programs, assessing them through literature review and questionnaire-based studies, identifying best practices, and discussing policy development with APEC participants and experts. The project aims to foster creativity and expand the culture of invention and IP education among youth by providing an education that teaches respect for intellectual property, learning creativity, convergence, collaboration, and problem-identifying/solving skills, and integrating them into entrepreneurial contexts.

- **Russia** talked about several Rospatent initiatives carried out to promote IP education in Russia, including large-scale educational activities and the establishment of competency centers. Despite the high demand for certified IP professionals in the Russian economy, the supply of relevant educational programs and graduates is limited. The Federal Institute of Industrial Property (FIPS) Scientific and Educational Center has become the leader in additional education in the field of IP in Russia and has also established a master's degree program.

- **The United States** presented updates on their Go For Real Anti-Counterfeiting Campaign, a joint initiative by the USPTO and the Non-profit Organization called the "National Crime Prevention Council" (NCPC) aimed at educating teens, caregivers,

educators, and law enforcement about safe buying behavior and how to spot fake products. The campaign features various resources such as online games, activity kits, printable handouts, Public Service Announcements (PSAs), and social media graphics that discourage the use of fake beauty, electronic, health, and safety products, among others. The US also showcased several infomercial starring their Anti-counterfeit mascot: McGruff the Crime Dog.

3. **Planned private sector / stakeholder engagement in 2024**
Please provide a list of planned private sector engagement this year

- IPEG invited WIPO and WTO to participate at IPEG-58 and to further enhance engagement with those organizations. Neither could join the meetings in February as the schedule of IPEG coincided with the 13th Ministerial Conference.

- IPEG invited ABAC to participate in the IP valuation/finance workshop and the IPEG-58 plenary to outline ABAC Recommendations related to IP.

- IPEG invited the INTA to participate and give its perspectives on La Serena Roadmap, the Bangkok Goals on BCG and IP and AI and other generative technologies. *(see above for the summary of their recommendations under IP Financing)*

- In 2024, IPEG plans to continue consulting development partners and private sector institutions such as WIPO, WTO, ABAC, and INTA for their perspective on how to further push forward the agenda of the group.

4. **Planned cross-fora collaboration in 2024**
Please provide a list of planned cross-fora collaboration in 2024

- IPEG working with FMP through its ABAC representative on IP financing opportunities, circulating through FMP for their suggestions/feedback. It is possible that the work may also include the EC.

5. **Main outcomes from most recent plenary meeting**
Please provide in list format

1. Concept Notes on a) (ROK) Trade Secrets - a guide to safeguarding intangible assets for (M)SMEs and b) (ROK) IP & Education for Young Innovators
2. Report on the information exchange on how economies can contribute to the Bangkok Goals on Bio-Circular-Green (BCG) Economy and promote sustainable technology
3. Report on the information exchange on how economies can contribute to the La Serena Roadmap for Women and Inclusive Growth
4. Report on the information exchange on how economies can move forward on IP Financing

6. **Was quorum reached at the most recent plenary meeting?**
Please advise how many economies participated in the most recent plenary meeting

Quorum was met during the 58th IPEG meeting.

In total, 16 member-economies participated in the meeting (Australia; Canada; Chile; China, Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Papua New Guinea; Peru; the Philippines; the Russian Federation; Singapore; Chinese Taipei; and the United States).
Several member economies (Brunei Darussalam, Mexico, New Zealand, Thailand, Viet Nam) cited budget restrictions for non-participation.

7. **What is your Forum doing to increase participation from its members?**
Please provide a brief list of planned efforts to increase participation from members

> - Inviting all economies to list their top IPEG priorities to be integrated into the agendas.
> - Initiating new projects and workshops on topics of relevance.
> - Inviting key stakeholders such as WTO, WIPO, ASEAN, INTA and members of the private sector to engage in discussions on top priorities.

8. **Decision points needed from CTI**
Please add any additional decision points needed from CTI

> - Seek CTI's endorsement of the Convenor's Report.

66th APEC MARKET ACCESS GROUP (MAG) Meeting

Convenor's report to Committee on Trade and Investment for CTI1/2024

1   Forum Main Objectives/Deliverables expected for 2024

Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

- To agree and endorse the Framework of Discussions for Producing a voluntary and non-binding APEC Reference List of Environmental Goods and to finalise the transposition technical work of the APEC List of Environmental Goods to HS 2022.
- To continue our support for the Multilateral Trading System through implementation of the WTO Agreements and the support of the Regional Economic Integration through ongoing initiatives (e.g. APECTR) and projects aligned with CTI's 2024 priorities.
- To promote trade facilitation and connectivity through the activities programmed within the Supply Chain Framework Action Plan Phase III (SCFAP III) and the APEC Alliance for Supply Chain Connectivity (A2C2).

2   How the forum's work contributes to APEC and CTI's objectives.

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

Mr Christopher TAN, CTI Chair, presented CTI's priorities for 2024: (1) *Support for the multilateral trading system*, mentioning the MC13 of the WTO and encouraging to work together to identify ways to help implement its outcomes; (2) *Economic Integration*, informing that the CTI is implementing a multi-year work plan to take forward the work on the FTAAP Agenda, in response to Leaders' commitments in the Putrajaya Vision 2040 and the APA; (3) *Trade Facilitation, Connectivity, Digitisation and Innovation*, highlighting the role of the APEC Supply-Chain Connectivity Framework Action Plan (SCFAP) to develop projects making use of digitisation and innovation to facilitate trade, enhance connectivity and improve the resilience of our supply chain; and (4) *Inclusivity and Sustainability*, indicating that CTI is tasked to advance work in support of the San Francisco Principles in integrating Inclusivity and Sustainability into Trade and Investment Policy.

Mr TAN shared that CTI will be asking MAG to continue the implementation of APEC Work Plan on Environmental Goods and to develop a Framework of Discussions for Producing an APEC Reference List of Environmental Goods as well as the work on HS Transposition.

a. **Implementing the [Putrajaya Vision](#), including through the [Aotearoa Plan of Action](#)**

- **Australia** informed that will provide information in the next meeting.

b. **Implementing Leaders or Ministerial mandates from previous years, including the 2022 [Bangkok goals](#) and the 2023 [San Francisco Principles](#) on Integrating Inclusivity and Sustainability into Trade and Investment Policy**

Member economies have continued the work under the Environmental Goods Work Plan to:

- Agree on the Framework of Discussions for Producing an APEC Reference List of Environmental Goods.
- Update the APEC List of Environmental Goods to HS 2022 for reference purposes.
- The Convenor encouraged member economies to nominate activities for inclusion in the Environmental Goods Workplan that respond to the Ministers' mandate, especially to address the pillar: Non-tariff Measures and Regulatory Issues.

c. **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…"*

WTO Trade Facilitation Agreement
- **Indonesia** informed the launch of an Inquiry Point website aligned with article 1.3 of the TFA, that allows stakeholders to raise questions about trade facilitation issues. Indonesia also implemented Article 3 of the TFA (Advance Rulings), therefore fully implementing the TFA. Also, it was mentioned that the Indonesian TF National Committee has a trade repository connected with trade repositories of international organizations, including APECTR. Indonesia encouraged member economies to implement this type of measures to improve the utilization of APECTR.

WTO Information Technology Agreement (ITA) Expansion
- **Japan** updated on the "Study on the Impact of Information Technology Agreement (ITA) and future of ICT trade" and highlighted the importance of sharing the latest developments in trade of ICT products 25 years after the first ITA agreement.
- **Japan** informed the two activities: (1) the survey and analysis report, and (2) the workshop. The report includes the analysis of ICT environment and trade flows, the impact of tariff reduction on ICT products, ICT policy and supply chains, the ICT achievements and their potential of solving global challenges and non-tariff measures affecting ICT trade, among others. Japan pointed out two key findings: (1) benefits of participating in the ITA, such as the accelerated trade on ICT products and the development of services industries, among others, and (2) the contribution to achieve SDGs.
- In the workshop held last November, the interim findings of the survey analysis were discussed. Member economies that participated exchanged their perspectives and experiences on ICT benefits. Japan reported main findings in three areas: (1) recent trends in ICT in the APEC region, (2) benefits and challenges of ITAs, and (3) the improvement of the understanding of ICT in global issues (e.g. contribution to sustainable development).
- **Japan** informed its intention to complete the final report by the end of March and invited cosponsors and all member economies to provide comments in order to circulate the document for endorsement by MAG members.
- **The United States** positively commented on the workshop and its intention to review the final report, while several member economies encouraged not non-ITA participants to join the initiative.
- **China** announced the implementation of the ITA expansion by July 2023.

d. **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…"*

APEC Trade Repository

- **The Philippines** updated on the usage of the APECTR for the period covering 1 August 2023 to 15 February 2024, informing that due to changes in the Google Analytics platforms, there are technical limitations to generate monthly comparisons. The Philippines informed that it is exploring alternative solutions to track online traffic and to understand user behavior. Also, the Philippines provided information on the top ten users recorded for the specified period, the usage of the APECTR from non-member economies and the access to the APECTR from external links, among others. The Philippines also added a new feature in the report, specifically on the top "users by city". The Philippines encouraged APEC member economies to keep the APECTR up-to-date by providing active links and information in the website. It also welcomed MAG members' suggestions on how to further improve and revamp the APECTR.
- **Indonesia** invited member economies to share their experiences regarding the usage of APECTR promotional materials to increase their utilization as well as encouraged members to make use of the infographics and videos that have been produced. Furthermore, there was an invitation to member economies to continue sharing their experiences on how to promote the utilisation of APECTR and on the development of effective tools with this purpose.

Other
- **The Russian Federation** commented on the importance on contemplating how MAG can contribute to the CTI work plan to take forward the work on the FTAAP economic agenda in the Asia Pacific and encouraged member economies to develop initiatives involving this CTI priority to work within MAG and other APEC groups.

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e. **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*

Supply Chain Framework Action Plan Phase III (SCFAP III)
- **Singapore** updated that the PSU's report, "Measuring Progress on the Supply Chain Connectivity Framework Action Plan 2022 - 2026: Indicators and Policy Practices", was endorsed by the CTI.

- **Singapore** also updated on the preparation for the SCFAP III Mid-Term Review; the accompanying workplan for which will be tabled at CTI1 plenary for information. The Mid-term review will consolidate all relevant initiatives implemented by economies that contribute to addressing supply chain chokepoints. In this context, Singapore encouraged all member economies to submit a list of initiatives, whether they are domestic, or APEC projects undertaken that support the goal of SCFAP. On the timeline, Singapore updated that the intention is to submit the first draft of the Mid-Term Review Report at CTI2, the second draft at CTI3, and the final Report at CSOM.

Alliance for Supply Chain Connectivity (A2C2)
- **The United States** updated on the state-of-play of the APEC Alliance for Supply Chain Connectivity (A2C2) and the results of the 15th A2C2 meeting held in August 2023 during SOM3 in Seattle, highlighting the strong attendance that allowed to successfully address all five Chokepoints in the panel discussions: (1) digitalization of end-to-end supply chains; (2) enabling infrastructure development to support robust multi-modal connectivity and logistics networks; (3) data flows and cross-border payments to support increasingly digitalized supply chains; (4) understanding green supply chain management practices; and (5) MSMEs' access and integration into global supply chains.
- **The United States** informed that they expect to hold this year's A2C2 meeting in person during SOM3 in Lima and requested member economies to continue to support the renewal of the A2C2 TOR that is tabled at the CTI1 2024.

APEC Pathfinder on Facilitating Trade in Remanufactured Goods and the self-funded project Trade of Remanufactured Consumer Electronic Products in APEC.
- **The United States** updated on the work of the APEC Pathfinder on Remanufactured Goods and highlighted its contribution to the Bangkok Goals on Bio-Circular-Green economy and implementing the San Francisco Principles. Also, the benefits of promoting policies that continue advancing in remanufactured production were recalled, such as materials and energy savings, the enhancement of circular economy, higher availability and affordability of specific goods to underserved population, and as a tool to benefit MSMEs, among others. The United States encouraged member economies to join the APEC Pathfinder and informed that, with the recent incorporation of Brunei Darussalam, currently 13 economies have joined.
- **The United States** informed the state-of-play of the project on Trade of Remanufactured Consumer Electronic Products endorsed last year. The project considers the development of an analytical study followed by a workshop to be held later this year. In 2025, the United States intends to provide capacity building and technical assistance to interested member economies concerning the benefits of remanufactured goods of high demand, such as cellphones, televisions, computers, and so forth, while also inviting member economies to be volunteers in this initiative. Moreover, the United States informed that the work in progress will seek input from different stakeholders and connections with public and private sector in this field. A draft of the study will be shared with MAG members in the following months and a workshop is being planned for SOM3 in Lima.

f. 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, marketdriven 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/A

g. 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"*

Updating the APEC EG List from HS 2017 to HS 2022 Nomenclature
• The Convenor updated on the latest state-of-play of the HS transposition of the EG list, including the last comments received from member economies regarding the Draft Decision Points for each of the 54 products, which were discussed at the virtual intersessional meeting held last September.
• Following the work done in September, the HS transposition exercise is almost agreed in principle except for: (1) the inclusion of 1 subheading in the HS 2022 List (8501.80), (2) a decision concerning the appropriateness of the amendment of existing ex-outs as part of the transposition exercise (adding initials of a member economy to original ex-outs), and (3) minor amendments suggested in new ex-out language.
• It was agreed that the Convenor will send an updated version of the Draft Decision Points incorporating the comments received so far and will contact member economies interested in participating in the discussions to reach an agreement on the pending issues.
• The Convenor encouraged member economies to provide - as soon as possible - any further comments and suggestions on the Draft Decision Points for the 54 products, and particularly regarding the specific non-agreed products with the aim to agree on a final version of the EG list in HS 2022 before next meeting.
Framework of Discussions for Producing an APEC Reference List of Environmental Goods
• **Australia** updated the state-of-play of the First draft of the Framework of Discussions for Producing an APEC Reference List of Environmental Goods to support the development of a new, voluntary, non-binding APEC Reference List of Environmental Goods. Additionally, Australia shared its intention to work towards getting endorsement potentially by the time MRT in May (Arequipa).
• **Australia**, considering the comments received by email, informed that there are two parts of the Framework that will need further discussion and work: (1) paragraph 4,

dealing with the discussions to deepen shared understanding of environmental goods and related objectives, and (2) paragraph 11, regarding the living list component of the Framework. Australia informed its intention to share a compiled version of the comments in a new version of the Draft Framework unless member economies object to do so.

- The First draft prepared by Australia was well received and supported by member economies as a starting point to advance in the elaboration of a Reference List of EG. Several member economies highlighted the commitment to advance in producing a new voluntary and non-binding EG List without assuming or involving any further liberalization or collective actions on non-tariff barriers. Additionally, its development should consider outreaching and evolving technologies, as well as discussing the characteristics that goods must comply for getting environmental benefits (and eventual detrimental impacts), and other elements including the contribution to green growth, and the alignment with sustainable objectives and agendas of member economies. Some member economies pointed out the need to further explore how to address the life cycle of the goods, given the lack of readily available information on them.

- **Australia** committed to work with member economies that either provided comments or intended to comment on the First Draft, with the view to finalise and endorse the Framework of Discussions for Producing an APEC Reference List of Environmental Goods by May 2024.

Environmental Goods Workplan / Non-tariff measure and Regulatory Issues

- The Convenor indicated that 'Non-tariff Measures and Regulatory Issues' is one pillar of the Environmental Goods Workplan but there is no leading economy on this issue. The renewed Environmental Goods Workplan endorsed by MAG in October 2023 stated that economies are encouraged to nominate activities for inclusion in the workplan that respond to the Ministers' mandate and build cooperation and consensus among the membership. Therefore, the Convenor encouraged member economies to consider proposing activities to particularly address the pillar on non-tariff measures and regulatory issues.

- **Japan** informed that it has led a PSR study on non-tariff measures in the environmental sector and invited member economies to create synergies from this project, for instance working on specific products, such as solar energy, wind power or green hydrogen; or other areas where there is existing cooperation between member economies.

3. **Planned private sector / stakeholder engagement in 2024**

   Please provide a list of planned private sector engagement this year

   - N/A

4. **Planned cross-fora collaboration in 2024**

   Please provide a list of planned cross-fora collaboration in 2024

   - N/A

5.   Main outcomes from most recent plenary meeting

Please provide in list format

- Adoption of 65th MAG Meeting Summary Report
- Progress in APEC economies' implementation of the WTO TFA – i.e., Indonesia.
- Updated utilisation of the APEC Trade Repository and sharing experiences in the use of promotional material to promote the utilization of the APECTR.
- Continue intersessional work on the HS transposition of the APEC Environmental Goods List from HS 2017 to HS 2022
- Progress on the Framework of Discussions for Producing an APEC Reference List of Environmental Goods, with Australia volunteering to lead the first draft.

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

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

- 20 APEC economies attended the meeting.

7.   What is your Forum doing to increase participation from its members?

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

MAG continues overseeing the implementation of initiatives towards supporting the multilateral trading system, trade liberalisation for regional economic integration, and sustainability issues. Member economies are encouraged to make use of MAG to initiate projects contributing to areas of tariffs, non-tariff measures, rules of origin, transparency, and trade facilitation. Ultimately, MAG continues working in the implementation of the Environmental Goods Work Plan.

8.   Decision points needed from CTI

Please add any additional decision points needed from CTI

- Seek CTI's endorsement of Convenor's Report.

Sub-Committee on Customs Procedures (SCCP) Convenor's

Report to Committee on Trade and Investment for CTI1/2024

1   Forum Main Objectives/Deliverables expected for 2024

Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

- Based on the APEC 2024 priorities, the objectives are:
  - To innovate and digitalize through initiatives
  - To look for cross-fora collaboration, including stakeholders

- For this year, apart from two plenary meetings and the APEC Customs Business Dialogue at the APEC SOM3 which will be focused on the new steps to be followed on Digitalization end to end of supply chain, the SCCP will implement several initiatives and projects in important areas of the SCCP's Strategic Plan.
- <u>APEC Funded Projects</u>: Four (04) projects are underway, one led by Japan, related to enhancing members capacity building in Self-Declaration of Origin for FTAs/RTAs (SCCP 02 2022T) and the remaining three are headed by Peru as follows: Workshop on Technological Solutions for Green Customs in the Asia-Pacific Region (SCCP 201 2023T), Best practices to promote transparency in the logistic supply chain: information platforms of logistic services for foreign trade (SCCP 202 2023A); Improving the digitalization of international trade: the relevance of the use of an electronic Bill of Lading (SCCP 203 2023A).
- <u>APEC Self-Funded Projects</u>: Three (03) projects will be carried out in 2024 by two economies United States (SCCP 04 2022S) and Peru (SCCP 02 2023S, SCCP 01 2023S).
- <u>Member´s Initiatives:</u> Peru has proposed two initiatives for this year, one titled "*Good practices in Customs value declaration and control aimed at voluntary compliance and trade facilitation*" and the other, titled "*Digitalization end to end of supply chain: latest developments and next steps*". China has proposed one initiative for this year, titled "APEC Smart Customs Cooperation Partnership Initiative".

2   How the forum's work contribute to APEC and CTI's objectives

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

  a. **Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action**

- All the SCCP's current and planned projects and initiatives support the PV2040, APA and Bangkok Goals. Through projects and initiatives listed above, some of the main collective actions of the APA that the SCCP is contributing towards include:
  - Progress liberalisation of trade in goods by reducing unnecessary barriers, strengthening trade facilitation, and fostering regulatory reform.
  - Increase trade predictability and openness by improving economies' transparency through trade measures and policies.
  - Implement APEC's Connectivity Blueprint, including by strengthening connectivity and resilient supply chains within APEC…
  - Collaborate to develop an innovative digital business environment…

> - Promote ecosystems that support MSMEs… to take advantage of the digital economy
> - Promote e-commerce / digital trade,… and sharing best practice on rules and regulations in e-commerce / digital trade;
> - Advancing gender equality and the economic empowerment of women
> - 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
> - The updated SCCP's Work Plan Template reflects the addition of the PV 2040 and APA and a column for other APEC commitments.

b. Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals and the 2023 San Francisco Principles on Integrating Inclusivity and Sustainability into Trade and Investment Policy

> The SCCP contributes to the implementation of the 2022 Bangkok goals and the 2023 San Francisco Principles through:
> o Increasing cooperation on advancing toward a circular economy.
> o Looking for technological solutions for green customs in the Asia Pacific
> o Facilitating trade in environmental goods and services.
> o Improving opportunities for MSMEs to be competitive and innovative to help them enter international markets.

c. 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..."*

> The SCCP supports the Multilateral Trading System by:
> - Encouraging the sharing of experiences and best practices by member economies on their efforts to support WTO-TFA implementation.

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…"*

> The SCCP supports regional economic cooperation by:
> - Contributing to collaborative, frank and open discussions among customs administrations in the APEC region.

> • Committing to collaborative efforts to share experiences and best practices on customs procedures and facilitation.

d. 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*

> The SCCP supports trade facilitation and connectivity by:
> • Promoting initiatives and innovations being implemented to enhance supply chain security and facilitation.
> • Encouraging the sharing of experiences and best practices by member economies on their efforts to support WTO-TFA implementation.

e. 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, marketdriven 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."*

> The SCCP supports innovation and digitalization by:
> • Supporting initiatives and innovations being implemented to enhance customs procedures.
> • Promoting efforts to support digital transformation in customs administrations in the APEC region.
>
> At SCCP 1, SCCP had a panel discussion to discuss ABAC's Recommendations to APEC Leaders on Regional Cooperation for Cross-Border Paperless Trade. SCCP also decided at this meeting to make digitalization a standing agenda item in the SCCP which will allow the group to continue advancing work in this area.

f. 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"*

> The SCCP supports **inclusive** growth by:
> • Promoting women in customs and trade and exchanging best practices to mainstream groups with untapped economic potential.

- Putting in place the topic of women in trade as a standing agenda item at all future SCCP Plenary meetings to promote further discussions and actions on this topic.

At SCCP 1, a panel discussion on "Promoting gender mainstreaming in APEC Customs Administration through enhanced data collection and information sharing" was held.

The SCCP supports **sustainable** growth by advancing:
- Supporting economies to enhance their green customs practices through experience sharing and strategic planning

3.   Planned private sector / stakeholder engagement in 2024

Please provide a list of planned private sector engagement this year

- The World Customs Organization (WCO), The Postal Union of the Americas, Spain, and Portugal (PUASP) and the Global Express Association (GEA) attended the meeting as observers. They actively participated during the SCCP1 meeting. The WCO provided an update on WCO priorities and served as speaker on a panel discussion on promoting gender mainstreaming in APEC customs administration through enhanced data collection and information sharing. The PUASP also provided an update on PUASP priorities.
- On the other hand, GEA contributed to areas of cooperation between the express industry and Customs. In addition, ABAC shared a video presentation on ABAC Recommendations to APEC Leaders on Regional Cooperation for Cross-Border Paperless Trade.
- APEC Customs Business Dialogue will be held during SOM3 which will be an opportunity for SCCP to engage with members of the business sector. The Dialogue will be focused on the new steps to be followed on Digitalization end to end of supply chain.

4.   Planned cross-fora collaboration in 2024

Please provide a list of planned cross-fora collaboration in 2024

- During SCCP 1, the CTI Chair was invited to speak on CTI´s Priorities for 2024 as well as collaboration with SCCP.

- For the Workshop on Technological Solutions for Green Customs in the Asia-Pacific Region, EGILAT will participate actively as speaker.

5.   Main outcomes from most recent plenary meeting

Please provide in list format

Overview:

The SCCP Plenary meeting occurred from Feb. 27 to 28, 2023.

The agenda included six areas of focus:

- Engagement with stakeholders
- Trade and investment for inclusive and interconnected growth
- Innovation and digitalization to promote transition to the formal and global economy
- Sustainable growth for resilient development
- Harmonization of procedures and supply chain security
- WTO-TFA implementation

There was also an agenda item dedicated to discussing the SCCP's priorities for 2024 and alignment with CTI and APEC priorities, including the APA and Bangkok Goals.

In addition, there was a SCCP workshop held during SOM1:

- Exporting Entrepreneurship: export promotion program aimed at MSMEs, rural communities, women, and young people Workshop, which was held Feb. 26, 2023.

Main Outcomes from SCCP1 Plenary Meeting:

Day 1

- Peru provided an overview of its APEC objectives and priorities for its 2024 host year. APEC 2024 theme is "Empower. Include. Grow', highlighting the three priorities:
    - Trade and investment for inclusive and interconnected growth.
    - Innovation and digitalization to promote transition to the formal and global economy.
    - Sustainable growth for resilient development.
- United States shared with members the Outcomes of the SCCP 2023 meetings and events.
- The SCCP Chair presented the the 2024 SCCP Workplan and members were invited to discuss and endorse it.
- Members received updates from stakeholders as WCO, PUASP, GEA on areas of collaboration with SCCP.
- United States and Peru presented updates of their projects.
- A robust panel discussion on Promoting gender mainstreaming in APEC customs administration through enhanced data collection and information sharing took place, serving as moderator United States and panelists WCO, New Zealand, Peru, and Australia,

Day 2:

- The SCCP Chair offered a brief recap of the day before.
- China presented its project and initiative on Smart Customs Practices and Smart Customs Cooperation Partnership, respectively.
- Peru presented an update of its projects.
- The meeting also included a vigorous panel discussion on ABAC Recommendations to APEC Leaders on Regional Cooperation for Cross-Border Paperless Trade. Korea, Singapore, and PSU served as panelists. Members participated actively and expressed their strong interests and

> collaboration with ABAC in this respect. The meeting decided to include digitalization as a standing agenda item in subsequent SCCP meetings.
> - United States, China, Peru, and Japan gave readouts on the results of their respective workshops and initiatives.
> - Peru presented an update of its project on the Workshop on Technological Solutions for Green Customs in the Asia-Pacific Region.
> - Afterwards, Peru made a presentation on measures to combat rip-off (container contamination).
> - The SCCP heard a presentation from WTO on capacity building efforts to support WTO-TFA implementation.

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

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

> Quorum was reached with 18 of 21 APEC economies participated in the meeting (3 were absent). The World Customs Organization (WCO), PUASP, GEA joined the meeting as observers. Deputy National Superintendency of Customs´ Blanca Barandiaran served as the Chair of the SCCP.

7.   What is your Forum doing to increase participation from its members?

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

> - The meeting agenda was circulated in advance of the meeting to ensure all members could provide input to the agenda.
> - Members were invited to take active roles in the meeting, including to participate in two panel discussion.
> - The meeting agenda required input from all economies for several agenda items, accompanied by a description of objectives and possible topics for discussion.
> - In the agenda, some items included specific questions to economies to encourage them prepare discussion points prior to the start of the meeting.
> - At the conclusion of every agenda item, economies were invited to ask questions and provide comments on the topic being discussed.
> - Throughout the meeting, economies were strongly encouraged to ask questions of other economies, and the meeting was managed to ensure discussions.

8. Decision points needed from CTI

Please add any additional decision points needed from CTI

> - Seek CTI's endorsement of Convenor's Report.

Sub-Committee on Standards and Conformance (SCSC)

Convenor's report to Committee on Trade and Investment for CTI1/2024

1   Forum Main Objectives/Deliverables expected for 2024.

Please provide a brief list of the forum's 2024 objectives and expected outcomes/deliverables.

The objectives of the SCSC are:

- Reduce technical barriers to trade and enhance market access through standards and conformance;
- Align each economy's standards with international standards;
- Promote good regulatory practices in the preparation, adoption and application of standards, technical regulations and conformity assessment procedures;
- Progress mutual recognition arrangements for conformity assessment within the region;
- Pursue regional cooperation in accordance with international agreements;
- Ensure greater transparency; and
- Promote and encourage participation in standards and conformance education and awareness programs to build capacity and capability and enhance competitiveness of business including micro, small and medium enterprises.

In addition to SCSC's normal committee works, which include meetings of the SCSC, as well as its subsidiaries, the Food Safety Cooperation Forum (FSCF), and the Joint Regulatory Advisory Committee (JRAC) on Electrical and Electronic Equipment, these are some of the workshops / events that the SCSC will be holding throughout the year:

- SOM 1: Workshop on Assisting Policy Makers with Mitigation and Prevention of Plastics Pollution – Standards as a Resource for the Policy Framework (February 26th – 28th, 2024).
- Virtual Workshop on Standards and Conformity Assessment for Electric Road Passenger Vehicle Supply Equipment (EVSE) – Sharing Experience and Best Practices, (April 24th - 25th, 2024)
- Third Virtual Seminar on Testing Methods for Internet of Things (IoT) Products (April 2024)
- SOM 2: Workshop on sharing best practices on strengthening internal coordination to facilitate the effective implementation of the TBT agreement among APEC economies, (May 2024)
- Workshop on Development of Guidance on Strengthening Good Governance on the Implementation of Standardization and Conformity Assessment for APEC Economies, (June or July 2024)
- SOM 3: 15th SCSC Conference on Standards and Conformance: Leveraging Voluntary Sustainability Standards (VSS) to strengthen APEC member economies' trade partnerships and economic cooperation, (August 13th -14th, 2024)
- SOM 3: Workshop on Improving Food Safety Outcomes through Increased Cooperation between Food Safety Regulators and APAC Member Bodies Accrediting Certification, Inspection and Testing Services
- SOM 3: Workshop on Best Practices Sharing on the Role of Standardization in Promoting Sustainable Development of Safe Digital Products and Services for Children (August 2024)

2 How the forum's work contribute to APEC and CTI's objectives

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

a. **Implementing the Putrajaya Vision, including through the Aotearoa Plan of Action**

Through the above projects on various themes and topics, the SCSC contributes to the achievement of the Putrajaya Vision through the implementation of the following Collective Actions of the Aotearoa Plan of Action (APA), among others:
- Progress liberalisation of trade in goods by reducing unnecessary barriers, strengthening trade facilitation, and fostering regulatory reform.
- Increase trade predictability and openness by improving economies' transparency through trade measures and policies.
- Promote trade and investment facilitation for all, including by:
  (ii) working towards digitalising border processes facilitated by the application of internationally recognised standards;
  (iii) the adoption and improvement of effective standards and conformance systems, encompassing standardization, accreditation, metrology, conformity assessment and market surveillance.
- Adopt new and emerging technologies to stimulate growth, connectivity and digital transformation.
- Advance gender equality and the economic empowerment of women.
- Cooperate in relevant APEC fora to develop, encourage and exchange best practices, policies, and promote capacity building programmes, that address all environmental challenges - including climate change - and support sustainable growth.

b. **Implementing Leaders or Ministerial mandates from previous years, including the 2022 Bangkok goals and the 2023 San Francisco Principles on Integrating Inclusivity and Sustainability into Trade and Investment Policy**

- At SCSC 1, the meeting held a panel discussion on Quality Infrastructure in Sustainability, in which the meeting took stock of recent developments in standards and conformance on Quality Infrastructure in Sustainability and shared experiences in areas such as QI in electromobility, renewable energy and circular economy. Projects such as the 15th SCSC Conference on VSS, Worshop on EVSE, and Workshop on Mitigation and Prevention of Plastic Pollution also support the realization of both the Bangkok Goals and the San Francisco Principles.
- SCSC's various works to promote good regulatory practices directly support the implementation of the 2023 San Francisco Principles, in particular to *"Foster the use of open, transparent, predictable, and participatory processes for the development and implementation of trade and investment policies and consideration of proposed policy actions, including publishing proposals or plans, public consultations, with a particular focus on inclusion of those who face barriers to economic participation."*

c. **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..."*

- At SCSC 1, Japan reported on developments at the WTO TBT Committee, and China reported on developments at the WTO SPS Committee.
- In addition, the "Workshop on sharing best practices on strengthening internal coordination to facilitate the effective implementation of the TBT agreement among APEC economies" also support the implementation of WTO rules.

d. 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…"*

The SCSC is conducting various works to reduce technical barriers to trade and enhance market access through standards and conformance, and to align each economy's standards with international standards.

The SCSC is also actively promoting good regulatory practices in the preparation, adoption and application of standards, technical regulations and conformity assessment procedures. During the SCSC 1, 2024, the US introduced the "Blueprint for Advancing Good Regulatory Practices in the APEC Region" which was adopted in 2023. The US also shared update on its project "Advancing Good Regulatory Practices to Reduce Barriers to Trade", and Peru shared its experience on the capacity building program on public consultation.

e. 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"*

- 15th SCSC Conference on Standards and Conformance: Leveraging Voluntary Sustainability Standards (VSS) to strengthen APEC member economies' trade partnerships and economic cooperation will be held during SOM 3, which will address the issue of responsible business conduct, as well as other issues emerging from VSS, including aspects of such standards that may negatively affect trade, how economies can take steps to address them.

f. 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."*

- Projects such as "Capacity Building Workshop on Testing Methods for Internet of Thing (IoT) Products" and "Workshop on Best Practices Sharing on the Role of Standardization in Promoting Sustainable Development of Safe Digital Products and Services for Children" promote innovation and digitalization through standardization.

g. **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"*

- As mentioned above, the SCSC has conducted works to promote sustainability, in areas such as quality infrastructure in sustainability, VSS, plastic pollution, EVSE, etc.
- On the issue of inclusion, SCSC 1 engaged in a panel discussion on "Women and Standardization", in which members took stock of recent developments in gender-responsive standards, the role of women in standards, and the benefits of gender-responsive standards to industry and the economy.

3. **Planned private sector / stakeholder engagement in 2024**

Please provide a list of planned private sector engagement this year

- SCSC Meetings include representatives from international standards organizations (ISO, IEC, ASTM), as well as groups of bodies involved in standards development and conformity assessment. ISO, IEC, ASTM and APAC share their works related to issues of interest of the group, including on quality infrastructure in sustainability, women and standardization and voluntary sustainability standards.
- ABAC presented 2023 ABAC Report to Economic Leaders as well as ABAC's priorities in 2024 at SCSC 1, allowing SCSC to understand and better respond to the needs of the private sector.

4. **Planned cross-fora collaboration in 2024**

Please provide a list of planned cross-fora collaboration in 2024

- SCSC projects are relevant to various other APEC Fora, and relevant fora will be invited to participate in relevant workshops. Some of these groups include TPTWG, AD, EWG, GOS, OFWG, CD, PPFS, HWG, EGILAT, etc.
- SCSC Chair will participate in the upcoming Automotive Dialogue (AD) during SOM 2 to share relevant SCSC works, while learning about relevant initiatives in AD to further promote cross-fora engagement between the two fora.
- SCSC will participate in the annual GRP Conference which will be held this year and it is organized by EC.

- Peru's SCSC representative participated in the EGILAT Meeting during SOM 1 to share a presentation on the project titled "15th SCSC Conference on Standards and Conformance: Leveraging Voluntary Sustainability Standards (VSS) to strengthen APEC member economies' trade partnerships and economic cooperation".

5. **Main outcomes from most recent plenary meeting**

   Please provide in list format

- The meeting shared updates on various SCSC work areas, including trade facilitation, GRP, food safety cooperation, etc.
- SCSC was updated on the status of ongoing SCSC projects, and shared information on nine new project proposals that will be formally submitted later this year.
- SCSC took note of relevant updates by SRBs, IEC, ISO, ASTM.
- SCSC held policy discussion to share best practices and ideas for future cooperation on 2 topics – "Women and Standardization" and "Quality Infrastructure in Sustainability".
- The meeting took note of the US and Japan's presentation on the Regulatory Harmonization Steering Committee (RHSC) on Medical Products and discussed the draft RHSC Terms of Reference (TOR) as a subsidiary body under the SCSC framework. On March 5, 2024, the SCSC endorsed the RHSC ToR and the revised SCSC's ToR to incorporate the RHSC as a subsidiary body under SCSC, and submits the said ToRs for CTI's endorsement.

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

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

- 16 economies participated in SCSC 1, 2024 and quorum was reached.

7. **What is your Forum doing to increase participation from its members?**

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

- SCSC Chair initiated policy discussions on issues of interest of the group, including Women and Standards and Quality Infrastructure for Sustainability, which gained a lot of interest from members.
- External stakeholders, including ABAC, are invited to share different perspectives and ensure that SCSC Works remain relevant.

8. **Decision points needed from CTI**

   Please add any additional decision points needed from CTI

- Seek CTI's endorsement of Convenor's Report.
- Seek CTI's endorsement of the RHSC ToR and the revised SCSC's ToR to incorporate the RHSC as a subsidiary body under SCSC.