APEC'S WTO CAPACITY BUILDING ACTIVITIES



THE APEC WTO CAPACITY BUILDING GROUP



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This report was prepared by the Government of Canada, on behalf of the APEC WTO Capacity Building Group.

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Executive Summary

The Doha Development Agenda approved by the WTO in 2001 called for special efforts by all WTO members to build the capacity of developing economies to participate in, and reap the many benefits from, the global trading system.

APEC recognizes that the ability of its members to implement WTO agreements directly affects their capacity to meet APEC's main goal of free and open trade and investment in the Asia-Pacific region by 2010 for industrial economies and 2020 for developing economies. APEC is therefore actively pursuing WTO capacity building projects and initiatives.* These reinforce and supplement the efforts of other organizations, such as the World Bank, the Asian Development Bank and the WTO Secretariat.

APEC leaders agreed in 2000 to a Strategic Plan for WTO Capacity Building that outlined APEC's commitment to ensuring the successful launch of a new round of multilateral trade negotiations the following year at Doha. This Strategic Plan is overseen by the APEC WTO Capacity Building Group. Under this Strategic Plan, the needs of developing APEC economies have been identified, and the state of current projects offered by the WTO and other international organizations has been reviewed. This information is available on APEC's trade-related technical assistance (TRTA) website (www.apec-trta.org) and has been shared with other organizations such as the WTO and the Organization for Economic Co-operation and Development.

The majority of the 335 projects detailed on the website were funded and organized bilaterally. While tabulation of such projects is a very complex task, a conservative estimate suggests that APEC members have spent at least US\$200 million on TRTA programming in the past few years. APEC itself, through its trade and investment liberalization and facilitation (TILF) fund, has helped finance 37 projects. A majority of APEC economies have played a donor role in one or more capacity building projects, highlighting the important role developing economies can play in assisting each other and demonstrating ownership of the process by sharing their capacity building experiences. A large majority of APEC members have benefited as recipients of these capacity building programs. Almost every subject of negotiation at the WTO has been addressed by at least a few of the projects within the APEC region.

APEC's WTO Capacity Building Group is focused on making capacity building even more effective through better assessment of the needs of its members and better

^{*} For the purposes of this report, WTO capacity building includes confidence building activities.

co-ordination of program activity in the region. The TRTA website contains a section that outlines the capacity building needs of developing APEC economies based on selfassessment. It can be revised as new needs emerge or existing ones are met. Better co-ordination of activity will reduce the overlap and duplication of the many donors working in the Asia-Pacific region while presenting an opportunity to identify common needs across recipients that can then be addressed in a more cost-effective manner. As these activities increase, a more formal means of project evaluation may become necessary.

The APEC region's economic progress suggests that WTO capacity building elsewhere can help other developing economies experience the rapid rise in living standards that Asia-Pacific has witnessed over the past 30 years. Capacity building will provide a solid foundation for progress in the Doha Round by equipping all WTO members with the tools to analyze, understand and discuss the issues in the Doha Development Agenda, and to find solutions beneficial for all. APEC members intend to be at the forefront of this process.

Background

International trade and investment are critical to developing economies around the world. Those that have recently integrated into the global trading system have secured many benefits for their people, including an increase in per-capita incomes and a drop in poverty levels. Direct foreign investment into developing economies and the annual earnings that can be generated from export activity far exceed the amount of available foreign aid, and as such represent key mechanisms for supporting development. The greater wealth generated through international trade increases social stability in an economy, and compliance with a rules-based trading system reinforces good governance and institutional reforms.

The World Trade Organization and the Asia-Pacific Economic Cooperation forum share a common vision of promoting economic growth and encouraging development through the liberalization of trade and investment. Since it was formed in 1989, APEC has been a strong supporter of the WTO and has worked hard to ensure its developing members have the capacity to implement WTO agreements. APEC recognizes that the ability of its members to implement these accords directly affects their capacity to implement APEC's Osaka Action Agenda, and thereby to meet APEC's commitment to creating open markets in the Asia-Pacific region.

APEC's driving mission, known as the Bogor Goals, commits members to free and open trade and investment in the region no later than 2010 for industrialized economies and

2020 for developing economies. Three pillars have been identified as crucial to meeting these goals: trade and investment liberalization; trade and investment facilitation; and economic and technical co-operation. WTO consistency is one of the guiding principles applied to all APEC activities.

But trade expansion — whether it is at the bilateral, regional or global level — requires agreements forged between willing partners who have the expertise to negotiate in their own best interest and the capability to implement the deals they sign. Since the start of the Uruguay Round, international trade treaty law has grown from the General Agreement on Tariffs and Trade and a handful of side agreements to three major agreements, 13 significant agreements and a host of more minor sets of commitments managed by the WTO. The rules-based system created by these documents gives member economies the opportunity to deal in goods and services on the basis of competitive strengths and comparative advantage, free of unfair barriers to access. However, some economies have difficulty fulfilling the requirements of these agreements and participating in the rules-based system. Developing economies therefore need assistance to increase their technical and structural capacities to implement these agreements.

The Doha Development Agenda

The need to give special consideration to developing economies in the GATT/WTO has long been recognized. As the agreements have evolved, many special provisions have been adopted to give certain members more time to make the necessary adjustments. The groundwork for a special program to provide further implementation assistance to these economies was laid at the WTO ministerial meeting in Singapore in 1996. The result is what has become known as the Doha Development Agenda, a program for a new round of trade negotiations that will improve the ability of developing economies to participate in the multilateral trading system and enjoy the many benefits of trade. The ministerial declaration from the meeting said the WTO recognized that the "integration of the LDCs (least-developed countries) into the multilateral trading system requires meaningful market access, support for the diversification of their production and export base, and trade-related technical assistance and capacity building. We agree that the meaningful integration of LDCs into the trading system and the global economy will involve efforts by all WTO members."

There are many types of capacity that must be built in order for least-developed and developing economies to participate as equal partners in international trade. Economies must be able to assess the impact of various proposals on their national interests. They must also possess the structural and political ability to implement the agreements they sign, and respond to the economic opportunities presented by trade in order to

take full advantage of the benefit these agreements can bring. In many least-developed economies, core competencies must first be established so that the agencies responsible for trade policy fully appreciate the obligations of the agreements they sign. Once this has been accomplished, developing economies may turn their attention to increasing their level of expertise in trade policy and in a number of areas of government activity influenced by trade, as well as to fostering the ability to create new laws, institutions and infrastructure as required by international commitments.

International Efforts at WTO Capacity Building

The WTO Secretariat, as the lead organization responsible for global trade, is under the most pressure to provide capacity building, and has the most comprehensive set of programs for improving technical expertise and legislative and regulatory frameworks. However, the WTO is not in a position to provide long-term technical assistance, and does not provide the physical infrastructure that can be critical in supporting traderelated activity in an emerging economy. While it has increased its technical assistance activities in recent years, further expansion could take the WTO Secretariat away from its core competency of supporting the global trading system. Its most important contribution has been to make capacity building a priority area in the international community.

In response, the capacity building work done by other agencies has grown in recent years. Several of these agencies are associated in the Integrated Framework for traderelated technical assistance, which was established to improve the delivery and co-ordination of capacity building programs in six international bodies: the WTO, the United Nations Conference on Trade and Development, the International Trade Centre, the World Bank, the International Monetary Fund and the United Nations Development Program. While a useful coordination mechanism, the Integrated Framework is focused on least-developed economies, and therefore does not apply to any APEC members.

The Doha Development Agenda recognized that regional trade agreements consistent with WTO rules play an important role in the expansion of international trade. With a membership of economies at various stages of development, APEC serves as a model for the international community in its approach to fostering greater regional and global trade by helping members increase their capacity to implement WTO agreements. Nineteen APEC members belong to the WTO (with the other two in the accession process), and most are developing economies. The importance of the group's commitment to WTO capacity building in a global context is highlighted by the fact that APEC's 21 members contain a total population of more than 2.5 billion people and account for 47 per cent of world trade. Combined, their gross domestic product is

US\$19 trillion. APEC also has a history of capacity building for the implementation of WTO agreements and can build on this in its future work.

APEC's Strategic Plan for WTO Capacity Building

APEC leaders have many times expressed their commitment to WTO capacity building. At their November 2000 meeting in Brunei Darussalam, APEC leaders approved a Strategic Plan for WTO Capacity Building that forms the framework for their efforts in this area. In October 2002, APEC ministers agreed that "WTO capacity and confidencebuilding activities under the APEC Strategic Plan should remain a top priority for APEC. These activities should be demand-driven and cover the full gamut of DDA (Doha Development Agenda) issues, including implementation, market access and rules issues." Their statement went on to say that "in particular, APEC should further contribute to the DDA by encouraging and co-ordinating confidence-building activities, including in areas such as investment, competition, trade facilitation, transparency in government procurement, and trade and environment."

An important aspect of APEC's approach follows the path of the Integrated Framework and has economies themselves proactively identify what they need in order to be able to participate more fully and effectively in international trade negotiations. In the development of the APEC Strategic Plan, field surveys were conducted in nine economies (China, Indonesia, Malaysia, Papua New Guinea, Peru, the Philippines, Chinese Taipei, Thailand and Vietnam) in September and October 2000, which reviewed and identified the economies' needs with regard to implementation of WTO agreements. The surveys asked each economy to list the agencies responsible for handling various WTO issues, rate their capacity to handle WTO issues, assess the effectiveness of past capacity building assistance and suggest what types of assistance are still needed, and propose potential capacity building projects. From these surveys, prioritized government-wide programs were identified for each of the nine APEC economies, complete with an estimated cost of delivery.

The field surveys showed that the capacity building needs of the developing APEC economies are varied. Economies with low per-capita incomes require help raising their knowledge of overall WTO affairs, while the needs of economies with higher per-capita incomes relate more to knowledge about specific areas of WTO agreements. This suggests that a "one-size-fits-all" approach will not be as effective as providing tailor-made programs that address the specific needs of economy.

While the needs are great, there are not enough resources available to address them. During the preparation of the Strategic Plan, the capacity building assistance provided to APEC member economies by the WTO, UNCTAD, the World Bank, UNDP, the IMF and other international organizations was reviewed. The efforts of those groups were found mostly to focus on African economies and on least-developed economies. No members of APEC fall into the latter category, making the development of a strategy that meets the needs of APEC members all the more crucial.

The APEC WTO Capacity Building Group and the TILF Fund

Capacity building activities within APEC are overseen by the WTO Capacity Building Group, one of the sub-fora of the Committee on Trade and Investment. Canada and Japan are the current co-convenors of the WTO Capacity Building Group, which was mandated in 2001. The group's mission is to identify, co-ordinate and oversee trade and investment liberalization and facilitation (TILF) fund projects that increase WTO-related capacity, and to work with other APEC sub-fora, as well as other international agencies, to promote complementarity and avoid unnecessary duplication of projects.

To date, 37 projects worth over US\$2 million have been implemented through the APEC TILF fund. There is also significant bilateral assistance offered by APEC economies. In 2001, APEC economies such as Australia, Canada, Japan, New Zealand and the United States provided more than US\$70 million in trade-related technical assistance within APEC alone. APEC's WTO Capacity Building Group has overseen the development of a website (www.apec-trta.org) that houses a list of these and other WTO-related capacity building projects administered within the APEC area by various international organizations.

The website is an important tool in the group's effort to track and monitor WTO-related capacity building activities in the region in order to avoid duplication of effort and ensure that APEC projects aimed at advancing capacity building are consistent with and supportive of other efforts in the region. The capacity building matrices developed for the website have been shared with the secretariats of the WTO and the Organization for Economic Co-operation and Development. Representatives of the WTO Secretariat, the Asian Development Bank and the World Bank are invited to meetings of the APEC WTO group to ensure that efforts are co-ordinated for maximum effectiveness.

APEC has also delivered a series of confidence-building trade policy dialogues to help member economies develop a deeper understanding of the issues involved with the Doha Development Agenda. Setting strategy and implementing plans of action to meet regional and international economic commitments are key themes for APEC this year as well. The success of the Doha Development Agenda is important for the prosperity of all economies, particularly developing and least-developed ones. APEC's efforts at building the capacity of its members to implement WTO agreements can play a major role in achieving the Doha goals. The model APEC has developed to identify the individual capacity building needs of its members and provide programs to meet those needs makes maximum use of the resources available for this purpose and provides a successful model for others to follow.

Summary of Capacity Building Projects and Needs

Capacity Building Projects in APEC

APEC's WTO Capacity Building Group coordinates capacity building activities in APEC. As APEC's trade-related technical assistance (TRTA) website (www.apec-trta.org) shows, APEC and its members are involved in an impressive array of capacity building projects. Some of these projects focus on enhancing the negotiating skills of key individuals so that they can more effectively participate in the global trading system, while other efforts expand the general knowledge and administration skills of an economy's public servants responsible for implementation of WTO agreements. There are also programs to develop economies' legal frameworks and physical infrastructure for domestic implementation of international agreements. Other programs build capacity to participate in the WTO's dispute settlement mechanism and support accession to the WTO by new members.

The APEC TRTA website details 335 projects that have taken place over the past few years (in most cases since 2000). The majority of these projects are funded and organized bilaterally, with 12 of APEC's 21 economies (Australia; Canada; China; Hong Kong, China; Japan; Korea; Malaysia; New Zealand; Peru; Singapore; Chinese Taipei and the United States) organizing projects that benefit other members (see **Table 1**). While differences in definition make calculating total values of assistance difficult, the bilateral WTO capacity building within APEC can be conservatively estimated to have resulted in at least US\$200 million in projects over the past few years. Some may assume that WTO capacity building is a one-way street, where developed economies organize assistance for developing ones. APEC's experience has been very different, however, as **Table 1** shows. A majority of APEC members, at a wide range of income levels, have played a donor role on one or more capacity building projects. APEC has found that all economies have expertise that can benefit others when it is shared.

Table 1: All APEC Region WTO Capacity Building Projects,by Donor and Sector

	DONORS																	
		Total p	Austro	Canaulia	Chinada	Hono	Japar Japar	Kora	Malac	New >	Peri	Since	Chinoc	United Taipei	APEC	Selaci	Selected WTO Multing Multing	materal Projects
	Total Projects	335	18	24	2	1	110	4	2	13	1	9	2	56	37	93	30	
	Agriculture	18		1			3			1				4	1	5	6	
	Anti-Dumping	16					4							2		8	2	
	Customs Valuation	33	4	6			16		1	1				10	11	3	2	
	DSU	22					7					2				14	1	
	GATS	33		4			4							4	2	20	4	
S S S S	Rules of Origin	9					7	1						1	6			
Ō	SPS	16	2	1	1		2			3		1		2	3	4		
SECTORS	Subsidies and Counter- vailing Measures	5					1							1		2		
S	ТВТ	8					7		1			1			1			
	Trade and Competition	10					2	1		1			1	3	1	1	2	
	Trade and Environment	6	1				1							2	1	2		
	Trade and Investment	3					1							1		1		
	Trade Facilitation	10					1					3		1	1	5	2	
	TRIPS	58	2			1	47					1		7	3		9	
	TRIMS	5			1		1					1		1	2	1		
	WTO General	64	9	12			6	2		5	1		1	7	5	21	4	
	Other	19								2				10		6	4	

Notes: (1) Some projects have multiple donors.

(2) Data for WTO and other multilateral projects may be incomplete.

Multilateral organizations have also played a strong role in WTO capacity building in the APEC region, with the WTO taking a lead role across all sectors, and other organizations (e.g., the World Intellectual Property Organization, the World Customs Organization, and the Food and Agriculture Organization) working on targeted projects in their areas of expertise. APEC itself, through its TILF fund, has funded no less than 37 projects, building capacity in a wide range of sectors and APEC members. Most multilateral projects, including those funded by APEC, have taken place in concert with one or more bilateral donors.

Table 2 shows how widely WTO capacity building assistance has been distributed within APEC. A large majority of members have benefited from at least a few capacity building activities, and several — for instance the Philippines (96), Indonesia (84), Thailand (81), Vietnam (75), China (74 projects) and Malaysia (73) — have benefited from dozens. Table 2 also shows how diverse APEC's capacity building activities have been. Virtually every subject of negotiation at the WTO has been addressed by at least a few projects within the APEC region. The subjects most frequently addressed have been general or multifaceted discussions of the WTO (64 projects), TRIPS (58), GATS (33) and customs valuation (33).

An examination of capacity building activities within APEC also reveals a web of mutual assistance reaching all around the Pacific. **Table 3** outlines which economies have benefited from projects organized by different donors, and tells an impressive story of co-operation spanning the entire APEC region. It is clear that APEC's many bilateral donors have reached out to the entire region, rather than restricting their assistance to their immediate neighbours or their largest trading partners.

One of the most interesting aspects of WTO capacity building in the APEC region is the role of APEC itself. The APEC TILF fund, generously instituted by Japan, is used to support capacity building projects organized by a wide variety of APEC members. Over the last few years, 37 TILF projects have contributed to WTO capacity building, at a cost of more than US\$2 million. **Table 4** shows how many APEC members have benefited from these projects, as well as the wide variety of sectors in which these projects have built capacity. Aside from its importance as an extra budget available for WTO capacity building activities in the APEC region, the TILF fund facilitates the delivery of projects based on APEC's strengths, for instance projects of regional interest and projects targeted directly at trade policy experts — the group within member economies most closely associated with APEC.

Table 2: All APEC Region WTO Capacity Building Projects,by Recipient and Sector

	RECIPIENTS																		
	Image: Total Policity Image: Total Policity Image: Total Policity Brunei Darussalam Image: Total Darussalam Brunese Taibei Image: Total Darussalam Brunese Taibei															Шент			
	÷		32	-	74	2	84	10			33	-	96	31	10	46			
	Agriculture	18		1	2		3		2	1		6	5			3	1	1	
	Anti-Dumping	16	1		2		6		4		1	1	4			1	2	1	
	Customs Valuation	33	4	2	6	1	6	1	11	1	5	2	10	3	2	3	10	6	
	DSU	22	2		5		5		5		1	2	5	1		4	6	4	
ഗ	GATS	33	2		4		6	1	4	2		5	7	4	2	3	10	4	
Ř	Rules of Origin	9	1		2	1	3		3		1	1	2			2	2	1	
2	SPS	16	1	1	1		3	1	2	1	1	1	5	3	1	5	3	4	
SECTORS	Subsidies and Counter- vailing Measures	5			1				1				2				1		
S	ТВТ	8			1		2		2			1	2	1		1	2	1	
	Trade and Competition	10	1		6		5		2	1			2			1	3	2	
	Trade and Environment	6	2	1	4		5		3	1	1	1	3	1		1	2	1	
	Trade and Investment	3	1		2		1		1				1			1	1	1	
	Trade Facilitation	10	5	6	4		6		3	3	3	4	4	2		2	3	4	
	TRIPS	58	6	6	15		14	2	13	4	11	3	21	4	1	5	17	19	
	TRIMS	5	2	2	1		2	1	2	2	2	1	2	1	1	3	2	3	
	WTO General	64	3	8	16		14	4	14	6	6	8	14	10	3	9	16	22	
	Other	19	1		2		3		1		1		7	1		2		1	

Note: Many projects have multiple recipients.

Table 3: APEC Region Bilateral WTO Capacity BuildingProjects, by Donor and Recipient

			BI	LA	TE	RA	L I	DO)N(DR	S			
		Auct	Canadia	China	Honol	Japar Japar	Kora	Malac	New 2	Peru	Since	Chinoc	Unito Jaipei	States
	Total Projects	18	24	2	1	110	4	2	13	1	9	2	56	
	Brunei Darussalam	1	3	2	1	11	1	1	1		4		1	
	Chile	3	3	2		7		1	1	1	4		1	
	People's Republic of China	7	9		1	29	2	1	2		5		2	
ഗ	Hong Kong, China					2								
Ĕ	Indonesia	8	6	2	1	31	2	1	3		5	2	13	
ш	Korea	1	3	2	1	3		1	1			1		
Б	Malaysia	7	4	2		41	2		1		2	1	3	
С U	Mexico	2	4	2	1	4	1	1	1	1	4			
RECIPIENTS	Papua New Guinea	3	2	2	1	15		1	1		2		1	
	Peru	2	4	2	1	9		1	1		4		1	
	Philippines	7	5	2	1	40	3	1	1		4	1	17	
	Russia	2	7	2		5		1	1		4		4	
	Singapore	1	4	2		4		1	1					
	Chinese Taipei	4	5	2	1	9	1	2	4	1	3		4	
	Thailand	8	8	2	1	41	1	1	1		3	2	1	
	Vietnam	9	6	2	1	33	2	1	5		5	1	6	

Note: Many projects have multiple recipients and some have multiple donors.

Table 4: APEC TILF Fund WTO Capacity Building Projects,by Recipient and Sector

	RECIPIENTS																		
	Image: Total system Image: Total system Image: Total system Image: Total system																		
		37	10	11	17	1	14	7	14	11	14	12	14	11	8	18	16	13	
	Agriculture	1														1			
	Anti-Dumping																		
	Customs Valuation	11	3	2	3		4	1	2	1	4	2	3	3	1	2	5	3	
	DSU																		
	GATS	2			2		2	1	1	2		2	1	2	2	2	2	2	
S	Rules of Origin	6			2		1		2		1	1	1			1	2	1	
0	SPS	4	1	1	1		1	1	1	1	1	1	1	1	1	4	1	1	
SECTORS	Subsidies and Counter- vailing Measures																		
S	TBT	1														1			
	Trade and Competition	1			1														
	Trade and Environment	1		1	1		1		1	1	1	1	1	1				1	
	Trade and Investment																		
	Trade Facilitation	1	1	1	1		1		1		1		1			1			
	TRIPS	3	1	1	1	1	1	1	1	1	2	1	2	1	1	1	1	1	
	TRIMS	2	2	2	2		1	1	2	2	2	2	2	1	1	2	2	1	
	WTO General	4	2	3	3		2	2	3	3	2	2	2	2	2	3	3	3	
	Other																		

Note: Many projects have multiple recipients.

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Capacity Building Needs in APEC

APEC's WTO Capacity Building Group is also making efforts to ascertain developing economies' capacity building needs, and to reflect those needs in its activities. APEC's WTO capacity building website includes a section cataloguing the needs of the developing members of APEC. This section is based on information submitted by developing members, and it can be supplemented and revised as new needs emerge or existing ones are met. Nine APEC members have needs listed in the APEC capacity building needs database: China, Indonesia, Malaysia, Papua New Guinea, Peru, Philippines, Chinese Taipei, Thailand and Vietnam.

The capacity building needs database reveals great diversity among APEC members, and reinforces the point that each economy must be considered individually when capacity building programs are developed. There is no "one size fits all" prescription appropriate for all APEC members, just as the APEC Strategic Plan indicates.

Notwithstanding the distinctiveness of each APEC member's package of needs, the APEC capacity building needs database does reveal a few elements that many or most APEC members have in common. The sectors with the most needs reported are WTO General, Technical Barriers to Trade, GATS, TRIPS, and Others. Within GATS, several members' needs assessments point especially to the Financial Services and Telecommunications Agreements as areas requiring special attention. Although it appears under a variety of different sectors, several economies report a need for training on the mechanics of negotiations, distinct from the content of WTO agreements. Finally, three economies (Indonesia, the Philippines and Peru) report a specific need for training on TRIPS and the Dispute Settlement Understanding (DSU).

Of the nine economies with needs listed in the database, Vietnam's list is the longest, with 55 specific needs included. Vietnam's needs fall especially in the Customs Valuation, GATS, and TRIPS sectors. Another recurring theme for Vietnam in several sectors is the need to assess Vietnamese standards in different areas against the WTO norm, as Vietnam proceeds through the WTO accession process. Unique among the economies with needs listed, Vietnam also notes a need for public awareness campaigns associated with the accession process. Other APEC members list fewer needs than Vietnam, but most members have at least some need in each of the sectors listed. Like Vietnam, the Philippines and Thailand report a particular need for GATS training. Indonesia reports a particular need for TRIPS capacity building while Malaysia notes numerous specific needs on Sanitary and Phytosanitary (SPS) issues.

Future Capacity Building Plans in APEC

APEC's WTO Capacity Building Group continues to discuss and strengthen capacity building activities in order to ensure that assistance in the region is provided as effectively as possible. A number of ongoing issues stand out, and present possible ways of making WTO capacity building activities within APEC even more effective.

The first of these issues is the assessment of WTO capacity building needs. A basic tenet of good trade-related technical assistance is that it should be demand-driven. APEC and its members work very hard to ensure that projects reflect this fact. The APEC Strategic Plan for WTO Capacity Building was itself based on assessment missions to most of APEC's developing members, and many donors have conducted assessment missions of their own since then. These missions have provided opportunities for detailed discussions of needs with prospective capacity building recipients. The APEC WTO Capacity Building Group provides an excellent forum for APEC members to outline their WTO capacity building needs, and the APEC TRTA website described above provides a mechanism for APEC members to keep potential donors continually apprised of their evolving needs.

Co-ordination of WTO capacity building activities, one of the main objectives of the WTO Capacity Building Group, continues to be an important issue. On the one hand there is a risk of overlap and duplication because of the many donors working in the same area, while on the other hand the many economies interested in similar types of assistance may present an opportunity for economies of scale. Better co-ordination among donors, among recipients, and between both groups can help avoid duplication while exploiting the opportunities that similar needs may offer. APEC intends to foster discussions among its members while also building ties with multilateral donors such as the WTO and the development banks, in order to ensure that WTO capacity building delivery in Asia-Pacific is as co-ordinated as possible. An additional benefit of this co-ordination will be the possibilities it provides for joint projects — different donors have different strengths, which joint projects can unite in powerful combinations.

A third important issue in WTO capacity building for APEC to consider is project evaluation. The WTO Capacity Building Group already provides an informal mechanism for assessing the success of projects, but as APEC's capacity building activities continue and its expertise increases, a more formal means of project assessment will become desirable. APEC will consult with other TRTA donors to share experiences and ideas on project evaluation issues. The WTO Capacity Building Group will carefully consider these issues in order to promote more effective and efficient capacity building activities in the APEC region. In this context, one of the APEC TILF projects currently in the delivery stage offers a promising opportunity to discuss these three issues, as well as others. "Co-ordination of APEC's Capacity Building Response to Doha" is a two-phase project organized by Canada. The first phase resulted in APEC's TRTA website (www.apec-trta.org), which is an important tool for monitoring capacity building activities in the Asia-Pacific region. The website reflects Japan's Matrices of WTO Capacity Building Efforts in APEC Developing Economies, as well as updating that data. The second phase of the project will bring together important players in WTO capacity building best practices. This workshop will hopefully result in valuable new ideas for making WTO capacity building activities in APEC as effective as possible, and should result in lessons for other regions and the entire WTO community.

Conclusions

Meeting Our Trade Policy Objectives

The Doha Development Agenda called upon the WTO's membership, and especially its most developed members, to focus on WTO capacity building. Capacity building will be a key tool for bringing the new round of trade talks to a successful conclusion and making developing economies full participants in the process. As the preceding report makes clear, all of APEC's members have taken this call seriously, and are working together on hundreds of projects in a wide variety of sectors to build one another's trade policy capacity. While capacity building alone will not resolve all of the issues still outstanding in the Doha Round, it will provide a solid foundation for progress by equipping all WTO members with the tools to analyze, understand and discuss the outstanding issues, and to find solutions beneficial for all. APEC members intend to be at the forefront of this process.

While the WTO remains the main forum where APEC members negotiate multilateral trade liberalization, WTO capacity building will also facilitate discussions of trade issues within APEC itself. APEC's overarching goals, set by the leaders of the region at their meeting in Bogor, Indonesia, in 1994, are to achieve free and open trade and investment in the region by 2010 in the case of industrialized APEC members and by 2020 for developing members. As can be seen from the Individual Action Plan of each APEC member, progress towards the Bogor goals is being achieved through unilateral liberalization rather than through multilateral negotiation. However, many types of WTO capacity

building still support this process by helping APEC members identify their national interests in different sectors and build the case for liberalization when appropriate. In providing capacity building to support the ongoing WTO negotiations, APEC is therefore also making progress in meeting its own goals.

Lessons from APEC's WTO Capacity Building Experience

APEC is a unique organization. Its experience with WTO capacity building therefore offers some unique lessons as well. The first of these lessons is that developing economies have a role to play in delivering WTO capacity building assistance, not just in receiving it. Whether because of greater awareness of needs, or because of experience gained from having "just been there," developing economies have valuable expertise to offer one another via WTO capacity building projects. With a permanent that brings together developed economies, developing economies, and multilateral donors, and is mandated to discuss WTO capacity building issues (the WTO Capacity Building Group), and with a budget and an approval process that encourage projects administered jointly by multiple APEC members, APEC is well set up to take advantage of the capabilities of developing economies in this respect.

APEC's approach to WTO capacity building is distinct from that of many other institutions because APEC comes at the issue from a trade policy perspective rather than a development perspective. APEC's fundamental identity as a trade policy forum presents a few challenges for discussion of WTO capacity building issues, and it certainly makes linkages and partnerships with other institutions, such as development banks, desirable. However, it also offers some unique strengths: APEC's ready access to the knowledge and experience of trade policy practitioners throughout the region allows for accurate identification of the needs of economies on the receiving end of WTO capacity building assistance, as well as awareness of where to find the expertise necessary to meet those needs. Furthermore, APEC's links with the trade policy communities of each member economy allow for efficient identification of appropriate audiences for different types of capacity building assistance.

As a region, APEC is geographically vast, and while it includes some of the most developed economies in the world, the majority of its members are developing economies. Despite the organization's diversity, some broad generalizations can be made about APEC's developing members. As a group, they are wealthier than the norm for developing economies — APEC has no least-developed economy members, and several of its developing members are middle-income or higher. APEC's members, both developed and developing, are also more integrated into the global economy than average. They

have generally experienced rapid growth over the last few decades, and in most cases much of this growth can be attributed to trade and investment. APEC members have a record of relative economic openness and a shared awareness that trade can be a powerful force to raise living standards. The organization's commitment to capacity building reflects this.

The final lesson that APEC's WTO capacity building experience offers for the rest of the world proceeds directly from APEC members' positive experience of trade. The APEC region's economic progress suggests that WTO capacity building elsewhere can help other developing economies experience the rapid rise in living standards that Asia-Pacific has witnessed over the last 30 years. Furthermore, continued capacity building within the APEC region can consolidate these gains and help APEC's developing economies reach new levels of prosperity. In a region as economically integrated as Asia-Pacific, increases in prosperity in one economy offer clear benefits for all others. A continued focus on WTO capacity building, and the balanced trade agreements that will be negotiated as a result, will therefore help the APEC region remain the most economically dynamic region in the world.

APPENDIX A: profiles of selected donors





Donor Profile — Australia

Overall Approach

Australia's broad strategy of trade-related technical assistance (TRTA) and capacity building is to reduce poverty by helping developing economies maximize the benefits of global trade. Increased participation by these economies in global trade can have a multiplier effect on poverty reduction through growth and market development.

Australia's TRTA programming is based on partner economies' own development strategies and priorities. Australia recognizes that education, health, infrastructure and rulesbased systems of governance are essential for the poor to benefit from trade liberalization. TRTA is part of this development framework and has two core objectives: to assist developing economies to better understand and negotiate their trade-related interests in multilateral and regional forums; and to support institutional and market development to facilitate developing economies' participation in the global trade regime.

Projects

Australia will provide an estimated US\$10.9 million in 2002-03 to APEC economies for direct TRTA, including approximately US\$3 million on WTO-focused capacity building. Australian assistance includes:

- multilateral assistance, for example through the WTO Global Trust Fund (US\$586,000 in 2002 and 2003), which funds training in trade negotiations and implementation of WTO agreements;
- **regional assistance**, for example through Australia's APEC Support Program (US\$10.3 million from 1995-2003), which has funded activities to strengthen intellectual property rights systems, align standards, improve customs and quarantine controls, and assist in the mutual recognition of qualifications; and
- **bilateral assistance**, for example through the Indonesia-Australia Specialized Training Program II (US\$10.8 million from 1998-2003), which includes training courses on intellectual property, small to medium-size business development, holding orders, and export and international trade promotion.

Areas of direct Australian trade-related assistance include trade policy development, strengthening of customs and quarantine systems, taxation (including tariff reform), trade and tourism promotion, investment policy formulation, trade and environment issues, geographical indications, intellectual property and industrials.

Donor Profile — Canada

Overall Approach

WTO capacity building has been a key Canadian priority in APEC for a number of years. Canada believes that APEC, as an organization devoted to free and open trade and investment, can play a valuable role in promoting the success of WTO negotiations. Canada's commitment to trade-related technical assistance is driven by both trade and development objectives. On the trade side, TRTA will be an important tool for keeping the current round of multilateral trade negotiations moving forward, to the benefit of all WTO members. On the development side, TRTA can help other economies participate more fully in the global trading system, which in turn can reduce poverty. Canadian approaches to TRTA therefore focus on: (i) helping other economies negotiate effectively in the current WTO round and other regional and bilateral settings; (ii) helping to integrate trade into national development and poverty-reduction plans; and (iii) helping other economies should play a central role in decisions about allocating funds, and in making the most of the unique strengths of different organizations, such as the WTO, the World Bank, regional development banks, and bilateral donors.

Bilateral Assistance

Most Canadian TRTA in the Asia-Pacific region is delivered bilaterally on an economyby-economy basis. Canada believes this approach is the best way to mobilize resources in a co-ordinated way to meet recipient-identified needs. Since 1996, Canada has programmed more than US\$40 million in WTO-focused TRTA in APEC economies. This has resulted in 24 projects in 10 economies. In terms of volume of assistance, the most significant recipients of Canadian bilateral WTO-related TRTA in the Asia-Pacific region have been China and Russia. Thailand, Indonesia, the Philippines, Vietnam, Chile, Malaysia and Chinese Taipei have also benefited from projects. Canadian projects have concentrated on public policy training, legal and regulatory affairs, and the agricultural sector, with work taking place in the areas of services, dispute settlement and customs valuation as well. Canada has also contributed around US\$1 million to the WTO Global Trust Fund.

TILF Projects

Canada's bilateral TRTA programming in the APEC region has been supplemented by three TILF projects: (1) a regional training workshop on the GATS Agreement on Basic Telecommunications; (2) a regional training workshop on the GATS Financial Services Agreement; and (3) the Coordination of APEC's Capacity Building Response to Doha, an ongoing project involving the construction of a web-based database of WTO capacity building projects in the APEC region and an upcoming workshop on WTO capacity building best practices. These projects had a total budget of almost US\$250,000 and have been open to all of APEC's developing members. They were funded by APEC but implemented by Canada.

Future Projects

Future Canadian TRTA activities in the APEC region will continue to pursue the philosophy expressed above, with a sectoral focus on agriculture, services and trade facilitation. These are the three pillars of the Canadian International Development Agency's APEC Economic Integration Program, which is the main vehicle for Canada's TRTA to Vietnam, Indonesia, Thailand and the Philippines. Large-scale assistance to Russia and China will continue as part of Canada's bilateral programs with those economies. Many of the implementation issues associated with TRTA — such as donor co-ordination, integration into national development strategies, and building linkages between the trade policy and development communities — will be explored in the workshop on WTO capacity building best practices mentioned above. Canada hopes to further refine its TRTA delivery in light of the conclusions of this workshop.

Donor Profile — Hong Kong, China

Overall Approach

Capacity building and technical assistance are vital tools to assist developing and leastdeveloped economies in exercising their obligations under WTO agreements. This in turn provides them with confidence to participate in the WTO negotiations. We are pleased to see that capacity building activities organized by APEC, the WTO and other organizations have covered a wide variety of topics and benefited many developing and least-developed economies.

Projects

Hong Kong, China is supportive of the APEC Strategic Plan on Capacity Building and considers it an important contribution of APEC to the WTO. We are glad that APEC has approved funding for some 20 projects under the Strategic Plan since 2001. As part of its contributions to the Strategic Plan, Hong Kong, China hosted an Intellectual Property Experts Capacity Building Program for TRIPS Implementation from February 25 to March 1, 2002. Part of the expenses for the program was funded by the Strategic Plan. Participants from 12 economies (Australia, Brunei Darussalam, China, Indonesia, Korea, Mexico, Papua New Guinea, Peru, the Philippines, Chinese Taipei, Thailand and Vietnam) attended the program and found it very useful.

Outside APEC, we have contributed to the WTO Global Trust Fund and the Doha Development Agenda Global Trust Fund, which finance WTO technical-assistance activities for developing and least-developed economies. We are also a founding member of the Advisory Centre on WTO Law, which aims to provide legal advice and assistance to developing and least-developed economies to facilitate their use of the WTO's dispute-settlement mechanism.

Hong Kong, China supports closer co-operation among relevant international organi zations in their capacity building and technical-assistance initiatives, so as to develop a more coherent and systematic approach to providing technical assistance targeted at the real needs of developing and least-developed economies.

Donor Profile — Japan

Overall Approach

Japan has been making its best efforts towards WTO capacity and confidence building activities to attain two main goals. First, Japan tries to help developing economies to tackle their difficulties in complying with WTO rules. The implementation of the rights and obligations in the WTO agreements is the fundamental step for each WTO member to benefit from the multilateral trading system. Second, Japan encourages developing economies to effectively participate in the Doha Round Negotiations. The Doha Round is an important process to reorganize the WTO rules to reflect needs in the 21st century.

WTO capacity building activities, along with developing economies' efforts to put importance on trade in their development policy, will contribute to poverty reduction and economic growth. Japan continues to deliver WTO capacity building activities in its development assistance policy through various frameworks such as the APEC regional approach. For example, in the bilateral scheme, Japan has been delivering capacity building to Thailand, Indonesia, Malaysia, and Philippines through JICA, and has also hosted investment seminars in Geneva, Egypt, and Senegal. In the multilateral framework, Japan pledged to add CHF 810,000 in 2003 to its contribution to the WTO Global Trust Fund, which enables the delivery of technical assistance (the 2003 WTO Technical Assistance Plan) to all developing economies.

Contribution to the APEC Region

Japan's proactive efforts towards WTO capacity building activities in the APEC region are typically demonstrated in the process of the adoption of the Strategic APEC Plan. Japan conducted a survey to consider needs of capacity building in APEC economies, and proposed the Strategic APEC Plan as a WTO capacity building initiative in APEC to the Meeting of Ministers Responsible for Trade in 2000. The Plan, adopted at that year's Leaders Meeting, has been the basis of capacity building activities in the APEC region. Based on the Strategic APEC Plan, Canada and Japan lead APEC's WTO Capacity Building Group and the Group coordinates APEC economies' efforts.

Japan has been providing various capacity building projects to respond to the demands of developing economies. Activities cover almost all the areas in WTO rules, such as Agriculture, Anti-Dumping, Customs Valuation, Rules of Origin, GATS, Singapore Issues, and TRIPS. Among them, Japan is especially focusing its efforts on confidence building activities on Singapore issues such as investment, competition, trade facilitation and transparency in government procurement. All forms of projects, such as seminars, overseas training courses, and training courses in Japan, are designed to be most effective for the recipients.

TILF Projects

Utilizing the TILF Fund and Japan's bilateral funds, Japan, as the coordinator of the APEC Sub-Committee on Customs Procedures program, has contributed to WTO capacity building activities by holding several workshops, focusing on improving implementation of the customs-related WTO agreements, namely Customs Valuation, TRIPS, and Rules of Origin Agreements. In Phase Two of this ongoing program, national workshops on TRIPS in Papua New Guinea and on Rules of Origin in the Philippines will be held shortly.

In addition, Japan is holding a Seminar on Trade and Investment for APEC economies in Bangkok, Thailand on 19 May 2003, and a Seminar on Trade Facilitation for APEC in 19-20 June. Japan is also planning to hold a TILF-funded Seminar on Trade and Investment in Beijing, People's Republic of China, co-hosted by MOFTEC (Ministry of Foreign Trade and Economic Cooperation) this year.

Donor Profile — New Zealand

Overall Approach

New Zealand's strategy for trade and development, including trade-related technical assistance and capacity building, has recently been reviewed and is shortly to be published. It is firmly situated in the context of the clear international consensus that addressing developing economies' trade concerns is an important component of broad efforts to reduce poverty. This consensus is reflected in the Millennium Development Goals, and Monterrey and Johannesburg summit outcomes, as well as the Doha Development Agenda. New Zealand sees a vital complementary role that TRTA can play alongside market access.

In response to Doha, New Zealand made a significant contribution to the Doha Development Agenda Global Trust Fund, tagged to Pacific Island economies, as they face particular challenges in engaging with the WTO and the multilateral trading system. Also in direct response to Doha and Monterrey, the New Zealand Agency for International Development began a thorough and extensive review of its trade and development policies and TRTA programs. Following the review and consultations with interested parties and development partners, NZAID will implement a new policy, Harnessing International Trade for Development, through realigned policy engagement and support programs. Relevant policy and programming documents will be posted on the NZAID website: www.nzaid.govt.nz.

The main current modalities of TRTA delivery are NZAID's multilateral, regional and bilateral assistance (all New Zealand ODA is in grant form) as follows:

- WTO Global Trust Fund, supporting WTO Secretariat programs with the Pacific Islands Forum Secretariat.
- Using regional agencies as project or program co-ordination points, including the Pacific Islands Forum Secretariat, and ASEAN Secretariat.
- Supporting the Mekong Institute in Khon Kaen, Thailand, for Greater Mekong subregion TRCB delivery.
- Multi-donor initiatives, such as in South East Asia, with the Asian Development Bank.

• Including TRTA in regional programs, or bilateral country programs, where the sector has been identified as a priority by way of a country strategy review process undertaken in close consultation with the partner government, delivered through consultants contracted by NZAID.

NZAID is the main policy and delivery agency of New Zealand's TRTA efforts. NZAID is a semi-autonomous agency within the New Zealand Ministry of Foreign Affairs and Trade, which is charged with taking the lead role in New Zealand's international trade policy. NZAID consults closely with the wider ministry and with other departments on policy settings, and with partner governments and agencies on needs assessment, prioritization, and how to make a particular contribution to meeting those needs. NZAID places priority on the Pacific in its broad development assistance program. TRTA initiatives as outlined above cover both Pacific and Asian economies, including those in APEC.

Projects

In the current financial year (ending June 30, 2003), New Zealand TRTA assistance is likely to reach between US\$2.5 million and US\$2.7 million. An APEC Development Fund (US\$136,000 per annum) supports specific APEC-related projects, which may include TRTA. Further information on recent New Zealand funded projects can be found on the APEC TRTA website.

Donor Profile — United States

Overall Approach

The United States views trade and investment as the principal mechanisms through which global market forces — competition, human resource development, technology transfer and technological innovation — generate growth in developing and developed economies. Accordingly, a key part of the US trade agenda is to help developing nations build the capacity to take part in trade negotiations and then implement the results. While other US government agencies sponsor specific programs, the United States Agency for International Development is the United States' primary vehicle for delivering WTO capacity building assistance. To advance the Doha Development Agenda, USAID is working to increase the number of developing and transition economies that are harnessing global economic forces to accelerate growth and increase incomes. To this end, USAID's trade capacity building projects will support the following:

- **Participation in trade negotiations:** Government decision-makers, in consultation with the private sector and civil society, need the skills to participate fully in international trade negotiations, analyze their effect, and build domestic support for negotiating positions and the international commitments that result.
- **Implementation of trade agreements:** Both human and institutional capacity is required to implement commitments made in the course of multilateral, regional and bilateral trade negotiations.
- **Economic responsiveness to opportunities to trade:** To promote economic growth, reduce poverty and sustain support for trade liberalization, developing economies must be able to take advantage of the opportunities created by trade. To do so, developing economies need support for their efforts to: strengthen economic policies; remove trade barriers; build well-functioning economic, political and legal institutions; improve regulatory policies that affect the way firms compete; and improve private-sector operating practices and strategies.

Bilateral and Multilateral Assistance

The United States provided US\$638 million in trade capacity building activities in the 2002 fiscal year, up from US\$598 million in 2001. More than US\$80 million went to APEC economies (US\$25 million for WTO-specific assistance). Over the last couple of years, the United States has sponsored bilateral and regional WTO capacity building projects that benefited 12 APEC developing economies. Economies that have received the most US WTO capacity building assistance are the Philippines, Indonesia and Vietnam. Most of this assistance was delivered through USAID missions in the Asia-Pacific region. Other agencies that provided WTO capacity building assistance include: the US Departments of Commerce, State, Justice, Agriculture and Treasury; the Federal Trade Commission; and the US Patent and Trademark Office.

In April of this year, the Office of the US Trade Representative announced that the United States would contribute US\$1 million to the WTO's Global Trust Fund to provide technical assistance for developing country trade capacity building efforts. The United States has made a number of specific contributions to assist the WTO. Following the Doha Ministerial, the United States gave US\$1 million for the WTO Global Trust Fund, and it contributed US\$250,000 to the WTO's regional trade policy courses in Kenya and Morocco.

APPENDIX B: PROFILES OF SELECTED APEC TILF PROJECTS

TILF Project Profile

Facilitation of Developing Economies Participation in WTO Industrials Seminar (CTI 17/2001T)

Date and Place: March 20-21, 2001, Geneva, Switzerland

Organizer: Department of Foreign Affairs and Trade, Australia

Consultants/Experts

Experts from the WTO and UN were invited to deliver presentations and to participate in deliberations. Participating experts included: Mr. Marc Baccetta, counsellor, economic research and analysis, WTO; Ms. Elizabeth Baccouche, statistical officer, Statistics Division, WTO; Mr. Bijit Bora, economic affairs officer, Division on International Trade in Goods and Services and Commodities, UNCTAD; Ms. Yvette Davel, former counsellor, Market Access Division, WTO; Ms. Julia Verteuil, chief of section, Statistics Division, WTO; Mr. Anwarul Hoda, former director-general of the WTO; Ms. Denby Misurelli, economic affairs officer, Market Access Division, WTO; Mr. Daniel Morales, statistical officer, Statistics Division, WTO; Mr. Heinz Opelz, former director, Market Access Division, WTO; and Mr. L. Wind, senior technical officer, nomenclature section, Tariff and Trade Affairs Directorate, WTO.

Participants

The seminar was open to all APEC member economies. APEC TILF funding provided for the associated travel costs of 15 officials from eligible APEC developing economy members including China, Indonesia, Malaysia, Mexico, Papua New Guinea, Peru, the Philippines and Thailand.

Description

The project provided the means for APEC developing economies to participate in the WTO Seminar on Industrial Tariffs in Geneva to help increase their capacity in the field of WTO implementation as well as assist in their preparedness for the WTO Round negotiations. It also provided an opportunity for delegates to develop their knowledge of relevant provisions of the GATT 1994 with particular emphasis on technical issues. As well, the seminar provided participants with information on the Harmonized System and WTO Schedules, and results of the Uruguay Round.

TILF Project Profile

WTO Capacity Building Workshop on the GATS Agreement on Basic Telecommunications (CTI 18/2001T)

Date and Place: August 27-31, 2001, APEC Secretariat, Singapore

Organizers

Department of Industry, Canada

Department of Foreign Affairs and International Trade, Canada

Consultants/Experts

Mr. Daniel Rosen, Daniel Rosen and Associates, Ottawa, Canada

Mr. Bill Dymond, Centre for Trade Policy and Law, Ottawa, Canada

Mr. Charles La Salle, Department of Industry, Government of Canada

Participants

Twenty participants from nine APEC economies (China, Indonesia, Mexico, Russia, Peru, Singapore, Chinese Taipei, Thailand and Vietnam).

Description

This project was a five-day training seminar that strengthened the capacity of APEC developing economies to implement the provisions of the WTO Basic Telecommunications Agreement. The course allowed participating APEC developing economies to understand the domestic policy implications of the Basic Telecommunications Agreement, and the important role of the Basic Telecommunications Reference paper. It also allowed participants to better understand the different market access commitments and the scheduling requirements of the Basic Telecommunications Agreement.

TILF Project Profile

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 19/2001T)

Title of the Program

SCCP Regional Workshop on Customs-Related WTO Agreements

Date and Place: May 15-18, 2001, Hotel Seibu Orion, Okinawa, Japan

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Experts

Mr. George McCray, senior attorney, IPR Branch, US Customs Service

Mr. Chris Wall, senior Australian Customs representative, Australia

Mr. Teruo Ujiie, trade specialist/economist, Asian Development Bank

Mr. Daizo Nakayama, director, International Customs Cooperation, CTB, Japan

Participants

Twelve customs officials from six economies participated in the workshop: China (2), Korea (2), Malaysia (2), Chinese Taipei (2), Thailand (2) and Vietnam (2).

Description

The workshop aimed to identify difficulties in the implementation of WTO agreements and to share experiences in overcoming such problems. The ADB, Australia, Japan and the United States dispatched experts to the workshop. Each participating economy gave a presentation on the current difficulties in the implementation of the agreements in their economies, and experts outlined each agreement and their experiences with approaches taken to realize smooth implementation. At the end of the workshop, participants developed a menu of implementation options and a list of actions to be taken by participating economies to overcome these issues. The workshop was also a good opportunity to ascertain the specific needs of participating economies for future technical assistance.
SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 19/2001T)

Title of the Program

SCCP Regional Workshop on the WTO Customs Valuation Agreement

Date and Place: March 26-29, 2002, Landmark Hotel, Bangkok, Thailand

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Experts

Mr. Greg Hamilton McCarthy, manager, Valuation, Import/Export Branch, Australian Customs Service

Mr. Edward Hayes, program officer, origin and valuation policy, Customs Branch, Canada Customs and Revenue Agency

Mr. Masaharu Shimoya, supervisory investigator, post-clearance audit, Post-clearance Audit and Customs Area Division, Nagoya Customs, Japan

Participants

Twenty-eight customs officials from 10 economies participated in the workshop: Brunei Darussalam (1); China (2); Hong Kong, China (1); Indonesia (1); Malaysia (2); Papua New Guinea (2); the Philippines (5); Chinese Taipei (2); Thailand (10); and Vietnam (2).

Description

The objective of the workshop was to enhance the understanding of customs officials who are directly responsible for the application of the WTO Customs Valuation Agreement. Australia, Canada, and Japan each dispatched an expert to the workshop. Based on the results of a previous workshop, the project overseer designed this workshop to be case-study oriented. The participants who were in charge of customs valuation actively discussed how to handle concrete and complex cases in which participating economies had faced difficulties in applying the agreement. Through the discussion among participants and the explanation about the interpretation of the agreement by experts, the participants gained knowledge on how to apply the agreement to individual cases. Many participants commented that the workshop was very effective and that holding more workshops of this type was necessary. It is expected that the participants will disseminate their new skills and knowledge within their own customs administrations.

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 19/2001T)

Title of the Program

SCCP Regional Seminar on the Agreement on Rules of Origin

Date and Place: June 4-7, 2002, Jakarta Hilton Hotel, Jakarta, Indonesia

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Experts

Mr. Hiroshi Imagawa, senior technical officer, origin sub-directorate, Tariff and Trade Affairs Directorate, WCO

Mr. Jitsuya Hasegawa, deputy director, co-ordination division, Customs and Tariff Bureau, Japan

Participants

Twenty-six customs officials from 11 economies participated in the seminar: China $(2)_i$ Hong Kong, China $(1)_i$ Indonesia $(8)_i$ Korea $(2)_i$ Malaysia $(2)_i$ Papua New Guinea $(1)_i$ the Philippines $(2)_i$ Chinese Taipei $(2)_i$ Singapore $(2)_i$ Thailand $(2)_i$ and Vietnam (2).

Description

The seminar was designed by the project overseer as an opportunity for experts from the WCO and Japan to provide basic knowledge on the present status of the harmonization work program on the Rules of Origin, since most problems raised by participants during a previous workshop were attributable to lack of information. An organizer asked participating economies to present the current status and difficulties regarding the ROO in their economies with a view to sharing experiences to overcome the difficulties. Most of the participants were directly responsible for the ROO and actively participated in the discussions throughout the seminar. The seminar deepened the participants' understanding, and the expected results were achieved. In addition, many participants mentioned that the ROO was important but very complicated and that holding more seminars of this kind was necessary in light of the effectiveness of the information exchange among economies.

WTO Capacity Building Workshop on the GATS Agreement on Financial Services (CTI 20/2001T)

Date and Place: January 14-18, 2002, APEC Secretariat, Singapore

Organizer: Department of Foreign Affairs and International Trade, Canada

Consultants/Experts

Mr. William Dymond, Centre for Trade Policy and Law, Ottawa, Canada

Mr. Jean-François Tremblay, Department of Finance, Canada

Mr. Wenguo Cai, Centre for Trade Policy and Law, Ottawa, Canada

Participants

Twenty-six participants from 12 APEC developing economies attended the training course: China (2); Indonesia (2); Korea (1); Malaysia (5); Mexico (2); Peru (1); Philippines (3); Russian Federation (2); Singapore (4); Chinese Taipei (1); Thailand (1); and Vietnam (3). Most of the participants were from the finance ministries or financial regulatory bodies of the participating economies and a few were from trade ministries.

Description

The project was a five-day training seminar aimed at strengthening the capacities of APEC developing economies to implement the provisions of the WTO Financial Services Agreement. Specific objectives were as follows:

- To provide the participants with detailed knowledge on the broader framework for the Financial Services Agreement, beginning with a detailed analysis of the General Agreement on Trade in Services (GATS), including the GATS articles, the general principles and obligations, the annexes on rules for specific sectors, and individual country-specific commitments to provide access to their markets including the exemptions to MFN treatment.
- To provide the participants with a detailed understanding of the Financial Services Agreement itself, which entered into force on March 1, 1999. This encompasses discussion on two categories of financial services: insurance and insurance-related services; and banking and other financial services.
- To help the participants better understand the domestic policy implications of the Financial Services Agreement, different market commitments of WTO members, and scheduling requirements of the Financial Services Agreement.

APEC Resource Pack and Symposiums for the Operation of National Points-of-Enquiry Under The SPS And TBT Agreements of the WTO (CTI 27/2001T)

Phase 1 — **Development of Resource Pack**

Date and Place: June 27, 2001, at WTO TBT meeting in Geneva. November 2, 2001, at WTO SPS meeting in Geneva.

Organizers

WTO's Sanitary and Phyto-Sanitary (SPS) and Technical Barriers to Trade (TBT) secretariats in Geneva, and Standards New Zealand.

Phase 2 — Symposia

Date and Place: Symposia on SPS and TBT notification and point-of-enquiry held May 22-24, 2002, in Lima and May 29-31 in Bangkok.

Organizer: Standards New Zealand

Consultants/Experts

Craig Radford, international trade and standards specialist, Standards New Zealand

Graeme Drake, former general manager, international, Standards New Zealand (currently head of conformity assessment, International Organization for Standardization)

Participants

Lima symposium: 67 delegates from 12 economies (including six non-APEC economies)

Bangkok symposium: 75 participants from 16 economies (including two non-APEC economies)

Description

The overall project consisted of two phases.

- Phase 1: New Zealand supported the attendance of six APEC economy participants to both the WTO TBT and SPS committee meetings in June and November. In addition, Standards New Zealand developed and published a "how-to" handbook for meeting SPS and TBT notification and point-of-enquiry requirements.
- Phase 2 consisted of creating, managing and implementing two three-day symposiums (in Lima and Bangkok) on the establishment and operation of the national points-of-enquiry under the SPS and TBT agreements of the WTO, utilising the handbook created in phase 1.

Representatives from the WTO TBT and SPS areas participated in both symposia. The symposia were a valuable contribution to addressing developing country concerns on implementation of the Uruguay Round WTO agreements. The SPS/TBT notifications handbook has been acclaimed as an excellent and practical resource.

The handbook, which was the major resource for the symposium, has been well received by the relevant APEC committees at SOM I in February 2002 and by the WTO in March 2002. It has attracted favourable comment and moves are underway to translate it into Japanese and Spanish for use in other countries' capacity building projects in this area.

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2002T)

Title of the Program

SCCP National Workshop on the Agreement on Rules of Origin in China

Date and Place: March 22-29, 2003, China Customs Training Centre, Tianjing, China

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Experts

Mr. Hiroshi Imagawa, senior technical officer, origin sub-directorate, Tariff and Trade Affairs Directorate, WCO

Mr. Hiroshi Hada, supervisory customs appraiser, Customs Clearance Division, Tokyo Customs, Japan

Ms. Hisayo Yamauchi, administrator, Customs Clearance Division, Osaka Customs, Japan

Participants

Forty-four China Customs officials

Description

The workshop program blended recipients' needs with the suggestions of experts. This workshop helped officials responsible for ROO as well as field officials gain basic knowledge on application of the ROO Agreement and the present status of the harmonization work program on the ROO. In addition, their lectures included:

- concepts of rules of origin and their significance under the multilateral trading system;
- non-preferential rules of origin; and
- product-specific rules of origin, which covers most chapters of HS.

For the purpose of advising on ways to overcome implementation difficulties, various case studies were blended into the lectures in an appropriate manner.

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2002T)

Title of the Program

SCCP National Workshop on the Agreement on Rules of Origin in Thailand

Date and Place: March 16-21, 2003, Customs Headquarter, Bangkok, Thailand

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Experts

- Mr. Hiroshi Imagawa, senior technical officer, origin sub-directorate, Tariff and Trade Affairs Directorate, WCO
- Mr. Hiroshi Hada, supervisory customs appraiser, Customs Clearance Division, Tokyo Customs, Japan
- Ms. Hisayo Yamauchi, administrator, Customs Clearance Division, Osaka Customs, Japan

Participants

Seventy-two Thai Customs officials

Description

The workshop program blended recipients' needs with the suggestions of experts. This workshop helped both officials responsible for ROO and field officials gain basic knowledge on application of the ROO Agreement and the present status of the harmonization work program on the ROO. In addition, the lectures included:

- concepts of rules of origin and their significance under the multilateral trading system;
- difference between preferential and non-preferential rules of origin; and
- product-specific rules of origin, which covers most chapters of HS.

For the purpose of advising on ways to overcome implementation difficulties, various case studies were blended in the lectures in an appropriate manner.

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2002T)

Title of the Program

SCCP National Workshop on the Agreement on Rules of Origin in the Philippines

Date and Place: The workshop will be held at the Customs Headquarters in Manila, the Philippines, by the end of 2003.

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Description

The purpose of the workshop is to provide basic knowledge on the ROO Agreement, particularly on the work on harmonization, to the Philippines in order to enhance its knowledge and understanding. The workshop will also focus on how to incorporate the ROO Agreement into national legislation.

TILF Project Profile

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2002T)

Title of the Program

SCCP National Workshop on the TRIPS Agreement in Papua New Guinea

Date and Place: The workshop will be held at the Customs Headquarters in Papua New Guinea by the end of 2003.

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Description

This workshop will focus on removing impediments to the implementation of the TRIPS Agreement. Since its needs and issues are ascertained in Phase 1, this project will provide effective technical assistance to the economy.

Intellectual Property Experts Capacity Building Program for TRIPS Implementation (CTI 10/2002T)

Date and Place: February 25-March 1, 2002, Hong Kong, China

Organizer: Intellectual Property Department, Hong Kong, China.

Consultants/Experts

From the Intellectual Property Department, Hong Kong, China:

Mr. Peter Cheung, deputy director

Mr. Raymond Perera, assistant director

Mrs. Teresa Grant, assistant director

Miss Pancy Fung, assistant director

Mr. Tutis Kripas, assistant director

Ms. Maria Ng, senior solicitor

Ms. Finnie Quek, senior solicitor

Miss Lavinia Chang, senior solicitor

Ms. Ada Leung, senior solicitor

Mr. Andy Yeung, registry manager

Miss Magdalene Ling, chief intellectual property examiner

Ms. Alice Kwan, senior intellectual property examiner

Ms. Livia Chiu, senior intellectual property examiner

Justice Anthony Rogers, vice-president of the Court of Appeal, Hong Kong, China

Mr. P. Y. Chu, senior consultant, TechMart

Mr. Christopher Ng, consultant, TechMart

Ms. Caroline Yun, patent attorney, Messrs. Baker and McKenzie

Participants

Twelve APEC economies attended the training course: Australia, Brunei Darussalam, China, Indonesia, Korea, Mexico, Papua New Guinea, Peru, the Philippines, Chinese Taipei, Thailand and Vietnam. Most participants were from the intellectual property offices of the participating economies.

Description

The project was a five-day training course aimed at enhancing the participants' capacity to implement their economies' obligations under TRIPS and carry out the objectives of the Osaka Action Agenda in respect of intellectual property rights. The project focused on the following areas:

- policy formulation in respect of IP legislation;
- outsourcing of government services to the private sector;
- staff training, public education and awareness of IP rights; and
- promotion of sound practices by government departments regarding software asset management and enforcement.

IPEG Public Education and Awareness of Intellectual Property (CTI 13/2002T)

Date and Place: January 2002-December 2003, Indonesia, the Philippines and Vietnam

Organizer: IP Australia

Consultants/Experts

IP Australia and IPEG members provided relevant experts and engaged consultants in targeted economies as required.

Participants

The project consists of tailor-made initiatives designed to meet the specific needs of the participating economies — separate initiatives were delivered for Indonesia, the Philippines and Vietnam.

Description

The project is intended to develop (or improve) a program of public education and awareness for the target economies, particularly communicating the benefits for individuals and companies of an effective intellectual property (IP) system.

The following is a summary of the key projects being undertaken with each economy (unless indicated otherwise). The status of the projects in each economy varies but all are planned for completion by November 2003.

- Development of websites for the national IP offices.
- Assistance with updating and reprinting an IP Q&A booklet (Indonesia only).
- Provision of a publication for small-scale industries and SMEs about IP issues.
- Provision of a publication for government institutions/officials about IP issues.
- Public education and awareness training for key IP office staff.
- Development of a basic public education and awareness program strategy for SMEs, inventors, R&D institutes and the tertiary sector (Philippines only).

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• Structure for IP seminars for SMEs (Philippines only).

Co-ordination of APEC's Capacity Building Response to Doha (CTI 34/2002T)

Phase 1 — **Development of a Website**

Date: May-July 2001

Organizer: Department of Foreign Affairs and International Trade, Canada

Consultants/Experts: Yellow Com/Spore Productions (web design company), Toronto, Canada

Description

Development of a website listing all WTO capacity building programs offered by APEC members to other APEC members. The website was completed in 2001 and is accessible at www.apec-trta.org.

Phase 2 — International Workshop on WTO Capacity Building

Date and Place: Scheduled for August 2003, on the margins of APEC SOM III meetings in Phuket, Thailand

Organizers

Department of Foreign Affairs and International Trade, Canada

Canadian International Development Agency

Consultants/Experts: To be confirmed.

Participants

Officials from trade ministries and bilateral development agencies from both developed and developing APEC member economies. Representatives of international financial institutions.

Description

A two-day workshop that will allow participants to discuss issues such as assessing WTO capacity building needs, integrating WTO capacity building into national development strategies, donor co-ordination, and practical issues concerning project delivery.

Facilitation of Developing Economies' Participation in a WTO Non-agricultural Market Access Workshop (CTI 39/2002T)

Date and Place: May 29-31, 2002, Geneva, Switzerland

Organizer: Department of Foreign Affairs and Trade, Australia

Consultants/Experts

The workshop is a WTO Secretariat-organized event, and the Secretariat provided experts for the workshop.

Participants

The workshop was open to all WTO and APEC members. APEC TILF funding provided for the associated travel costs of nine APEC developing economies (Vietnam, Chinese Taipei, Mexico, Thailand, the Philippines, Chile, Indonesia, Russia and Malaysia). Thirteen officials from these economies participated.

Description

The WTO negotiating group on non-agricultural market access issues had organized and designed the three-day capacity building workshop in Geneva on non-agricultural market access issues. APEC TILF funding provided for the participation of APEC developing economies. Among other things, the workshop covered the modalities for WTO tariffs negotiations and issues arising from previous WTO rounds; the art of negotiating (strategies and skills); NTMs in previous WTO rounds; the ITA experience; and WTO databases (IDB, CTS and QR) and regional databases.

APEC participants commented positively about the content and relevance of the seminar and felt the seminar would help them in their work. Several suggested that similar WTO activities should also be conducted on a regional basis (rather than in Geneva) to enable larger numbers of officials to participate.

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2003T)

Title of the Program

SCCP Regional Workshop on the Agreement on Customs Valuation and Post-Clearance Audits

Date and Place: The workshop will be held in Beijing, China, by the end of 2004.

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Possible Participants

Brunei Darussalam; China; Hong Kong, China; Indonesia; Malaysia; Papua New Guinea; Peru; the Philippines; Chinese Taipei; Thailand; Russia; and Vietnam.

Description

The purpose of the workshop is to share difficulties and problems faced by member economies with the WTO Valuation Agreement and to gain skills and knowledge of how to apply the agreement to each case in order to facilitate smooth implementation.

A case-study-oriented workshop on the Customs Valuation Agreement was held in Bangkok in March 2002 and most of the participants requested that the project co-ordinator hold further regional workshops of this type on customs valuation and post-clearance audits, which are vital for the implementation of the agreement.

Emphasis should be placed on how to deal with concrete and complex customs valuation and post-clearance audit cases, with a view to improving the capacity of participants.

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2003T)

Title of the Program

SCCP National Workshop on the Agreement on Rules of Origin

Date and Place: The workshop will be held in Malaysia by the end of 2004.

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Description

The workshop will provide basic information on the ROO Agreement, particularly on harmonization work, to Malaysia in order to enhance its knowledge and understanding. The workshop will also focus on how to incorporate the ROO Agreement into national legislation.

TILF Project Profile

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2003T)

Title of the Program

SCCP National Workshop on the Agreement on Rules of Origin

Date and Place: The workshop will be held in Peru by the end of 2004.

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Description

The purpose of the workshop is to provide basic information to Peru on the ROO Agreement, particularly on the results of harmonization work, in order to enhance its knowledge and understanding. The workshop will also focus on how to incorporate the ROO Agreement into national legislation.

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SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2003T)

Title of the Program

SCCP National Workshop on the Customs Valuation Agreement

Date and Place: The workshop will be held in Papua New Guinea by the end of 2004.

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Description

The workshop will provide basic information on the agreement to Papua New Guinea in order to assist in the adoption and/or implementation of the agreement. The workshop will focus on how to tackle interpretation issues.

TILF Project Profile

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2003T)

Title of the Program

SCCP National Workshop on the Customs Valuation Agreement

Date and Place: The workshop will be held in Russia by the end of 2004.

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Description

The purpose of the workshop is to provide basic information on the agreement to Russia in order to assist in adoption and/or implementation. The workshop will focus on how to tackle interpretation issues.

SCCP Program to Improve Implementation of Customs-Related WTO Agreements (CTI 01/2003T)

Title of the Program

SCCP National Workshop on the TRIPS Agreement

Date and Place: The workshop will be held in the Philippines by the end of 2004.

Organizer: Customs and Tariff Bureau, Ministry of Finance, Japan

Description

This workshop will focus on removing impediments in the Philippines to the implementation of the TRIPS Agreement so as to enhance effectiveness in border control.



WTO Capacity Building Workshop on Trade and Environment (CTI 31/2003T)

Date and Place: May 19-20, 2003, Bangkok, Thailand

Organizer: Department of Foreign Affairs and Trade, Australia

Consultants/Experts

Experts from a range of economies including Australia, Japan, Korea, Peru and the United States, as well as the WTO and the United Nations, delivered presentations and participated in the deliberations. Participating experts included Julian Morris, director, International Policy Network; Ulrich Hoffmann, the United Nations Conference on Trade and Development; and Alan Oxley, Australian APEC Study Centre Research Project.

Participants

The workshop was open to all 21 APEC member economies. APEC TILF funding was available for the travel costs of at least six APEC developing economies (Chile, Malaysia, Mexico, Peru, Papua New Guinea and Russia). Australia funded officials from China, Indonesia, the Philippines and Vietnam.

Description

The two-day workshop on trade and environment was designed to: (1) develop a deeper understanding of trade and environment issues among member economies and across government agencies within member economies; and (2) encourage identification of common regional priorities and perspectives on trade and environment.

The immediate beneficiaries of the workshop were senior government officials directly involved in the WTO negotiations on trade and the environment. The workshop was attended by officials from trade and environment ministries of several APEC economies.

Presentations by experts and the exchange of experiences between participants added to the knowledge base in this area. The workshop helped build the capacity of participants in trade policy analysis and formulation, and the opportunity for dialogue allowed participants to explore commonalities in perspectives and identify shared goals.

This workshop will help expedite deliberations of trade and environment in the WTO and help achieve an outcome in which trade and environment issues are progressed in a complementary fashion, without compromising market access efforts and sustained economic growth.



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