



**Asia-Pacific  
Economic Cooperation**

**Advancing** Free Trade  
for Asia-Pacific **Prosperity**

APEC Senior Officials' Report on  
**Economic and  
Technical  
Cooperation 2013**





**Asia-Pacific  
Economic Cooperation**

# **2013 Senior Officials' Report on Economic and Technical Cooperation**

**SOM Steering Committee on Economic and Technical  
Cooperation**

**October 2013**

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# A Letter from the SCE Chair

It is with great pleasure that I present to you the 2013 SOM Steering Committee on ECOTECH Report.

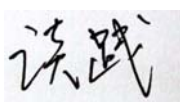
The key focus of the SCE in 2013 was on improving APEC's ECOTECH work to ensure ECOTECH continue to play a critical role in accelerating Regional Economic Integration and in implementing the APEC Leaders' Growth Strategy. Based on the views sought from fora and economies on where improvements in our practices could be made SCE, and subsequently the Senior Officials Meeting, agreed to twelve recommendations that will be implemented over the next year. By way of making APEC's ECOTECH work more effective, member economies are committed to bridging development gaps and helping developing economies achieve the Bogor Goals by 2020.

The new approaches aim to retain practices that help to keep SCE fora focused on the key priorities identified by Leaders and Ministers and in the meantime reduce the administrative burden of reporting that currently exists. The way SCE meetings are organized in 2014 will be amended to reduce routine reporting and allow for greater opportunities to identify areas of synergy and coordination of cross-cutting issues. There will be renewed focus on improving the quality of capacity building within APEC. A set of APEC capacity building guidelines will be developed and high quality or successful capacity building projects will be highlighted to the APEC community in order to showcase good work and provide good examples for others to follow. The SCE will support work being undertaken by the Budget and Management Committee to institutionalize a monitoring and evaluation framework for APEC funded capacity building projects. Finally, SCE fora will be encouraged to make greater use of the Policy Support Unit, especially to support efforts that promote regional economic integration, APEC's highest ECOTECH priority area. More details on the key achievements over the past year are provided in this report.

SCE and its fora have worked actively in 2013 to support APEC's ECOTECH agenda. This work relies upon the outstanding commitment, hard work and contributions of fora and member economies. I would like to thank all SCE members, especially the SCE Vice-Chair, Ambassador Yuri Thamrin, for their support during my chairmanship. I wish to make special mention of the commitment and dedication displayed by fora Chairs and Lead Shepherds. I appreciate the great effort involved in leading the fora and thank you for your work in 2013 that is so vital to APEC progressing its ECOTECH agenda.

I would also like to take this opportunity to welcome the Philippines as the new Chair of SCE in 2014 and wish them well in the coming year. I look forward to coordinating and working closely with the Philippines.

Yours faithfully,



Mr Tan Jian  
Chair, SOM Steering Committee on ECOTECH

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# Executive Summary

In 2013, the SOM Steering Committee on Economic and Technical Cooperation (SCE) met on three occasions in the margin of SOM meetings. The Committee achieved all commitments outlined in its annual work-plan<sup>1</sup>. The focus this year was on improving ECOTECH through seeking bottom up views from SCE fora, increasing synergy between groups and improving capacity building. A survey was conducted seeking views from all SCE fora and APEC economies on how the SCE's work, communications and capacity building could be improved. The report of this survey, the SCE Report on Improving ECOTECH in APEC (Annex 2), resulted in ten recommendations that are designed to improve the flow of information and increase coordination between SCE fora and help focus activity on areas of greatest value. In addition two additional recommendations were developed based upon a review of project monitoring and evaluation undertaken by the Budget and Management Committee (BMC). SCE resolved to support BMC's efforts to strengthen the effectiveness of capacity building funded by APEC funds. All 12 recommendations were adopted by SCE and SOM and will be implemented over the next year.

During 2013 SCE continued its focus on fora strategic planning to help ensure APEC's ECOTECH work is as focused as possible on the highest priority areas as determined by Leaders and Ministers. All SCE fora have or are preparing strategic plans under SCE's supervision with full implementation of the plans due in early 2014.

SCE also held the eighth SCE – Committee of the Whole (COW) meeting with Chairs and Lead Shepherds of APEC committees and fora to consider fora plans for the year and discuss policy issues and plan for coordinated activity on cross-cutting issues. The survey SCE conducted in 2013 noted the SCE-COW meeting as an area of activity that could be improved. Consequently one of the recommendations adopted following the survey will see that meeting restructured in 2014 to allow for a freer flowing format with moderated thematic discussions aimed more closely at coordination of key cross-cutting policy areas. In conjunction with the SCE-COW meeting a Dialogue on Mainstreaming Ocean Related Issues was held. Members supported further focused and specific dialogues being held in future as a useful way to assist coordination of cross-cutting issues.

SCE also considered and approved the annual work-plans of 16 working groups and task forces. The SCE endorsed a request from the Counter-Terrorism Task Force to be upgraded to a working group. SCE assessed and ranked all project proposals of SCE fora applying for APEC funding ahead of presentation to BMC.

Section 3 of this report provides a progress report on the APEC Growth Strategy. This update serves as the follow-up the Leaders' request that Senior Officials conduct "annual progress reviews on APEC's relevant work programs while finding ways to take stock of progress, and making any needed adjustments in the work programs to maximize APEC's efforts to promote the Five Growth Attributes."

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<sup>1</sup> A copy of the 2013 Annual Work Plan is contained in Annex 1 to this report.



Section 4 of this report highlights some broad information on the projects undertaken by various SCE fora to support economic and technical cooperation. Notably, during the period from October 2012 to August 2013, SCE fora have registered 121 ECOTECH-related projects. These include 84 projects approved by the BMC for APEC funding for SCE fora, 23 approved by BMC for APEC funding for other APEC committees and groups undertaking ECOTECH activities and 14 self-funded projects initiated and implemented by individual economies and/or groups of economies.

Section 5 of this report outlines key achievements of the SCE fora and ongoing efforts to strengthen the implementation of APEC's economic and technical cooperation.

## **Recommendations**

The following recommendations are proposed to the 2013 APEC Ministerial Meeting (AMM):

1. Endorse the 2013 SOM Report on Economic and Technical Cooperation;
2. Welcome the Report on Improving ECOTECH in APEC and the recommendations contained within it;
3. Welcome the achievements of the Working Groups and Task Forces and welcome the ongoing improvements that have been achieved through the Program of Independent Assessment of all SCE fora; and
4. Welcome 2013 contributions to the APEC Support Fund from Australia and Japan.

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# 1. Introduction

In 1998, the SOM Sub-Committee on Economic and Technical Cooperation was established with the mandate to “assist SOM in improving the management and coordination of ECOTECH activities among APEC fora”. The Sub-Committee was later elevated to the SOM Committee on Economic and Technical Cooperation (ESC) in 2002. In 2006, as part of the APEC reform process, the ESC was transformed into the SOM Steering Committee on ECOTECH (SCE) with an enhanced mandate to strengthen the prioritization and effective implementation of ECOTECH activities by various APEC fora. In 2009, SOM agreed to further strengthen SCE’s policy guidance role as recommended by SCE’s internal review, the Terms of Reference (ToR) of the SCE were revised in 2010 and again in 2012 to reflect the working arrangements of the Committee.

In 2013, the SCE was chaired by Mr Tan Jian, APEC Senior Official from China. The Vice Chair of the SCE was Ambassador Yuri Thamrin, APEC Senior Official from Indonesia.

The Committee met on three occasions during the year to discuss:

- (a) improving the effectiveness of SCE’s work, capacity building and communication through undertaking a survey of fora and economies.
- (b) strategic planning by sub-fora to better align APEC’s work with its overall vision and objectives;
- (c) improving coordination on cross-cutting issues;
- (d) continuation of past SCE priorities including fora annual work planning and the conduct of independent assessments.

The first SCE meeting of 2013 was held on 5 February, following the eighth annual SCE-COW meeting on 4 February in Jakarta, Indonesia on the margin of the SOM1 meetings.

The SCE-COW was attended by representatives of ten fora and offered a time for discussion with SCE members on the work fora had planned for the year ahead. Coordination among fora has been a focus in recent years and progress was noted at the meeting. The Travel Facilitation Initiative that was established in 2011 continued in 2013. Fora noted the Dialogue on Mainstreaming Ocean Related Issues that had been held on the morning before the SCE-COW meeting. That dialogue had helped crystalize the issues that were to be focused on and the various responsibilities that would fall to fora. SCE-COW also reviewed fora progress on preparing strategic plans, with plans due to be finalised during 2013.

At the first SCE meeting economies agreed to the Chair’s suggestion to conduct a survey of fora and economies aimed at identifying ways to improve the SCE’s work, communications and capacity building. The survey was intended to collect views from the bottom up to complement the existing top down directions from leaders, ministers and SOM. SCE discussed the ongoing need to coordinate better on cross-cutting issues. The Travel Facilitation Initiative was a positive step and the dialogue on oceans would lead to a workplan that would better coordinate fora work in that area. SCE also considered the state of capacity building activity in APEC. The importance of capacity building in facilitating economic integration, deepening community spirit and reducing disparities made its effective delivery especially important. Members noted the need for APEC to

improve the way in which the effectiveness of capacity building was evaluated and undertook to continue to focus on this throughout the year.

The second SCE meeting of 2013 took place in Surabaya, Indonesia on 17 April in the margin of the SOM2 meetings. During this meeting the SCE noted progress on the SCE survey and the development of the survey report. Discussion focused on the importance of capacity building being linked strongly to strategic aims and the usefulness of having business and the private sector engaged. SCE reviewed some existing capacity building evaluation tools that were available on the APEC website and noted the work commencing in the Budget and Management Committee (BMC) on monitoring and evaluation of capacity building in APEC funded projects. The importance of the BMC and SCE work being brought together to provide an overall improvement in APEC's capacity building was noted. SCE noted that infrastructure development and financing was a further area where coordination on cross-cutting issues would be required. The meeting also agreed to the ACTWG's request that they not implement recommendation 1 in their 2012 independent assessment that the chair should rotate every two years but instead retain the chair being held each year by the host economy.

The third SCE meeting of 2013 was held in Medan, Indonesia on 3 July in the margins of the SOM3 meetings. The main item of discussion was the report of the SCE survey and its recommendations (Annex 2). SCE accepted the ten recommendations in the report that included changing the way the SCE-COW met to allow more discussion and coordination of cross-cutting issues; formally providing opportunities for fora chairs and lead shepherds to meet to encourage collaboration and joint planning; developing a brief set of capacity building guidelines and encouraging fora to work with the Policy Support Unit more. The meeting also noted the conclusions from BMC on monitoring and evaluation and supported two further recommendations that included agreeing to ask fora to include capacity building needs in strategic and annual workplans. SCE discussed how the policy partnership model was unfolding practice and noted that as a new approach for APEC this model would require further attention and guidance. The continued progress of fora in preparing strategic plans was noted and economies were asked to provide feedback on the draft plans that had been tabled. SCE considered progress on the 2013 independent assessments of EGILAT, EWG, TPTWG and CTTF. SCE endorsed the CTTF Chair's request that the task force be transformed into a working group. The meeting agreed that independent assessments would continue in 2014 with HRDWG, HWG, TWG and the MTF to undergo assessment.

With the endorsement of the five medium term ECOTECH priorities in the Framework to Guide APEC ECOTECH Activities in 2010, this report includes a summary of the work undertaken in 2013 on the implementation of these priorities. During the period from October 2012 to August 2013, APEC committed to fund a total of 84 ECOTECH projects proposed by the SCE and its fora tot a total value of US\$9,324,190. There are also six SCE fora multi-year projects underway, of which two commenced activity in 2013. In addition, 14 projects initiated and self-funded by individual member economies or group of economies were undertaken to advance work in priority areas and support economic and technical cooperation in APEC.

There were 23 additional ECOTECH projects from other Committees of APEC totaling US\$3,138,881. Of these 10 projects were from the Committee on Trade and Investment (CTI), 11 projects were from the Economic Committee (EC) and 2 projects were from the Finance Ministers Process (FMP), all of which received funding from the APEC Support Fund. Further there are four multi-year ECOTECH projects underway by non-SCE fora of which one commenced activity in 2013. The outcomes of these projects will be reported in the reports to Leaders and Ministers from the respective forum.

## 2. 2013 Highlights and Priorities

### 2.1 Improving ECOTECH in APEC

#### *a. SCE Survey and Report on Improving ECOTECH in APEC*

The major activity for SCE in 2013 was the conduct of a survey of fora and economies to assess the effectiveness of SCE's work, capacity building and communication. SCE and SOM endorsed twelve recommendations set out in the report of the survey.

Under the recommendations fora will continue to prepare annual workplans for submission to SCE and will report on progress implementing the plans through the Fora Report at SCE3, however to reduce the administrative burden fora will no longer be required to provide an update on progress at SCE2. The Secretariat will be asked to undertake a strategic assessment of synergies within the ECOTECH agenda after SOM1. This timing allows consideration of fora workplans as well as priorities arising from Senior Officials discussions and will allow SCE the opportunity to provide guidance and clear direction to fora on priorities, an area many survey responses noted that could be strengthened.

The format of the SCE-COW meeting will be amended to promote a greater level of discussion. Fora will not be required to make presentations on their workplans at the meeting, instead SCE members will be given the opportunity to make comments or seek clarification. The SCE-COW meeting will involve moderated thematic discussions aimed at identifying directions, synergies and defining responsibilities. Fora Chairs and Lead Shepherds will be given the opportunity to meet separately in the morning as many survey responses noted that such discussions were among the most effective ways for fora to identify and coordinate cross-cutting work.

SCE reiterated that priority in ECOTECH activities should be given to cross-cutting multiyear work that aligns to Leaders' and Ministers' instructions. Policy dialogues were identified as a useful tool, so long as they were focused and expected outcomes were clear. A brief set of capacity building guideless will be developed to help guide good practice in the preparation of projects and activities. Examples of high quality capacity building projects will be identified each year and highlighted for the information of the broader APEC community. SCE also encourages fora to work more with the Policy Support Unit with a particular focus on work that support regional economic integrations and supports the achievement of the Bogor Goals.

Concurrent with SCE's survey the BMC tasked a small group to examine how monitoring and evaluation of the activities funded by APEC projects could be improved. The findings of the small group complimented the sentiments expressed in the SCE survey. SCE resolved to support the BMC in its efforts to institutionalize an evaluation framework for capacity building projects and will be encouraging fora to identify capacity building needs as part of their strategic planning and annual work plan processes.

The SCE Report on Improving ECOTECH in APEC also noted the importance of SCE being allotted the resources required to play an active role in supporting APEC's ECOTECH work. In particular the ability to provide the required technical experience and cooperation among economies to support growth will require the provision of sufficient funding for capacity building activities.

### ***b. Strategic Planning***

SCE continued its focus on fora strategic planning in 2013 and continues to work towards all ECOTECH fora having a strategic plan completed in 2013. This follows on the work of the SCE in 2011 to help fora better align their work plans with APEC's overall vision and objectives as well as establish a foundation allowing all of APEC to know what is planned and what is expected of the working group. The approach agreed at the SCE-COW in 2012 envisages that all fora have a final strategic plan before CSOM 2013, with a view to presenting it at SCE-COW 2014. All fora are actively working on strategic plans and most have a draft plan completed. SCE, with the assistance of the APEC Technical Assistance and Training Facility (TATF), will provide comments as appropriate to guide the finalisation of focused and effective plans.

The development of strategic plans has continued to benefit from the support and assistance of the TATF which provided a consultant to hold meetings with chairs, lead shepherds and fora throughout the year to provide specific advice and assistance.

### ***c. SCE Fora***

#### *Policy Partnership on Innovation, Science and Technology*

The PPSTI commenced operation in 2013 after transforming from the former Industrial Science and Technology Working Group. Its focus during the year has been on establishing its operational arrangements and developing a strategic plan. To help facilitate their operations SCE agreed to a request from PPSTI that they not follow their terms of reference in respect of the chairing arrangements this year. The terms of reference require that one of the vice-chair positions must be held by the host economy. However the inaugural chair was from Indonesia which, if the terms of reference were followed, would mean that two of the three leadership positions in PPSTI in 2013 would be held by that economy. SCE agreed that in the circumstances it was sensible to not follow the terms of reference and not require the host economy to hold a vice-chair position in 2013.

#### *Counter-Terrorism Task Force*

The Chair of the CTF requested that SCE agree to that forum transforming to a working group. The SCE, and subsequently SOM, agreed to the request. The establishment of a working group recognizes that the threat, frequency and intensity of disruption caused by terrorism will continue to exist in the decade ahead. Through changing to a working group the forum will be able to better undertake long term planning and support capacity building.

#### *Anti-Corruption and Transparency Experts Working Group*

Following the independent assessment of the ACTWG in 2012 SCE had accepted a recommendation that the working group change its chairing arrangements from annual rotation to biennial rotation, in line with most other fora. When reporting on the implementation of that assessment the ACTWG requested that SCE allow the forum to retain the annual rotation. The forum argued that the arrangement had not hindered their work, with a five year strategy successfully in place. Their current arrangement involved the host economy chairing with the past and future hosts serving as vice-chairs. SCE accepted that this arrangement gave sufficient stability to the group's leadership and agreed that the ACTWG did not need to implement recommendation 1 of their 2012 independent assessment.

#### **d. Coordination Among APEC Fora**

SCE continued its focus on coordination among fora in 2013 with some existing areas of cooperation continuing and new areas beginning. The Framework to Discuss Cross-Cutting Issues that was introduced in 2012 continued to be the guiding policy for recognising and implementing cooperation among fora.

##### *Travel Facilitation Initiative Steering Council*

This Steering Council was endorsed in 2012 to coordinate, guide and report on the work being undertaken within APEC towards the Travel Facilitation Initiative. The United States took on the coordination role for the TFI Steering Council and, to facilitate its operations, all fora involved nominated their United States members to represent them on the Steering Council. Three SCE fora, CTF, TWG and TPTWG, have been actively involved in the initiative in conjunction with two CTI fora, SCCP and BMG. The TFI is focusing on six areas: airport partnership; APEC business travel card; trusted traveler; facilitation of air passenger security screening; advanced passenger information; and checked baggage facilitation. The TFI Steering Council aims to coordinate the activity and communications of the fora involved in the initiative and provides an update report to SOM annually. The TFI is scheduled to operate until the end of 2015.

##### *Mainstreaming Ocean Related Issues*

Indonesia organised a Dialogue on Mainstreaming Ocean Issues in conjunction with the SCE-COW meeting on 4 February 2013. The Dialogue focused on developing marine connectivity, maintaining ocean sustainability through eco-friendly policies in the transportation sectors, and on the importance of a healthy ocean and its significant contribution to food security. The topic was recognized as supporting the attainment of inclusive growth, which is one of the pillars of the APEC Leaders' Growth Strategy. Throughout 2013 Indonesia led the development of a workplan to support APEC activity on this topic, which will be finalised at CSOM 2013 in Bali. The proposal may also involve establishing a steering council supervised by SCE with an initial operating period of 2014 to 2018.

##### *Cross Border Education Cooperation*

Throughout the year the SCE Chair and the HRDWG were involved in an *ad hoc* coordinating committee on promoting cross-border education cooperation. This committee is working towards the development of an APEC workplan on that topic that will be considered at CSOM 2013 in Bali.

##### *Infrastructure Investment and Development*

During 2013 Indonesia has been leading the development of a Multi-Year Plan on Infrastructure Development and Investment. The plan will be a joint initiative of SOM and the Finance Ministers Process. The plan aims to assist economies to execute infrastructure projects, by identifying (i) impediments faced by economies in the region, and (ii) ways to address the impediments including by adding value to ongoing work. The plan will be considered by Leaders at their 2013 meeting in Bali. It is intended that SCE will coordinate the development and implementation of the SOM components of the plan for the initial period of 2013 to 2016.

## **2.2 Independent Assessment of SCE Fora**

In 2013, the SCE conducted four independent assessments involving the: Energy Working Group, Experts Group on Illegal Logging and Associated Trade, Transportation Working Group and



Counter Terrorism Task Force. The SCE's decisions related to the independent assessment of these groups are set out respectively in Annexes 4, 5, 6 and 7. All groups were requested to implement SCE's decisions and report progress regularly to SCE. The Industrial Science and Technology Working Group had been due to undergo independent assessment in 2013, however given it was in the process of transforming into the Policy Partnership on Science, Technology and Innovation that assessment was postponed and the assessment of the Transportation Working group brought forward.

The Committee received reports on the implementation of the independent assessment recommendations from the Agricultural Technical Cooperation Working Group, Anti-Corruption and Transparency Working Group and the Telecommunications and Information Working Group. The Policy Partnership on Women and the Economy held its annual meeting in September and will report on independent assessment implementation later in the year.

The SCE also commenced the review of four other fora the: Human Resource Development Working Group, Health Working Group, Tourism Working Group and Mining Task Force. Independent assessments will be conducted for these fora in 2014. The SCE decided that the independent assessment of the Policy Partnership on Science, Technology and Innovation should be postponed again to give that forum sufficient time to have their organisational arrangements in place and operations underway before assessment in 2015. The independent assessment of the Mining Task Force was therefore brought forward.

Since commencing in 2007, independent assessments have been funded by a SCE sponsored project using funds from the Operational Account. During 2013 the Budget and Management Committee decided that from 2014 funding should be allocated from the Secretariat's Administrative Account. This change recognizes that independent assessments have become a longer-term activity and that funding space was available in the Administrative Account. This change will have the effect of making more funding available for APEC projects in the Operational Account.

## **2.3 APEC Support Fund**

In 2004, Ministers endorsed the Australian proposal to set up the APEC Support Fund (ASF) to serve as a flexible funding mechanism to complement the existing Operational Account (OA) and Trade and Investment Liberalisation Fund (TILF). The ASF aims to meet the capacity building needs for developing economy members in APEC's agreed high priority sectors for economic and technical cooperation. Since its inception, the fund has received contributions from many economies including Australia; China; Hong Kong, China; Japan; Korea; Russia; Chinese Taipei; and the United States. This has significantly boosted resources available to build capacity in the region for economic and technical cooperation activities.

Contributions to the ASF in 2013 (as of 31 July) were received from Australia and Japan.

Australia provided a contribution to the 2013 ASF General Fund of USD1,580,550, this was part of the AUD10.1 million provided in the years 2008-2013 under a Memorandum of Understanding (MOU) with the APEC Secretariat which was revised in 2011.

During 2013 Japan has provided funds for the ASF totaling USD2,519,524. These funds were designated for ASF Sub-Fund D - Energy Efficiency.

From October 2012 to August 2013, the ASF funded 88 ECOTECH capacity-building projects in wide range of areas such as renewable energy, emergency preparedness, communicable diseases and harmonization of standards.

## 3. Progress Review of the APEC Growth Strategy

In 2010 APEC Economic Leaders agreed upon a Growth Strategy aimed at ensuring that economic growth in the region was more balanced, inclusive, sustainable, innovative, and secure. Leaders requested APEC Senior Officials to conduct “annual progress reviews on APEC’s relevant work programs while finding ways to take stock of progress, and making any needed adjustments in the work programs to maximize APEC’s efforts to promote the Five Growth Attributes”.

SCE sub-fora have undertaken work to promote all five growth attributes during 2013. In particular Sustainable Growth, Inclusive Growth, and Secure Growth each form an aspect of APEC’s medium term ECOTECH priorities, structural reforms that will gradually unwind imbalances a raise potential outputs is an important component of Balanced Growth and is also a medium term ECOTECH priority.

### **Balanced Growth**

In the area of balanced growth APEC Leaders have stated that they “seek growth across and within our economies through macroeconomic policies and structural reforms that will gradually unwind imbalances and raise potential output. Three SCE fora reported activities in 2013 which support this priority.

The EWG is working on the development of an APEC Energy Database and Analysis which aims to improve the quality of energy policy decision making leading to a more efficient regional energy market and in turn strengthening regional energy security.

The SMEWG is considering the possibility of developing an APEC SME Monitoring Index that would measure the health of SMEs every two to three years in areas such as entrepreneurship, policy, demographics and economic contribution.

The TELWG focusses on telecommunications regulation as areas to help promote balanced growth. TELWG held a workshop on the transparency of internet broadband access speeds and another on the quality of service for regulators.

### **Inclusive Growth**

In the area of inclusive growth APEC Leaders have stated that they “seek to ensure that all our citizens have the opportunity to participate in, contribute to, and benefit from global economic growth.” Six SCE fora reported activities in 2013 which support this priority.

The HWG continued work in 2013 in the area of strengthening health systems through an APEC Non-Communicable Disease Action Plan which is currently in the implementation phase and which will be reported separately to AMM. A workshop was held focusing on the prevention of non-communicable diseases through risk factors control and community based intervention. A training project was held aimed at building public health emergency response capability.

The OFWG aims to advance inclusive growth through strengthening the role of fisheries and aquaculture products in food security. To assist meeting this goal the “14th APEC Round Table Meeting on the Involvement of the Business/Private Sector in the Sustainability of the Marine

Environment” will be held. This meeting brings together representatives from the private sector, academia, NGOs and other stakeholders to share views with government officials on public marine affairs and on shaping ocean and coastal management.

HRDWG efforts in the area of inclusive growth included participation in the preparation of the Work Plan on Promoting Cross-Border Education Cooperation. The groups is also undertaking a number of projects that aim to promote and improve the standard of vocational training in the region through working with enterprises, training instructors and improving the employability of disabled people.

The PPWE continued the implementation of their multi-year project on innovation for women and economic development to facilitate women’s’ livelihood development and resilience through greater use of ICT.

During 2013 the SMEWG continued work on their multi-year project on Business Ethics Capacity Building for SME’s in the medical devices, construction and bio-pharmaceutical sectors. Work on this project has been focused on business ethics compliance and stakeholder awareness. In 2013 the APEC ministers responsible for SMEs and women will hold a joint meeting to recognize the work underway on promoting women’s’ entrepreneurship. The SMEWG conducted an “APEC SME Trade Finance Conference” to consider innovative trade finance programs to assist SME access necessary finance. In addition a workshop will be held to identify government policies that promote venture capital investment. Another seminar will examine how IPR policies can be used to encourage SME research and development.

The TELWG held a workshop in 2013 on enhancing competence in implementing ICT universal services programs in APEC.

## **Sustainable Growth**

In the area of sustainable growth APEC Leaders have stated that they “seek growth compatible with global efforts for protection of the environment and transition to green economies.” Eight SCE fora reported activities in 2013 which support this priority.

The ATCWG ran a training course on biogas technology that aimed to initiate and sustain information exchange to build an adaptation strategy for energy recovery from agricultural waste treatment.

The SMEWG has completed its project examining a Green Technology Initiative which has helped develop a green technology innovation network and share best practices on the promotion of green technology based SMEs. A workshop was held examining best practices on the benefits of carbon labeling and how SMEs are affected by it.

The OFWG continued its project on “Potential Contribution of Small Pelagic Fish to Food Security within Asia Pacific Region.” The project is aimed at contributing to long-term food security by offering a sustainable source of high-quality protein at low cost. A project providing advanced training for marine spatial planning aims to increase knowledge of the marine environment and appropriate management responses to address multiple use conflict.

Work contributing to sustainable growth is a major component of the EWG agenda. Projects have focused on improving the quality of life and the environment through measures including low-carbon cities, energy efficiency, green transport, electric vehicles, smart grids, carbon capture, renewable energy, lean utilization of coal, natural gas, unconventional gas, marine current energy

and nuclear energy among others. The EWG continues to work on a major cross-cutting element – Low Carbon Model Towns.

TELWG supported sustainable growth in 2013 through holding a workshop on broadband network development for green growth.

The EGILAT held a private sector dialogue on efforts to combat illegal logging and associated trade and promote trade in legal forest products. EGILAT also held a joint meeting with the ACTWG to promote collaboration between the two groups to strengthen law enforcement in the forestry sector.

The TPTWG continued work to promote climate-friendly, low-carbon and energy efficient transport in 2013. Projects included looking at transport, energy and environmental benefits of intermodal freight strategies; a performance based navigation regulatory review and evaluation program; sharing best practices for seamless intermodal cargo movement; and increasing the environmental benefits of transit development.

The TWG will hold a workshop on the sustainable development of tourism destinations, which seeks to help deliver on one of the goals in the APEC Tourism Strategic Plan to promote and enhance the sustainability of businesses and destinations by providing and enabling an environment based on sound principles of sustainable tourism.

### **Innovative Growth**

Innovative Growth, which seeks to create an economic environment that promotes innovation and emerging economic sectors, was supported by the work of six SCE fora in 2013.

The PPSTI is working to build greater cooperation on innovation in the APEC region through a project that aims to develop a measurement framework that would reflect the level of cooperation between economies and seek to influence the development of their innovation systems. Another project will focus on overcoming the regulatory challenges involved in the commercialization of modern biotechnology.

The SMEWG worked on ways to boost innovation, job creation, economic growth, and business opportunities in the APEC region through projects focused on start-up policies and best practices to promote entrepreneurship in the APEC region.

The ATCWG undertook a number of projects in 2013 focused on improving food security in the APEC region including through innovation to increase food productivity.

While also being part of inclusive growth, the HWG undertook a workshop on the development of e-health systems as a tool for health management.

The TELWG were active in supporting innovative growth opportunities including through activities that focused on promoting mobile payment technologies, cloud computing and helping to ensure the future stability of internet use through facilitating the transition to IPv6 (internet protocol version 6).

The HRDWG commenced a project in 2012 which examined entrepreneurship skills development for the unemployed by developing an APEC basic entrepreneurial training courses. Work on that project continued in 2013 with a particular focus on public employment services.

## Secure Growth

Secure Growth, which seeks to protect the region's citizens' economic and physical well-being and to provide the secure environment necessary for economic activity, was supported by the work of thirteen SCE sub-fora in 2013.

A joint effort multi-year project to enhance SMEs' resiliency to natural disasters between the EPWG and the SMEWG, that began in 2012 continued in 2013. The project is being implemented through three phases: 1) a survey to assess the status of business continuity plans in the APEC region; 2) holding of a Focal Point Network Meeting and an Expert's Meeting; and 3) hold a "Symposium on Promoting Business Continuity Plans to Enhance SMEs' Participation in Global Production Chains". The second Focal Point Network and Expert Meeting was held in 2013. The project aims to deliver guidelines on promoting SME business continuity plans to strengthen the reliability of supply chains.

The SMEWG conducted an APEC train-the-trainer workshop on promoting SME business continuity planning and a high level policy dialogue on SME disaster resiliency.

The EPWG held a Policy Dialogue on Emergency Response Travel Facilitation in conjunction with members of BMG and SCCP. This initiative aims to develop a network for emergency information exchange and ultimately lead to better travel facilitation for emergency first responders. Workshops on capacity building for business continuity planning; applying geo-spatial hazard and risk information; application of satellite technologies for emergency preparedness; search and rescue at sea have also been held.

The ATCWG continued efforts to implement the Niigata APEC Action Plan on Food Security and the ATCWG 2010-2015 work plan to strengthen regional food security. ATCWG Projects conducted in 2013 examined other issues affecting food security including capacity building for food safety risk assessment; application of remote sensing and GIS technology on crop productivity; sustainable land management to enhance food production; and information sharing on principles for responsible agricultural investment.

The EWG conducted work in the area of energy security, principally through the Energy Security Initiative (ESI) through which members address short and long term energy security challenges in a sustainable manner in APEC. The ESI comprises a series of short-term measures to respond to temporary energy supply disruptions and longer-term policy responses that are practical and achievable to address the broader challenges facing the region's energy supply. Through the APEC Oil and Gas Security Exercises 2013-14 the EWG is investigating domestic systems for emergency preparedness and developing scenarios of oil and gas emergency situations to build capacity to cope with future energy security challenges. To support these exercises an Oil and Gas Security Forum was held in 2013.

The PPSTI is undertaking a project to hold a new a renewable energy technology development and application forum that will bring together experts from business, regulatory bodies and research institutes.

The HWG has undertaken a wide range of projects under secure growth. A pilot study to evaluate dengue early warning signs through virus analysis and data sharing was undertaken. An international seminar on food trade safety to prevent avian influenza was held. A number of activities focused on strategies to prevent anti-microbial resistance.

The OFWG will conduct a project on marine ecosystem assessment and management that aims to identify best practice management for increasing productivity and fishery yields.

The TWG completed and endorsed APEC Guidelines on Ensuring Tourist Safety and will now move to implement the guidelines in economies.

The TPTWG worked to develop a consolidated approach on counter-terrorism and secure trade. Areas focused on in 2013 included: implementation of an International Ship and Port Facility Security guideline and capacity building to help economies implement it through a Port Security Visits Program; continuation of the APEC Airport Safety Evaluation Visit Program; a project on canine explosives detection; and low cost/no cost aviation security checkpoint work in conjunction with the CTTF.

The TELWG has implemented a number of projects relevant to secure growth. A symposium on disaster management and ICT was held. TELWG also hosted a cybercrime expert's group meeting and training sessions. Cybersecurity awareness raising is a standing item at TELWG meetings and cooperation with organisations such as the OECD and APEC TEL take place each year. A workshop on comparing approaches to botnet prevention, identification and mitigation was also held in 2013.

In 2013 the ACTWG implemented two projects advancing APEC work in the area of Secure Growth. The first was a workshop on "Challenge and Strategy of Strengthening Anti-corruption Bodies and Other Enforcement Agencies in Combating Corruption in the Modern World". The second project held a workshop entitled "Strengthening Integrity Through Public-Private Partnership: Preventing Facilitation Payment and Managing Gift Rules". The ACT continued work under its Multi-Year Project on "Capacity Building Workshops on Designing Best Models on Prosecuting Corruption and Money Laundering Cases Using Financial Flow Tracking Techniques and Investigative Intelligence for Effective Conviction and Asset Recovery to Promote Regional Economic Integration" with the first workshop being held in June 2013. The ACT is also considering the possibility establishing a broader anti-corruption and transparency network.

The CTTF is undertaking several capacity building initiatives in each of the four cross-cutting activity areas of the APEC Counter-Terrorism and Secure Trade Strategy: Secure Supply Chains, Secure Travel, Secure Finance, and Secure Infrastructure. Activities undertaken in 2013 in these areas include: a major events security framework; protecting designated non-financial businesses and professions from terrorist financing; aviation security canine screening; developing low-cost/no cost security and checkpoint optimization capabilities; critical infrastructure protection; and developing a policy on secure infrastructure.

HRDWG implemented a project, commenced in 2012, on "Building natural disaster response capacity – sound workforce strategies for recovery and reconstruction" with a view to sharing knowledge on the design and effect of different approaches taken by government, business and community stakeholders to maintain employment and support recovery in various disaster situations.

## 4. APEC Projects in Action

With the endorsement of the new Framework to guide ECOTECH activities in APEC, from 2010, SCE reports annually against the five medium-term priorities. These priorities for APEC's economic and technical cooperation are:

- Regional Economic Integration;
- Addressing Social Dimension of Globalisation (Inclusive Growth);
- Safeguarding the Quality of Life through Sustainable Growth;
- Structural Reform; and
- Human Security.

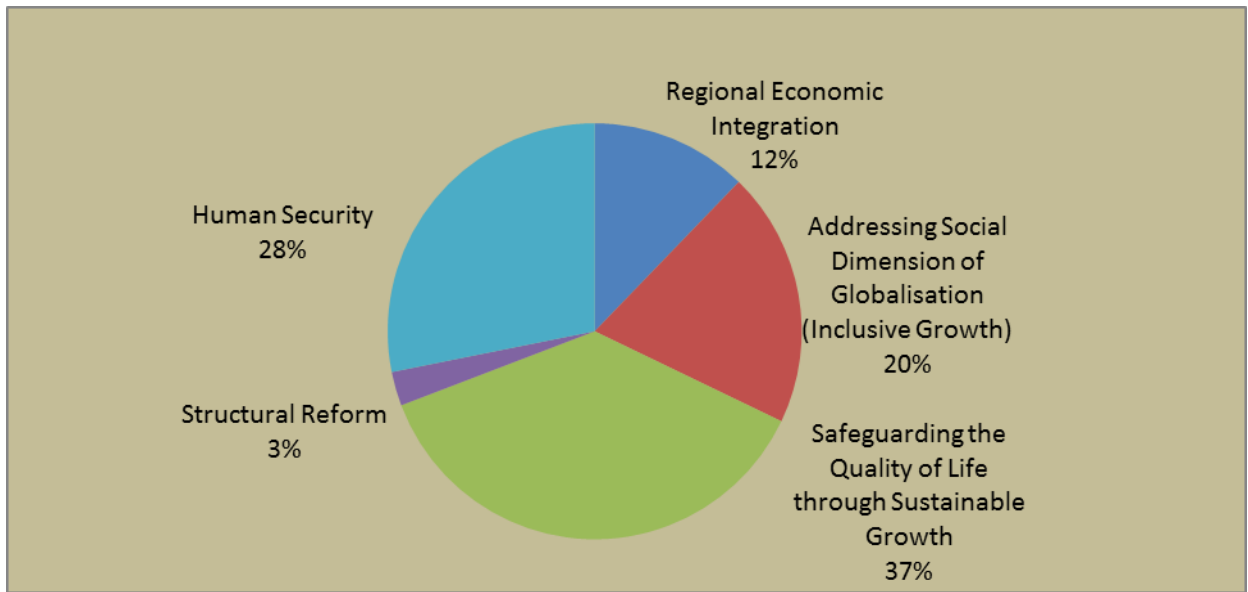
During the period from October 2012 to August 2013, APEC committed to fund a total of 84 ECOTECH projects proposed by the SCE and its fora. Out of the 84 projects, one project received funding from the TILF Special Account, 18 projects were funded by the OA and 65 projects by the ASF. There are also six SCE fora multi-year projects underway, of which two commenced activity in 2013. In addition, 14 projects initiated and self-funded by individual member economies or group of economies were undertaken to advance work in priority areas and support economic and technical cooperation in APEC. There were also 23 additional ECOTECH projects from other Committees of APEC: 10 projects from the CTI, 11 projects from the EC and 1 project from the FMP, all of which received funding from the APEC Support Fund. Further there are four multi-year ECOTECH projects underway by non-SCE fora which are funded from the APEC Support Fund. The outcomes of these projects will be reported in the reports to Leaders and Ministers from the respective forum.

The following section highlights projects/activities undertaken by various SCE fora to support economic and technical cooperation. Projects approved for APEC funding during the period from October 2012 to August 2013 are summarized in the following charts; self-funded projects are not included in the data unless specifically noted.



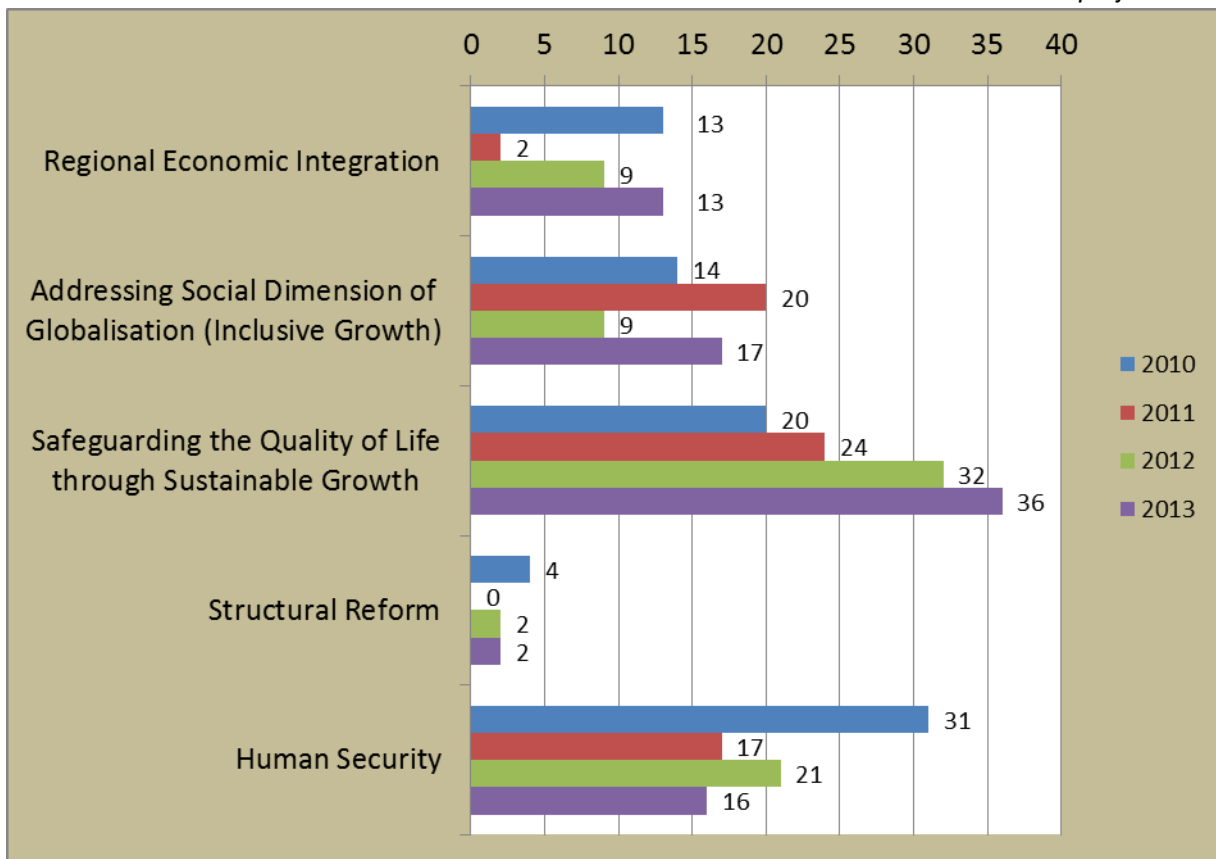
**ECOTECH PROJECTS BY PRIORITIES (PERIOD 2010 – 2013)**

*\*Based upon number of projects*



**ECOTECH PROJECTS BY PRIORITIES 2010 – 2013<sup>2</sup>**

*\*Number of projects*



<sup>2</sup> APEC's medium term ECOTECH priorities were set in 2010

**NUMBER OF APEC FUNDED PROJECTS INITIATED BY SCE FORA UNDER EACH ECOTECH PRIORITY WORK STREAM (10/2012 – 08/2013)<sup>3</sup>**

APEC Forum	ACTWG	ATCWG	CTTF	EPWG	EGLAT	EWG	HRDWG	HWG	MTF	OFWG	PPSTI	PPWE	SMEWG	TELWG	TPTWG	TWG	Total
Regional Economic Integration				1		2	2				1		3	1	3		13
Addressing Social Dimension of Globalisation (Inclusive Growth)	1	1				1	2	4					7		1		17
Safeguarding the Quality of Life through Sustainable Growth		1				21				2	6		2		4		36
Structural Reform														1		1	2
Human Security			1	3		2	1	3			1				5		16

**SUMMARY OF PROJECTS CONDUCTED BY SCE FORA ACCORDING TO FUNDING SOURCE (10/2012 – 08/2013)**

APEC Forum	ACTWG	ATCWG	CTTF	EPWG	EGLAT	EWG	HRDWG	HWG	MTF	OFWG	PPSTI	PPWE	SMEWG	TELWG	TPTWG	TWG	Total
Operational Account		1				4	3			1	1		4		3	1	18
APEC Support Fund	1	1	1	2		23	2	7		1	7	1	8	2	9		65
TILF Special Account															1		1
Self-Funded			3	3			4							2	2		14
<b>Total</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>27</b>	<b>9</b>	<b>7</b>	<b>0</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>12</b>	<b>4</b>	<b>15</b>	<b>1</b>	<b>98</b>

**a. Funding criteria for all APEC projects**

The introduction of holistic funding priorities is designed to ensure that all proposals are prioritized in line with APEC Leaders' and Ministers' instructions, and that there is a common basis for making funding decisions given that the demand for project funding significantly exceeds the supply.

In 2009, SCE took the first step to strengthen the SCE Policy Criteria by replacing the old six-tier ranking framework with the new four-tier rankings based on the nexus between the project proposal and the achievement of APEC's core objectives. In 2010 the SCE oversaw the creation of a uniform set of three-tier funding criteria for all of APEC regardless of the originating forum; the CTI and EC were also involved in the development of these funding criteria. These criteria are aligned with the APEC medium-term ECOTECH priorities, but are reviewed and revised each year to meet Leaders' and Ministers' instructions and APEC annual objectives. The 2013 funding criteria are attached as Annex 8.

<sup>3</sup> Includes approved projects from session 3 2012 and session 1 2013 and concept notes approved in-principle from session 2 2013 (due to approved project data not being available by the publishing deadline of this report).

## 5. Implementation of the APEC Medium-term ECOTECH Priorities

Section 3 of this report contains a progress review of the implementation of the APEC Growth Strategy and provides a breakdown of the activities of APEC sub-fora contributing to the five growth attributes. Also noted in the APEC Growth Strategy Review is that the five growth attributes sought by APEC coincide significantly with the five medium-term ECOTECH priorities. In order not to duplicate the information already provided, this current section will only highlight the 2013 implementation of the ECOTECH priority of Regional Economic Integration, the one priority area not already discussed with the APEC growth strategy. A brief summary of the four ECOTECH priorities already covered previously:

1. *Addressing Social Dimension of Globalization (Inclusive Growth)*: Six groups (HWG; HRDWG, OFWG, SMEWG, TELWG, PPWE) reported activities supporting this priority area.
2. *Safeguarding the Quality of Life through Sustainable Growth*: Eight groups (ATCWG, SMEWG, OFWG, EWG, TELWG, TPTWG, TWG, EGILAT) reported activities supporting this priority area.
3. *Structural Reform*: Three groups (EWG, SMEWG, TELWG) reported activities supporting this priority area.
4. *Human Security*: Thirteen groups (EPWG, SMEWG, ATCWG, EWG, HWG, OFWG, TPTWG, TEL, ACTWG, CTF, HRDWG; TWG; PPSTI) reported activities supporting this priority area.

### **a. Regional Economic Integration**

Activities to support regional economic integration occur across many fora and cover various areas from supply chain connectivity, environmental goods and services to investment in specific sectors. In 2013 nine groups reported activities supporting this ECOTECH priority.

The ATCWG held a seminar on “Strengthening Public-Private Partnership to Reduce Food Losses in the Supply Chain”, which brings together work to support regional economic integration and human security as well as linking with the goals of the Policy Partnership on Food Security.

The SMEWG has prepared a policy paper on “SMEs’ Participation in Global Production Chains” that will guide the development of work throughout 2013 and 2014. To expand beyond work on global chokepoints under way in the CTI the SMEWG will focus on problems particularly faced by SMEs that seek to enter into international trade, particularly: IP protection, attracting and retaining skilled labour, financing, contractual obligations for working with multinationals and dealing with product standards. Specific projects underway include: developing an internet based integrated information tool; and developing a directory of initiatives available in economies to assist SMEs’ with access to global markets.

The EPWG has held workshops focusing on global supply chain resilience that support work under the APEC Supply Chain Connectivity Framework.

The TELWG continues to work on issues relating to regulatory cooperation on issues related to the telecommunications industry, including through the promotion of Mutual Recognition Arrangements (MRA) through the work of the TELWG MRA Task Force. One specific example is work to develop guidelines for MRA of equivalence of technical requirements implementation.

The TWG worked to promote recognition and understanding of tourism as an engine of growth and prosperity in the region, especially through further development of the trusted traveler and advance passenger information programs.

Through its project on harmonization of energy efficiency standards for air conditioners the EWG is working to create an enabling regulatory environment to transform the market in favor of higher efficiency air conditioners. Likewise the building code harmonization in energy smart community project aims for greater integration for cross border provision of services. The EWG is also undertaking work to reducing barriers to energy trade and investment, particularly in the areas of alternative fuels.

The PPSTI is undertaking a project that maximizes road safety and increase transportation efficiency by integrating communications and transport technologies to support safe and efficient transport of goods and people.

A significant aspect of the work of the TPTWG is related to the Supply Chain Connectivity Framework (SCC) which is led by the CTI and is focused on REI. Specific activities in this regard in 2013 included projects on transborder control and logistics; improving performance measurement of supply chains; developing common principles on shipping policy; improving intermodal efficiency; and improving maritime container transportation.

The HRDWG is implementing a project on skills mapping across APEC economies to promote regional economic integration and address skills shortages. The work involves individual economy reports, the design of a region wide tool and seminars.

## 6. Key Outcomes

### Selected key achievements of SCE fora

Fora	Achievements and Deliverables for 2013
<b>ACTWG</b>	<ul style="list-style-type: none"> <li>• APEC-ASEAN Pathfinder Project on Combating Corruption and Illicit Trade</li> <li>• Workshop on "Challenge and Strategy of Strengthening Anti-Corruption Authorities in Combating Corruption in a Modern World"</li> <li>• Workshop on Maintaining Integrity through Gift Rules and Facilitation Payment Regulation</li> <li>• To develop Law Enforcement Authority network under the ACTWG</li> <li>• Capacity-Building Workshops on Designing Best Models on Prosecuting Corruption and Money Laundering Cases Using Financial Flow Tracking Techniques and Investigative Intelligence for Effective Conviction and Asset Recovery to Promote Regional Economic Growth</li> </ul>
<b>ATCWG</b>	<ul style="list-style-type: none"> <li>• Assessment of Climate Change Impacts and Mapping of Vulnerability to Food Insecurity under Climate Change to Strengthen Household Food Security with livelihoods' Adaptation Approaches. (Japan, Philippines and FAO)</li> <li>• Workshop on the application of remote sensing and GIS technology on crops productivity among APEC economies. (China)</li> <li>• Scientific Workshop on "Sustainable Land Management to Enhance Food Production on APEC members. (Thailand)</li> <li>• APEC International Conference on Natural Resources and Infrastructure Management for Agriculture (Thailand)</li> <li>• APEC Agricultural Data Collection Study (USA)</li> <li>• International Symposium on Food Security in Asia and the Pacific (Canada)</li> <li>• The Potency of Local Source and Establishing Network Among Research Centre on Food Diversification (Indonesia).</li> </ul>
<b>CTTF</b>	<ul style="list-style-type: none"> <li>• 3rd APEC Aviation Security Canine Screening Workshop (Joint Project with TPTWG Aviation Security Experts' Group)</li> <li>• APEC Aviation security (low cost/no cost) security and checkpoint optimization capabilities workshop</li> <li>• Policy Dialogue on Critical Infrastructure Protection Major Events Security Framework</li> </ul>
<b>EGILAT</b>	<ul style="list-style-type: none"> <li>• 2<sup>nd</sup> Ministers' Responsible for Forestry Meeting</li> </ul>
<b>EPWG</b>	<ul style="list-style-type: none"> <li>• Guidelines on promoting SME business continuity plans (BCP) to strengthen reliability of supply chains</li> <li>• Disaster Recovery Checklist</li> <li>• EPWG Strategic Plan</li> <li>• Continued work on the 2008 APEC Strategy for Disaster Risk Reduction and Emergency Preparedness and Response in the ASIA Pacific Region: 2009-2015</li> <li>• Seventh APEC Senior Disaster Management Officials Forum</li> </ul>
<b>EWG</b>	<ul style="list-style-type: none"> <li>• Advancing the Energy Smart Communities Initiative</li> <li>• Progress in Renewable Energy and Natural Gas Trade, Cleaner Production of Coal-fired Power, and Carbon Capture and Storage.</li> <li>• Intensify work on standards and testing methods for key energy-intensive appliances and building components in cooperation with the SCSC</li> <li>• Progress with APEC Peer Review of Energy Efficiency (PREE) and Cooperative Energy Efficiency Design for Sustainability (CEEDS)</li> <li>• Collaborating with TPTWG on joint activities The APEC First Joint to implement the APEC Transportation and Energy Ministerial Conference Action Agenda</li> </ul>

**Fora Achievements and Deliverables for 2013**

Fora	Achievements and Deliverables for 2013
	<ul style="list-style-type: none"> <li>• Reducing Energy Investment and Trade Barriers</li> <li>• Harmonization on Standards and Testing Methods.</li> </ul>
<b>HRDWG</b>	<ul style="list-style-type: none"> <li>• APEC Vocational Training Project in Cooperation with Enterprises</li> <li>• APEC Advanced Training for Vocational Instructors</li> <li>• Building Natural Disaster Response Capacity – Sound Workforce Strategies for Recovery and Reconstruction</li> </ul>
<b>HWG</b>	<ul style="list-style-type: none"> <li>• Policy Dialogue on Getting to Zero on HIV and AIDS to Support Sustainable Growth in Asia Pacific Region</li> <li>• Progress on Universal Health Coverage (UHC) as input for a Model for Sustainable Healthcare System</li> </ul>
<b>OFWG</b>	<ul style="list-style-type: none"> <li>• Completion of Annual Work Plan</li> <li>• Pathfinder Interim project on Enhancement of Partnership of APEC Economies on Combating IUU Fishing and Associated Trade by Undertaking Voluntary Obligations on Nonproliferation Flags of Convenience Practices</li> <li>• Draft framework for the Marine Sustainable Development Report</li> <li>• Progressing the establishment of the APEC Ocean and Fisheries Information Center</li> </ul>
<b>PPSTI</b>	<ul style="list-style-type: none"> <li>• Launch of the PPSTI including establishing organisational arrangements and preparing a strategic plan</li> </ul>
<b>PPWE</b>	<ul style="list-style-type: none"> <li>• Joint Ministerial Meeting on SME and Women</li> <li>• High Level Policy Dialogue on Women and the Economy</li> </ul>
<b>SMEWG</b>	<ul style="list-style-type: none"> <li>• Agreed format for a SME Monitoring Index</li> <li>• A Directory of Initiatives Used by APEC Economies to Assist SMEs' Access to Global Markets</li> <li>• APEC Start up Accelerator Initiative – Start up Leadership Summit 2013</li> <li>• APEC Carbon-Labeling Workshop</li> <li>• Establishing Green Technology Innovation Network to Support SME Development</li> <li>• International Symposium and Workshop – Enhancing the Competitiveness of SMEs through the Innovative Cooperative Business Model</li> <li>• APEC SME Trade Finance Conference</li> <li>• Business Ethics Capacity Building for SMEs in the Medical Devices, Construction and Bio-Pharmaceutical Sectors</li> <li>• A guidebook on Improving Natural Disaster Resilience of APEC SMEs to Facilitate Trade and Investment</li> </ul>
<b>TEL</b>	<ul style="list-style-type: none"> <li>• Workshop on Interoperable ICT: semantic, linguistic and other aspects</li> <li>• Workshop on Botnet prevention</li> <li>• Symposium on Disaster Management and ICT for APEC Region</li> <li>• Forum on Information Integration on Disaster Prevention and Relief in the Asia-Pacific region</li> <li>• Workshop on 'Promoting the Development of ICT Revolution to Assist the Economic Growth of Small Medium Enterprise (SMEs) and the Small Medium Micro Enterprise (SMMEs)</li> <li>• Workshop on the Quality of Service for Regulators</li> <li>• APEC-OECD Symposium on Security Risk Management in the Internet Economy</li> <li>• Workshop on multi-languages email address technology</li> <li>• Workshop on APEC e-Government Research Center</li> </ul>

**Fora                      Achievements and Deliverables for 2013**

<b>TWG</b>	<ul style="list-style-type: none"><li>• Concept Papers representing TWG's perspectives on Trusted Traveller and Advance Passengers Information Programs</li><li>• Updates of TWG Medium Term Work Plans</li></ul>
<b>TPTWG</b>	<ul style="list-style-type: none"><li>• Promote port and port-related industries cooperation</li><li>• Address variations in cross-border standards and regulations for the movement of goods</li><li>• APEC Performance Based Navigation Regulatory Review and Evaluation Program (PBNRREVP)</li><li>• Advance Aviation Security Workshops</li><li>• Airport Safety Evaluation Visit Program (ASEVP)</li><li>• Traffic Flow Management Emissions Reduction Project</li></ul>

## 7. Recommendations

### Recommendations

The following recommendations are proposed to the 25<sup>th</sup> APEC Ministerial Meeting (AMM):

1. Endorse the 2013 SOM Report on Economic and Technical Cooperation;
2. Welcome the Report on Improving ECOTECH in APEC and the recommendations contained within it;
3. Welcome the achievements of the Working Groups and SOM Task Forces and welcome the ongoing improvements that have been achieved through the Program of Independent Assessment of all SCE fora; and
4. Welcome 2013 contributions to the APEC Support Fund from Australia and Japan.



## ANNEX 1

2013/SOM1/SCE/002

### SOM STEERING COMMITTEE ON ECONOMIC AND TECHNICAL COOPERATION 2013 WORK PLAN

#### 1. Proposed Work for 2013 in Response to Leaders'/ Ministers'/SOM Decisions and SCE Priorities.

- Provide policy recommendations that are related to ECOTECH groups, to SOM;
- Coordinate and supervise all ECOTECH-related Working Groups and SOM Special Taskforces, as well as initiatives such as the Travel Facilitation Initiative;
- Provide strategic policy guidance on the ECOTECH agenda in the development of fora strategic plans;
- Subject to the ranking procedure, approve and rank all ECOTECH-related project proposals ahead of presentation to the Budget Management Committee (BMC);

#### 2. Improving APEC's ECOTECH work

- Through consultation with sub-fora consider and discuss how APEC's ECOTECH work can be improved.
- Potentially conduct a survey of sub-fora to pool ideas and suggestions.

#### 3. Strengthening coordination among and across Fora

- Promote synergy across APEC fora through improved joint work, nexus and interface;
- Identify further cooperation in cross-cutting issues in APEC to help deliver the goals and aims of the APEC Leaders Declaration and Ministerial Statements;
- Encourage all ECOTECH-related fora to identify and reflect cross-cutting issues in annual work plans.

#### 4. Capacity building

- Identify ways to strengthen and focus capacity building activities in APEC fora.
- Encourage all ECOTECH-related fora to reflect capacity building work clearly in annual work plans.

#### 5. Expected Outcomes/Deliverables for 2013

- Preparation of a strategic plan by all fora before CSOM in October 2013
- Successful implementation of the Independent Assessments of the fora scheduled for completion this year, specifically
  - Energy Working Group (EWG)
  - Experts Group on Illegal logging and associated Trade (EGILAT)
  - Counter-terrorism Task force (CTTF)
  - Transportation Working Group (TPTWG)
- Commencement of new independent assessments for 2014;
- Submission of the annual SOM Report on ECOTECH to Ministers in October 2013.

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## ANNEX 2

2013/SOM3/030

### SCE REPORT ON IMPROVING ECOTECH IN APEC

During 2013 SCE conducted a survey of fora and economies to assess the effectiveness of SCE's work, capacity building and communication. A report on the survey was considered at SCE3 in Medan on 3 July 2013. The recommendations contained in that report were endorsed and are set out below. In addition to these recommendations the survey report contains further ideas and suggestions that should be considered by SCE in 2014.

SCE has noted the work undertaken by the Budget and Management Committee to develop an evaluation framework and methodology that can be systematically applied to future APEC projects. SCE supported this work and endorsed further recommendations to support its application.

SCE resolved to:

1. Continue requiring fora to submit annual work plans before the SCE-COW meeting and reporting on implementation of the work plan later in the year through the Fora Report at SCE3.
2. Reduce the administrative burden placed on fora by not requiring an update on the implementation of fora work plans at SCE2.
3. Not require formal presentations on fora work plans at the SCE-COW meeting but allow an opportunity for SCE members to make comments, seek clarification from the Chairs/Lead Shepherds.
4. Reorganise the SCE-COW meeting to involve a Chairs/Lead Shepherds meeting in the morning, an informal lunch with Senior Officials and Chairs/Lead Shepherds and the SCE-COW meeting in the afternoon, having the meeting moderated around thematic discussions aimed at identifying directions, synergies and defining responsibilities.
5. Further tighten up the scheduling of SCE meetings by, when necessary, leaving the work such as adoption of work plans and independent assessments to be done intersessionally.
6. Give more priority to cross-cutting multi-year-work which aligns with APEC leaders' and Ministers' instructions. Convene more policy dialogues under SCE framework to discuss critical and cross-cutting issues.
7. Task the Secretariat to undertake a strategic assessment of synergies within the ECOTECH agenda after SOM1 and provide recommendations to SCE2 about gaps that may require SCE attention or direction.
8. Develop a brief set of APEC capacity building guidelines.
9. Task the Secretariat to identify a number of high quality or successful capacity building projects each year for communication with the APEC community.

10. Encourage fora to discuss with the APEC Policy Support Unit (PSU) opportunities where its policy research and analysis could strengthen their contributions to deepen regional economic integration (REI) and to achieve APEC Bogor Goals.
11. Supports BMC efforts to institutionalize an evaluation framework for APEC capacity building projects, especially in respect of participant selection and stronger evaluation.
12. Support BMC's efforts to institutionalize evaluation of capacity building by encouraging fora to identify capacity building needs as part of their strategic planning and annual workplan development processes.

The importance of SCE having enough resources to take an active role in supporting work on ECOTECH is an area that all economies should consider. Likewise the availability of sufficient funding to support ECOTECH projects will be essential to building technical experience and cooperation among all economies to support growth.

## ANNEX 3

2013/SOM3/SCE/002

### SURVEY REPORT OF SCE FORA AND ECONOMIES

#### Improving ECOTECH in APEC

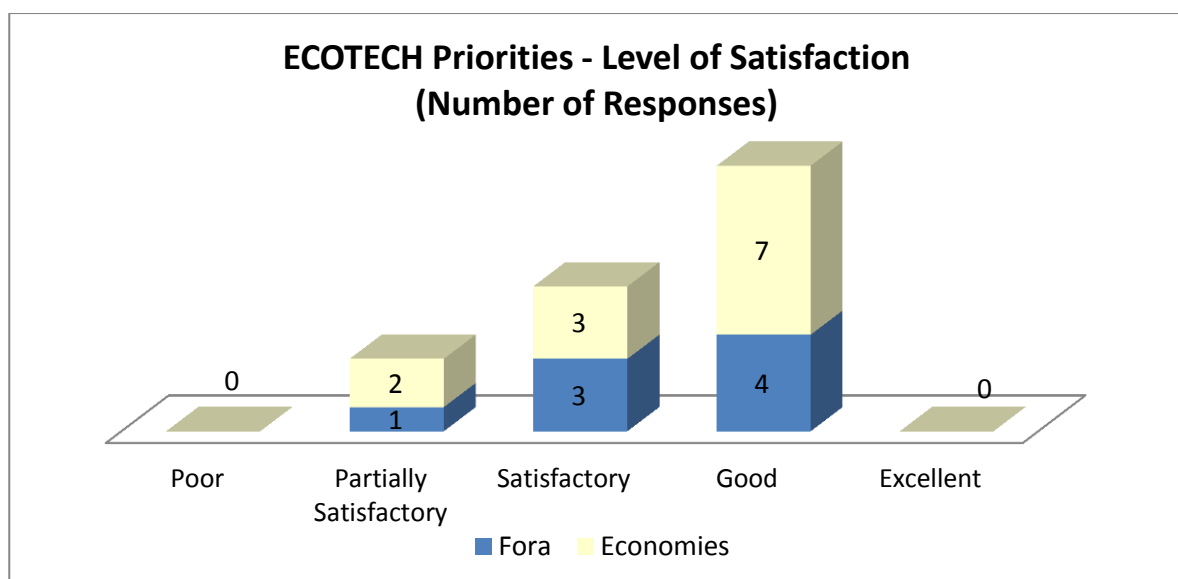
This review is based upon the responses to a survey commissioned by the SOM Steering Committee on Economic and Technical Cooperation (SCE) at its first meeting in 2013. All SCE fora and APEC economies were invited to complete the survey. Responses were received from eight fora (a response rate of 50 per cent) and 12 economies (a response rate of 57 per cent). Despite allowing more than four additional weeks to receive responses the response rate remained a little disappointing. With an overall response rate of 54 per cent it is difficult to claim the responses are fully representative of the views of APEC ECOTECH fora and economies.

The survey sought information about how APEC's work on economic and technical cooperation (ECOTECH) could be improved and undertaken more efficiently. Questions focused on identifying what made ECOTECH capacity building activities more or less successful in general and in supporting APEC's ECOTECH priorities; the effectiveness of cooperation between fora on cross-cutting issues; and SCE's role and its communication with fora. The survey document is available as Attachment A to this report.

#### Achieving APEC's Medium Term ECOTECH Priorities

Respondents were asked to rate how effective APEC was at delivering its ECOTECH priorities. Chart 1 indicates that most respondents thought APEC's effectiveness was good. Both fora and economies expressed similar levels of satisfaction.

**Chart 1**



The survey also asked respondents to comment on APEC's work on delivering the ECOTECH priorities over the last three years and identify more or less effective activities supporting the

delivery of those priorities. This section received fewer responses than other parts of the survey. The responses received tended to express broad views on APEC's effectiveness at meeting the ECOTECH priorities rather than consider specific activities.

#### Fora responses

Some fora thought that improved guidance on responsibilities to implement medium term ECOTECH priorities would be helpful. A couple of fora commented that achieving the medium term ECOTECH priorities could be improved if SCE offered greater encouragement to link work to leaders' priorities and capacity building that supported regional economic integration. A number of fora noted the desirability of more funding for ECOTECH projects.

#### Economy responses

Economies noted the need to increase investment in ECOTECH, including that it should be highlighted more in leaders' statements. The role ECOTECH plays in narrowing disparities among members and enhancing their sense of identity was noted. Building capacity was emphasised in order to elevate the level of participation and promote development, particularly given the challenges some developing economies face in meeting APEC's economic integration targets. One economy suggested that progress on ECOTECH was relatively weak compared to trade and investment liberalisation due to lack of clear objectives, rapid expansion of cooperation, over-extended and overlapping projects and inadequate and dispersed usage of funds. It was suggested that a greater consensus on the value and relevance of ECOTECH was needed.

Some comments suggested that APEC had too many ECOTECH priorities and not enough continuity. More work should be done on areas such as economic structural transformation and infrastructure development to elevate the level of practical cooperation. Some economies suggested that the developed members should be encouraged to increase investment in ECOTECH in both financial and human resources. The private sector should be welcomed to become more involved in supporting the ECOTECH priorities. One economy suggested that areas such as anti-corruption, mining and counter terrorism were not closely linked to APEC's main priorities and it was difficult to follow their activities.

#### Possible consideration by SCE:

- Can SCE offer more specific guidance to fora on what areas within the medium term priorities should be focused on?
- Should APEC have fewer medium term ECOTECH priorities?
- Should the medium term ECOTECH priorities be more focused and specific?

#### **Fora Cooperation on Cross-cutting Issues**

Fora and economies were asked how well SCE fora have cooperated on cross-cutting issues over the last three years, what were effective activities, what activities were less effective and was communication between SCE and fora on cross-cutting issues effective and if not how could it be improved.

### Fora Responses

In their responses fora noted that cooperation on cross-cutting issues had generally improved recently. The more effective activities identified included joint planning and implementation of projects; projects where fora had coordinated to work on different aspects of the same issue and developing joint plans with agreed divisions of labour. A common theme through the fora responses was that effective coordination comes through people, particularly Chairs/Lead Shepherds, in different fora building personal links with each other.

The difficulty in building those personal links was identified in many responses as being largely responsible for the situations where coordination was less effective. Many Chairs/Lead Shepherds find it hard to cover APEC work effectively and do not have support staff available to assist them. Some find their term of office too short to build the appropriate expertise or personal links with other fora. Links that are made are lost when the Chair/Lead Shepherd moves to a new position or ceases their leadership role. Some experience difficulty attending relevant meetings such as SCE-COW or policy dialogues due to funding shortages, especially for travel. Motivation was also listed as a factor for poor effectiveness with some Chairs/Lead Shepherds not feeling appreciated and receiving too much top down direction.

Many of the suggestions for improving communication between fora on cross-cutting issues pointed in the same direction. Numerous responses noted the desirability of Chairs/Lead Shepherds having an opportunity to meet together at least once each year to build links and canvass possible areas of cooperation. However the SCE-COW meeting did not provide that opportunity as it was too short and not structured to allow good dialogue. Given the problems some had finding funding to attend meetings some financial support would be welcome. Other suggestions included developing a formal means to facilitate cooperation between fora, perhaps through an ECOTECH website or establishing topic specific expert panels. It was suggested that more consideration should be given to how cooperation between SCE and CTI could be improved further.

### Economy responses

Many economies observed that cooperation on cross-cutting issues had been improving recently. The activities identified most commonly as being most effective were noted to be already identified in the Framework on Cross-cutting Issues. These included joint meetings of fora, cross-attendance at meetings and participation in policy dialogues. A number of economies supported establishing steering councils for specific issues, such as the Travel Facilitation Initiative. Some economies also mentioned APEC-funded multi-year-projects (MYPs) were, compared with short-term ones, more consistent. They were more effective since the eligibility of MYPs requires close cooperation and had a longer timeframe which encourages deeper and wider cooperation among fora. Other effective approaches included early identification of cross-cutting issues, such as when strategic plans or annual workplans were being prepared, developing multi-year work programs to build more consistent results and developing specific criteria and responsibility for joint work.

The less effective aspects of cooperation on cross-cutting issues identified by economies included the difficulty in knowing who to contact in fora, the high level of reliance placed on Chairs/Lead Shepherds to identify the issue and initiate contact, there being no mechanism for identifying cross-cutting issues, no “gatekeeper” role existing to identify projects that do not adequately address cross-cutting issues and that some APEC activities such as seminars that could coordinate cross-cutting issues are too one way with not enough discussion.

APEC's approach could be improved through establishing a SCE led mechanism to identify and promote synergies. Conference calls between relevant Chairs/Lead Shepherds could be facilitated. Fora should be encouraged to hold information exchanges, including through written summaries. More effort could be made to bring the tasking statement to the attention of fora. Fora should also be encouraged to involve ABAC more. In addition, some economies and fora suggested measures taken to strengthen the role of Program Directors, so as to better facilitate fora's work and ensure better communication.

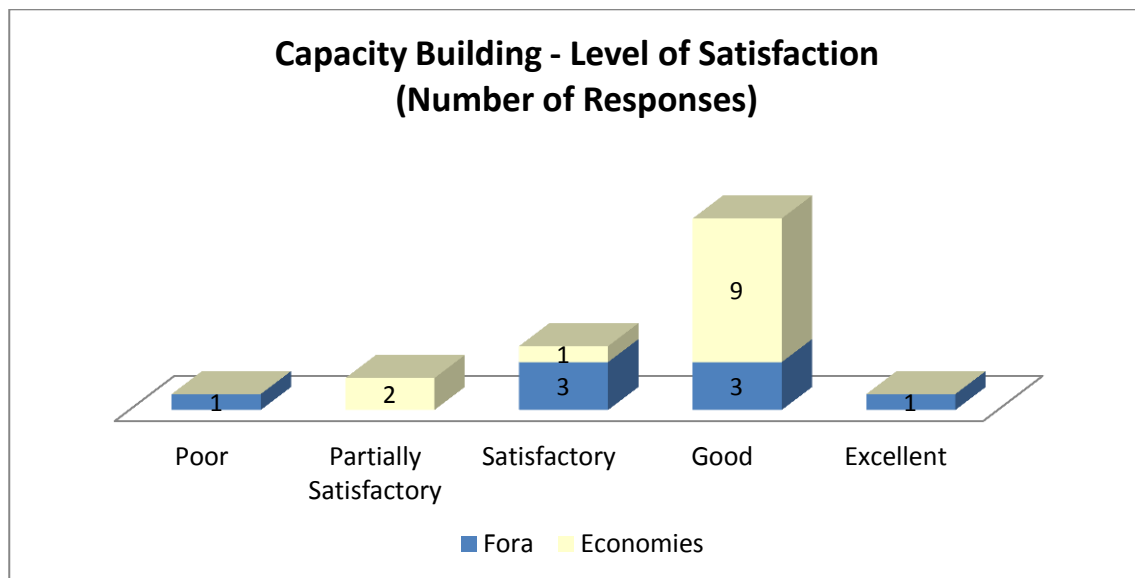
Possible consideration by SCE:

- Should the SCE work more proactively to identify and promote joint work on cross-cutting issues?
- Could rearranging the SCE-COW meeting help improve coordination of cross-cutting issues?
- Could the Secretariat be asked to do more to identify areas where greater coordination on cross-cutting issues was required?

### ECOTECH Capacity Building

Respondents were asked to rate the effectiveness of APEC's capacity building to support the ECOTECH priorities. Chart 2 indicates that most respondents thought APEC's capacity building was good or excellent. However the views of fora were more mixed than those of the economies.

**Chart 2**



Fora and economies were also asked to comment on how effective APEC was at delivering capacity building to support the ECOTECH priorities, what were effective activities, what activities were less effective and were there any capacity building activities undertaken by other organisations that APEC could learn from.



### Fora responses

Fora observed that the more effective capacity building activities tended to be demand driven, had clear aims and lead to concrete follow-up action. Some of the work being undertaken on structural reform under ANSSR was singled out as a good example of an effective approach. Many fora noted that involving the private sector in programs made them more effective and relevant. Collaboration with relevant international organisations had also led to good results. The importance of distinguishing between capacity building and information sharing was noted. Fora should be mindful of identifying approaches that had worked and sharing this information with other fora.

Less effective activities that had been observed within APEC included dialogues that did not work towards a substantive piece of action, where participants were mainly from the host economy, had no report or follow up or just involved sharing experience without identifying gaps, bottlenecks or working on how to improve the situation.

### Economy responses

In respect of conducting capacity building activities economies noted that programs that are targeted, practical, holistically planned, sector specific and issue specific are best. The structural reform work being undertaken through the ANSSR program was again noted as a good example. The importance of interactive workshops supported by required pre-reading or homework was emphasised. Increased effectiveness came from selecting the right participants, particularly officials who actually worked on the area being focused on and not inviting too many to participate. There should also be a focus on what participants would do with the knowledge they obtain through the program.

More broadly economies noted that effective capacity building activities for APEC will have clear links to leaders' and ministers' priorities and the funding criteria should more closely recognise those priorities. More consideration should be given to linking with international organisations as the primary delivery bodies for capacity building and more attention should be paid to seeking funding from those agencies and the private sector. Multi-year approaches should be encouraged. Programs that listed the activity itself as the deliverable rather than actual outputs or outcomes should be avoided. Programs with well-developed monitoring elements should be favoured. APEC fora webpages could be better utilised and updated to share information about capacity building activities. One economy suggested that guidelines for capacity building in APEC should be developed. This was echoed in another comment suggesting that an integrated systematic approach to ECOTECH capacity building in APEC should be established covering design, implementation and evaluation. One economy pointed out that capacity building work cannot be carried out effectively without adequate financial resources and suggested developed economies consider a higher proportion of self-funding in proposing capacity building projects. Some economies also suggested measures taken to strengthen the role of the APEC Secretariat and Program Directors in supporting fora to undertake more effective capacity building activities and getting the PSU more involved in improving the design and implementation of ECOTECH activities.

Many economies commented that programs that had no clear link to leaders' priorities, no clear outcomes or only focused on the experience of the economy hosting the activity were less effective. Activities that try to develop or apply a template approach were also identified as less effective. Some programs were too specific or technical, lacked monitoring mechanisms, were one-off or had too many participants. Effectiveness had been undermined where duplication across fora had occurred. Some methodologies were specifically identified as not useful especially

complex surveys and highly specific case studies. It was suggested that there should be more expectation that self-funded projects would be evaluated just as APEC funded ones were.

### Other organisations

Respondents were asked to suggest capacity building activities that were undertaken by other organisations that APEC could learn from. Not many specific programs were identified in the responses. Most commonly the work of the World Bank, ADB and UNCTAD were pointed to. Some specific programs mentioned included the OECD LEED program, ASEAN SME Policy Index, EU Framework Programs and the Japan International Cooperation Agency programs. Some survey responses suggested that greater cooperation on capacity building with some of these bodies may prove beneficial for APEC. Many of the programs listed above provide only limited public information about their criteria or standards for undertaking capacity building, however a brief summary of some selected resources and associated web links is at Attachment B for information.

### Possible consideration by SCE:

- A broad consensus appears to exist across both fora and economies on what constitutes more or less effective capacity building activities.
- APEC as an organisation contains among its members a great deal of experience in developing and applying effective capacity building.
- Should SCE ask experienced members to develop a brief guide or set of requirements for designing, implementing and monitoring APEC capacity building activities?
- If a guide is developed should proposed capacity building activities be measured against it when being considered for endorsement or project funding?
- Should the funding criteria give greater weight to capacity building activities?

### **SCE's Role**

Fora and economies were asked what action SCE could take to improve the delivery of APEC's ECOTECH priorities.

### Fora responses

Many fora expressed hope that the SCE would facilitate more coordination of fora, identification of synergies and appropriate division of labour on cross-cutting issues. Specific programs could be designed to assist fora deliver on high priority topics. The Secretariat could be asked to undertake regular strategic assessments of synergies. Each forum's annual workplan should be circulated to the other fora. The SCE could develop a plan to increase private sector involvement in ECOTECH activities, especially to support regional economic integration activities. An annual Chairs/Lead Shepherds meeting could be supported and funded and a system that aimed at motivating or showing appreciation to Chairs/Lead Shepherds could be developed. The SCE could identify a number of projects each year that stood out as role models and explain why they were good projects and share this with fora. Consideration could be given to sending a SCE representative to fora meetings on occasion.

### Economy responses

Economies suggested a broad range of actions that SCE could take to improve ECOTECH delivery. A few economies suggested that SCE should continue to focus on helping fora cooperate on cross-cutting issues but should also improve guidance on meeting the medium term priorities by providing more direct advice. Similarly the SCE could more directly task fora to work on identified priorities and encourage them to be more results oriented. Important or priority topics should be emphasised through holding seminars such as the ocean related issues seminar held at SOM1. The SCE could task the Secretariat to play a stronger role with fora and be a gatekeeper on projects, especially regarding the right forum undertaking projects and accurate rankings. To do so the role of Program Directors should be strengthened. More experienced economies within the SCE could help with the development of better concept notes. The content and results of past ECOTECH activities could be summarised and placed on the APEC website.

Other suggestions included engaging a third party to assess APEC capacity building and ensuring that capacity building activities benefit multiple economies. The need for earlier circulation of fora workplans was noted. One economy suggested that the SCE should operate more like CTI and the EC, with lower level representatives attending and a two year rotating Chair to allow for increased continuity and more detailed attention to topics.

#### Possible consideration by SCE:

- SCE members could consider providing more direct feedback to fora on their work plans.
- The timeliness of such feedback depends on submission and circulation of the work plans as early as possible in the year, which is affected by the timing of ISOM (and the finalisation of the incoming host's priorities), year-end rotation of fora Chairs/Lead Shepherds and how early in the year SCE1 is held.
- Could current practices be amended to initiate work plan preparation a little earlier?
- Should the Secretariat be tasked to undertake regular strategic assessments of synergies?
- Should the Secretariat be given a stronger role as a “gatekeeper” of project quality?
- Should SCE periodically identify and publicise examples of successful or effective ECOTECH activities?

### **Communication between SCE and Fora**

Economies and fora were asked to consider the way SCE and fora communicate with each other. Considering the existing methods of communication which include requiring fora workplans, letters from the Chair, the SCE-COW meeting, progress reports on the implementation of workplans and the annual Fora Report what were the more or less effective means of communication and how could communication be improved.

### Fora responses

A number of fora commented that requiring fora to develop annual work plans, as well as its implementation and evaluation is useful and effective. Likewise a number of fora thought letters from the SCE Chair were useful so long as they were timely and there was an understanding that sometimes more detailed consultation was required. Many fora voiced dissatisfaction with the

SCE-COW meeting including that there was not enough time for dialogue, the topics were too broad to be useful and it was difficult to attend for fora that do not meet at SOM1.

Other suggestions included that SCE should make a presentation to each fora setting out leaders' priorities and that there should be more focus on strategic plan development and quality. The need to ensure that decisions that affect fora are properly communicated was raised as well as a request that SCE seeks advice about the decisions it's making rather than just informing fora afterwards. Related to this was a request that SCE be mindful of the burden its decisions and requirements were placing on fora and being careful not to over burden them. It was suggested that the APEC website could be used more to assist communication and that Program Directors could be expected to do more to support fora report to SCE.

### Economy responses

From economies the most common comment was that fora workplans are necessary and a good requirement, as they help focus attention on leaders' priorities. While work plans have improved there is room for further improvement especially regarding alignment of fora work with leaders' and ministers' priorities. Economies suggested that SCE could provide firm feedback on the content of fora workplans including being more active at providing guidance on priorities. Many economies commented that reporting on the implementation of workplans was necessary and important but one economy suggested that reporting could be done less frequently to reduce the administrative burden on fora. Some economies suggested that the process of approving workplans should not take place in the SCE-COW meeting and could instead be done out of session or, if approved at the meeting, take the plans as read with no need for presentations on each one.

A couple of economies commented that the SCE-COW meeting was useful in its current format. A greater number of economies suggested that the meeting was a good concept but required amendment. Most said the meeting was too long, contained too much reporting, not enough discussion and too few Chairs/Lead Shepherds attending. Suggestions for improvement included focusing the meeting around structured discussions, possibly also in small groups, and holding an informal lunch for Chairs/Lead Shepherds and Senior Officials. One economy suggested that only one or the other of the SCE1 and SCE-COW meetings should be held each year but not both.

Other suggestions on communication suggested that letters from the SCE Chair are a useful tool, SCE should consider sending a representative to fora meetings to provide an update and point out synergies, that SCE could involve itself more with fora, do more joint work with them and encourage initiative in a bottom-up manner. A continued focus on the development of effective strategic plans was encouraged. One economy noted the importance of fora undergoing independent assessment but suggested they were only required every five years (currently they are generally done every four years). Another economy suggested that independent assessments were less effective due to them being conducted by external experts who may not be familiar with fora work, the reports seem to get little attention and not much follow-up occurs. It was suggested that the Secretariat should more actively convey messages to fora about leaders' and ministers' priorities.

Possible consideration by SCE:

- Should SCE send a representative to fora meetings to help convey leaders' priorities, provide an update and assist with coordination on cross-cutting issues?
- Should fora be required to provide feedback on the implementation of work plans less often?
- Should the SCE-COW meeting be reorganised to allow for less reporting and more discussion?
- Should SCE consider allocating/finding a source of funding to assist all Chairs/Lead Shepherds to attend the SCE-COW meeting?
- Should independent assessments of fora occur less frequently?

**Recommendations for Action:**

While other recommendations and decisions may flow from SCE's consideration of this report SCE should agree to:

1. Continue requiring fora to submit annual work plans before the SCE-COW meeting and reporting on implementation of the work plan later in the year through the Fora Report at SCE3.
2. Reduce the administrative burden placed on fora by not requiring an update on the implementation of fora work plans at SCE2.
3. Not require formal presentations on fora work plans at the SCE-COW meeting but allow an opportunity for SCE members to make comments, seek clarification from the Chairs/Lead Shepherds.
4. Reorganise the SCE-COW meeting to involve a Chairs/Lead Shepherds meeting in the morning, an informal lunch with Senior Officials and Chairs/Lead Shepherds and the SCE-COW meeting in the afternoon, having the meeting moderated around thematic discussions aimed at identifying directions, synergies and defining responsibilities.
5. Further tighten up the scheduling of SCE meetings by, when necessary, leaving the work such as adoption of work plans and independent assessments to be done intersessionally.
6. Give more priority to cross-cutting multi-year-work which aligns with APEC leaders' and Ministers' instructions. Convene more policy dialogues under SCE framework to discuss critical and cross-cutting issues.
7. Task the Secretariat to undertake a strategic assessment of synergies within the ECOTECH agenda after SOM1 and provide recommendations to SCE2 about gaps that may require SCE attention or direction.
8. Develop a brief set of APEC capacity building guidelines.
9. Task the Secretariat to identify a number of high quality or successful capacity building projects each year for communication with the APEC community.

10. Encourage fora to discuss with the APEC Policy Support Unit (PSU) opportunities where its policy research and analysis could strengthen their contributions to deepen regional economic integration (REI) and to achieve APEC Bogor Goals.

## Attachment A

### Review of the implementation of APEC ECOTECH activities for the SOM Steering Committee on Economic and Technical Cooperation

#### Survey for Lead Shepherds/Chairs of ECOTECH sub-fora and economy Senior Officials

At the request of the 2013 SCE Chair, this survey has been prepared to obtain feedback from SCE sub-fora and economies about how APEC's work on ECOTECH could be improved and undertaken more efficiently. Information received through the survey will be compiled into a report for SCE. With so much of the SCE's interaction with sub-fora being top-down direction, this survey aims to allow for bottom-up feedback and advice to SCE.

The information you provide in completing this survey will not be individually attributed to you in any report and will be treated in confidence. Please provide only one, consolidated, response from each fora and economy.

Once completed the survey should be returned to Andrew O'Sullivan in the APEC Secretariat by email at [aos@apec.org](mailto:aos@apec.org) by 21 March 2013.

On behalf of the 2013 SCE Chair, thank you in advance for your cooperation and taking the time to complete this survey. If you have any questions please direct them to Andrew O'Sullivan in the first instance.

For reference, a list of APEC SCE sub-fora and the medium term ECOTECH priorities are appended to the end of the survey.

Name	
Position	
Organisation	
Name of working group/ task force/policy partnership or economy	
Email address	

Note: When reviewing the effectiveness of APEC's ECOTECH work in the questions below you may consider the following points:

- How much has the ECOTECH activity contributed to the implementation of leaders' declarations?
- To what extent was the ECOTECH activity useful in achieving the goals of economic and technical cooperation and development in APEC, namely: to attain sustainable growth and equitable development; to reduce economic disparities among APEC economies; to improve the economic and social well-being of the people; and to deepen the spirit of community in the Asia Pacific.
- What was the extent of learning (did participants actually learn from the activity) and how useful were the skills or knowledge learned at the activity (were participants able to use the information)?

### I. Achieving APEC's ECOTECH medium term priorities

For reference, APEC's ECOTECH medium term priorities for 2010 to 2015 are:

1. Regional economic integration
2. Addressing the social dimensions of globalisation (inclusive growth)
3. Safeguarding the quality of life through sustainable growth
4. Structural reform
5. Human security

How effective is APEC at delivering its ECOTECH priorities?

Poor	Partially Satisfactory	Satisfactory	Good	Excellent

When thinking about APEC's work on delivering ECOTECH priorities over the last three years:

- a. What are the more effective activities you have observed or taken part in? What made them effective?

- b. What were the less effective activities you have observed or taken part in? Why were they less effective?



II. Cooperation among fora

When thinking about how well SCE sub-fora have cooperated on cross-cutting issues over the last three years:

- a. What were the more effective activities you have observed or taken part in? What made them effective?

- b. What were the less effective activities you have observed or taken part in? Why were they less effective?

Do you feel that there is effective communication between SCE sub-fora on cross-cutting issues? If not, how could communication be improved?

III. ECOTECH Capacity Building

How effective is APEC at capacity building to support ECOTECH priorities?

<b>Poor</b>	<b>Partially Satisfactory</b>	<b>Satisfactory</b>	<b>Good</b>	<b>Excellent</b>

When thinking about ECOTECH capacity building activities undertaken through APEC over the last three years:

- a. What were the more effective activities you have observed or taken part in? What made them effective?

- b. What were the less effective activities you have observed or taken part in? Why were they less effective?

Are there any capacity building activities undertaken by other organisations that APEC could learn from? If so please give some details.

Overall how could APEC improve its delivery of ECOTECH capacity building?

#### IV. SCE's Role

What action could the SCE take to improve the delivery of APEC's ECOTECH priorities?

Considering the ways in which SCE communicates with sub-fora, including but not limited to:

- Requiring fora workplans
- Letters from the Chair
- The SCE-COW meeting
- Progress reports on the implementation of workplans
- The annual fora report

- a. Which of the ways that SCE communicates with sub-fora are more useful in focusing attention on the ECOTECH priorities set out by Leaders and Ministers? What makes them useful?

- b. Which of the ways that SCE communicates with sub-fora are less useful in focusing attention on the ECOTECH priorities set out by Leaders and Ministers? Please explain why.

Overall, how could SCE improve communication with sub-fora?

V. Any other comments or suggestions (you are invited to share any comments and suggestions on issues not included in the questions above)?

**For Reference:****List of SCE Fora**

ATCWG	Agricultural Technology Cooperation Working Group
ACTWG	Anti-Corruption and Transparency Experts Working Group
CTTF	Counter Terrorism Task Force
EWG	Energy Working Group
EPWG	Emergency Preparedness Working Group
EGILAT	Experts Group on Illegal Logging and Associated Trade
HWG	Health Working Group
HRDWG	Human Resources Development Working Group
MTF	Mining Task Force
OFWG	Ocean and Fisheries Working Group
PPSTI	Policy Partnership on Science, technology and Innovation
PPWE	Policy Partnership on Women and the Economy
SMEWG	Small and Medium Enterprises Working Group
TEL WG	Telecommunications and Information Working Group
TWG	Tourism Working Group
TPTWG	Transportation Working Group

**Not strictly a SCE forum but extensively cooperates with SCE:**

HLPDAB	High Level Policy Dialogue on Agricultural Biotechnology
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**Attachment B****Selected International Organisation Capacity Building Programs****Asian Development Bank**

The link below highlights the key points and provides an overview of the ASDB's approach to capacity development:

<http://www.adb.org/themes/capacity-development/overview>

**World Bank**

The World Bank elucidates the four essential stages in any capacity building program cycle.

**Stage 1: Identification and needs assessment**

The development goal is articulated and the constraints to achieving it are identified. Risks that can result from factors outside the program are highlighted (i.e. financing risks).

**Stage 2: Program design**

The change process is devised in detail. The learning outcomes are determined along with the agents of change who will bring about the improvements in capacity factors (sociopolitical, policy-related, and organizational) relevant to the development goal. Activities are designed to deliver the learning outcomes, taking risks and uncertainties into consideration.

**Stage 3: Implementation and monitoring**

The learning outcomes and change in capacity factors aforementioned are periodically and assiduously reviewed, so that any necessary adjustments to the program can be made promptly.

**Stage 4: Completion and assessment**

The degree of achievement of the intended learning outcomes, related changes in targeted capacity indicators, and progress toward the development goal are assessed and presented. The assessment makes use of information from a chain of indicators to draw conclusions about the impact and utility of the capacity development program.

*For more detailed information, look at Part 3 of "[The Capacity Development Results Framework](#)." [Pages 22-42 of the report]*

**Inter-American Development Bank**

The link below highlights some of the Inter-American Development Bank's approach to development effectiveness and capacity building:

<http://www.iadb.org/en/topics/development-effectiveness/knowledge-and-capacity-building,1257.html>

**OECD (the LEED program)**

LEED is an OECD Action Programme designed to develop the local capacities of member countries. Through the following programs and activities, LEED attempts to accomplish its objective:

- Capacity development sessions, reviews, reports and seminars
- Dialogue with and exchange among practitioners
- Sharing policy experience with world regions

Additional details provided in the link below:

[http://www.oecd.org/cfe/leed/projects2013-14.htm#Building\\_Capacity](http://www.oecd.org/cfe/leed/projects2013-14.htm#Building_Capacity)

**United Nations Conference on Trade and Development**

The UNCTAD website reveals minimal information regarding their capacity building programs. The small section describing its capacity building is in the link below:

<http://unctad.org/en/Pages/Statistics/Statistics-Capacity-Building.aspx>

**United Nations Development Program**

A UNDP capacity building primer from 2009 is here:

[http://www.scor-int.org/CB\\_Summit/CDG\\_PrimerReport\\_final\\_web.pdf](http://www.scor-int.org/CB_Summit/CDG_PrimerReport_final_web.pdf)

## ANNEX 4

2013/SOM3/SCE/029

## INDEPENDENT ASSESSMENT OF THE ENERGY WORKING GROUP (EWG)

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EWG	Proposed timeline to implement the recommendation by EWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO EWG</b>				
<p><b>Recommendation to EWG 1.</b> The EWG should continue to develop its Strategic Plan and ensure it covers the scope and activities of all the EWG subfora (including the Expert Groups and Task Forces) and identifies priorities for future work</p>		As per the recommendation.	SCE-COW 2014	Yes
<p><b>Recommendation to EWG 2.</b> The EWG should revise its terms of reference once the Strategic Plan is approved.</p>		As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to EWG 3.</b> The current process of using Expert Groups to review project proposals and concept notes is supported and should continue. This process could be enhanced by:</p> <ul style="list-style-type: none"> <li>a) ensuring that concept notes are explicit in terms of definitions and the coverage of the project, including explicit linkages to overarching statements and directions and the EWG Strategic Plan;</li> <li>b) confirming there is a benefit to APEC as a whole, in addition to national and local benefits;</li> <li>c) confirmation in capacity building projects that there is an acceptance of the need and</li> </ul>		As per the recommendation.	Ongoing.	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EWG	Proposed timeline to implement the recommendation by EWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO EWG</b>				
<p>priority for capacity building from the recipient economies; and</p> <p>d) providing an analysis of linkages with similar projects of other organisations (including international and regional energy forums, international standards development agencies, UN agencies, WTO and EU projects).</p>				
<p><b>Recommendation to EWG 4.</b></p> <p>EWG delegations should ensure there are aware of the APEC project proposal process, including the multi-year funding facility for APEC projects and the project proposal training activities provided by the APEC Secretariat.</p>		As per the recommendation.	Ongoing.	Yes
<p><b>Recommendation to EWG 5.</b></p> <p>The EWG support the APEC Secretariat proposal to the BMC to extend project completion dates to two years after the date of approval.</p>		As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to EWG 6.</b></p> <p>The EWG should seek to have mutual observer/correspondence membership status with other relevant APEC subfora that are working on energy matters, and appoint a representative that can report on developments of interest to the EWG. Also it would be appropriate for the EWG to occasionally schedule their meetings in the margins of the Senior Officials Meetings.</p>	<p><u>APEC Secretariat</u>: would note the existing policy on scheduling of meetings, which provides that to the maximum extent possible fora meetings should be held at the same time and place as major SOM meetings, as long as the host economy is willing.</p>	As per the recommendation.	Ongoing.	Yes



Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EWG	Proposed timeline to implement the recommendation by EWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO EWG</b>				
<p><b>Recommendation to EWG 7.</b> The APEC EWG and relevant APEC subfora should establish joint projects where the subject interfaces between both groups. This will avoid duplication and concentrate expertise on the subject.</p>		As per the recommendation.	Ongoing	Yes
<p><b>Recommendation to EWG 8.</b> The use of the peer assessment tool should be maintained as an efficient method for information exchange and knowledge sharing on energy related topics.</p>		As per the recommendation.	Ongoing.	Yes
<p><b>Recommendation to EWG 9.</b> The use of regional workshops and symposiums to explore energy topics should be maintained as an efficient method for information exchange and knowledge sharing on energy related topics.</p>		As per the recommendation.	Ongoing.	Yes
<p><b>Recommendation to EWG 10.</b> All EWG delegations are encouraged to actively participate in the agenda setting of the EWG and subfora, and in preparing concept notes and project proposals. This is important to ensure a balanced set of policy and technical discussions within the APEC EWG, and meeting the interests of both developed and developing members.</p>		As per the recommendation.	Ongoing.	Yes
<p><b>Recommendation to EWG 11.</b> All EWG delegations are encouraged to support the agenda setting for the Energy Trade and Investment Task Force, especially in terms of</p>		As per the recommendation.	Ongoing.	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EWG	Proposed timeline to implement the recommendation by EWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO EWG</b>				
<p>actions to:</p> <ul style="list-style-type: none"> <li>a) encourage the diversification of energy sources;</li> <li>b) facilitate trade in energy products amongst APEC member economies;</li> <li>c) facilitate investment in developing both traditional and new energy sources; and</li> <li>d) engagement with private sector energy investors and establishing public/private energy partnerships.</li> </ul>				
<p><b>Recommendation to EWG 12.</b></p> <p>APEC member economies should consider options to enhance secretarial and technology support for EWG operations, especially in terms of:</p> <ul style="list-style-type: none"> <li>a) increasing the number of resources, and plan to revolve the Lead Shepherd and Secretariat functions around APEC member economies ;</li> <li>b) improving timely access to meeting information and papers, including enforcement of deadlines for submission of meeting material and making all documents electronically available prior to the meeting to allow for home-based consultations;</li> <li>c) moving to a paperless system for meeting documents;</li> <li>d) improving the consistency and linkages between the APEC, APEC EWG and Expert Group websites to allow for easier understanding and navigation of the information; and</li> </ul>		As per the recommendation.	Ongoing.	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EWG	Proposed timeline to implement the recommendation by EWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO EWG</b>				
e) establish an orientation presentation for new EWG delegates and other interested parties.				
<b>Recommendation to EWG 13.</b> APEC EWG to consider how it might better communicate the details of its projects and the outcomes achieved, especially to external policy, technical, professional and media organisations.		As per the recommendation.	Ongoing.	Yes

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## ANNEX 5

2013/SOM3/SCE/027

**INDEPENDENT ASSESSMENT OF THE  
EXPERTS GROUP ON ILLEGAL LOGGING AND ASSOCIATED TRADE (EGILAT)**

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EGILAT	Proposed timeline to implement the recommendation by SCE or EGILAT	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO SCE</b>				
<p><b>Recommendation to SCE1.</b> Consider the establishment of a new APEC Forestry Working Group</p>		<p>SCE does not support the establishment of a Forestry Working Group at this time but does encourage EGILAT to build stronger linkages with broader APEC forestry initiatives, in particular the Asia-Pacific Network for Sustainable Forest Management and Rehabilitation.</p>	<p>Ongoing</p>	<p>Yes</p>
<p><b>Recommendation to SCE2.</b> Consider reviewing APEC funding criteria to enable illegal logging projects better access to the resources required to support the continued establishment of the group.</p>		<p>SCE considers that the current approach to funding criteria properly reflects overall APEC priorities. EGILAT is encouraged to design projects that will be more highly ranked.</p>		<p>Yes</p>

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EGILAT	Proposed timeline to implement the recommendation by SCE or EGILAT	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO SCE</b>				
<p><b>Recommendation to SCE 3.</b> The Secretariat should enhance/ improve induction training and support for newly instituted APEC fora participants.</p>	<p><u>APEC Secretariat:</u> The background to this recommendation focused primarily on project funding procedures and training for participants in newly formed groups who may not have prior APEC experience. Seminars on project funding are regularly held at major SOM clusters. We note the suggestion regarding newly formed groups and can take that on board.</p>	<p>As per recommendation.</p>	<p>Ongoing.</p>	<p>Yes</p>
<p><b>Recommendation to SCE 4.</b> Consider developing and promoting models of best practice in sourcing appropriate non-APEC funding contributions – consistent with APEC protocols.</p>	<p><u>APEC Secretariat:</u> Given the wide range of activities and practices undertaken in APEC fora it may be difficult to develop a model of best practice, however publishing a clear statement that fora may solicit and use non-APEC funding may be desirable and case studies of fora experience could be collected and shared among fora for information.</p>	<p>As per recommendation.</p>	<p>SCE2 2014</p>	<p>Yes</p>

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EGILAT	Proposed timeline to implement the recommendation by SCE or EGILAT	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO EGILAT</b>				
<b>Recommendation to EGILAT 1.</b> The group should continue to raise its awareness of gender issues; and encourage involvement of women in all EGILAT activities.		As per the recommendation.	Ongoing	Yes
<b>Recommendation to EGILAT 2.</b> Consider and identify the capacity building needs of the developing economy members as a priority.		As per the recommendation.	SCE2 2014	Yes
<b>Recommendation to EGILAT 3.</b> Adopt a procedure whereby a contemporary policy topic is agreed in advance of forthcoming EGILAT meetings to facilitate a focused and active ‘policy dialogue’.		As per the recommendation.	SCE2 2014	Yes
<b>Recommendation to EGILAT 4.</b> Establish an online policy and regulatory knowledge-sharing platform.		EGILAT to consider this recommendation.	SCE2 2014	Yes
<b>Recommendation to EGILAT 5.</b> Enhance and build capacity for strategic discussions of cross-cutting issues relevant to EGILAT.		As per the recommendation.	SCE2 2014	Yes
<b>Recommendation to EGILAT 6.</b> Explore the potential for the APEC Policy Support Unit to assist with data and policy analysis on EGILAT priority issues/ topics.		As per the recommendation.	Ongoing	Yes
<b>Recommendation to EGILAT 7.</b> Recognize the value of continuing to foster good links and trust among EGILAT officials.		As per the recommendation.	Ongoing	Yes
<b>Recommendation to EGILAT 8.</b>		As per the	SCE2 2014	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EGILAT	Proposed timeline to implement the recommendation by SCE or EGILAT	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO EGILAT</b>				
Give consideration to formalizing a member-driven leadership model for EGILAT. This could be through consideration of the establishment of new Deputy Chair role(s) or an Advisory Committee comprised of volunteers from the membership.		recommendation.		
<b>Recommendation to EGILAT 9.</b> Initial priority consideration be given to enhanced engagement and potential collaboration with APEC: Anti-Corruption and Transparency Working Group; Sub-Committee on Customs Procedures; and APEC Business Advisory Council.		As per the recommendation.	SCE2 2014	Yes
<b>Recommendation to EGILAT 10.</b> Adopt an approach to efficiently explore the relevance and potential areas of cooperation with priority APEC fora.		As per the recommendation.	SCE2 2014	Yes
<b>Recommendation to EGILAT 11.</b> Utilize the proposed Private Sector Dialogue to seek to identify with the private sector those areas of greatest need and shared priority with EGILAT.		As per the recommendation.	SCE2 2014	Yes
<b>Recommendation to EGILAT 12.</b> Adopt an approach to efficiently explore the relevance and potential areas of cooperation with priority non-APEC organizations.		As per the recommendation.	SCE2 2014	Yes



## ANNEX 6

2013/SOM3/SCE/031

## INDEPENDENT ASSESSMENT OF THE COUNTER-TERRORISM TASK FORCE (CTTF)

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or CTTF	Proposed timeline to implement the recommendation by SCE or CTTF	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO SCE</b>				
<p><b>Recommendation to SCE1.</b> The SCE, in developing its work plan template for 2014, to consider issuing more detailed guidance on the format and contents of sub-fora work plans.</p>		As per the recommendation.	SCE-COW 2014	Yes
<p><b>Recommendation to SCE2.</b> The SCE to consider the practicality of synthesizing existing reports to develop and maintain a consolidated source of experience-based management practices in APEC's Project Database.</p>	<p><u>APEC Secretariat</u>: The Project Management Unit is currently examining options to improve information management using the Project Database that may assist in partially meeting this recommendation. Full implementation of this recommendation will likely have resource implications for the Secretariat.</p>	As per the recommendation.	Ongoing.	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or CTTF	Proposed timeline to implement the recommendation by SCE or CTTF	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO CTTF</b>				
<p><b>Recommendation to CTTF 1.</b> The CTTF Chair, in seeking to achieve Working Group status, to consider ensuring that there is consistency in nomenclature and wording, particularly for the mission statements, between the Terms of Reference and the Strategic Plan 2013-2017.</p>		As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to CTTF 2.</b> The CTTF to consider compiling a preliminary list of priority issues in each year's Annual Work Plan that could be addressed during or as an add-on to CTTF meetings in the form of policy dialogues, special presentations by recognized experts in their field or at STAR Conferences.</p>		As per the recommendation.	SCE 2 2014	Yes
<p><b>Recommendation to CTTF 3.</b> The CTTF to consider developing a standardized approach to inviting outside experts to its meetings and other events, and exchanging information with external organizations.</p>		As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to CTTF 4.</b> The CTTF Program Director, in collaboration with the Secretariat's Communications &amp; Public Affairs Unit, to consider developing a strategy for enabling convenient access to all CTTF reference documents including publications by member economies and other interested parties.</p>		As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to CTTF 5.</b> The CTTF to continue refining the usefulness of</p>		As per the recommendation.	Ongoing.	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or CTTF	Proposed timeline to implement the recommendation by SCE or CTTF	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO CTTF</b>				
the CTAP Summary Report as a capacity-building tool for member economies.				
<b>Recommendation to CTTF 6.</b> The CTTF to consider reaching out to ABAC in connection with planning for the next STAR Conference.		As per the recommendation.	SCE2 2014	Yes
<b>Recommendation to CTTF 7.</b> The CTTF Chair to consider producing an informal 'Lessons Learned' paper at the end of his term for use by his successor as he/she sees fit.		As per the recommendation.	SCE2 2014	Yes
<b>Recommendation to CTTF 8.</b> The CTTF to consider formalizing its ongoing commitment to improving the efficiency of CTTF work processes practices by identifying it as a standing item in its Annual Work Plans.		As per the recommendation.	Ongoing.	Yes

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## ANNEX 7

### INDEPENDENT ASSESSMENT OF THE TRANSPORTATION WORKING GROUP (TPTWG)

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or TPTWG	Proposed timeline to implement the recommendation by SCE or TPTWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO SCE</b>				
<p><b>Recommendation to SCE1.</b></p> <p>To consider exhorting economies to carefully chose their delegations to have a successful participation in TPT-WG and APEC as a global forum. The objective would be to ensure that attendees are well informed and empowered to the best extent possible to commit work activities and projects.</p>		As per the recommendation.	Ongoing	Yes
<p><b>Recommendation to SCE2.</b></p> <p>Consider including in the ranking process of project selection some criteria related to the specific WG priorities and impact of the project, including how the project impacts other APEC fora priorities.</p>		SCE reviews the project funding criteria each year to reflect APEC's overall priorities; fora are encouraged to develop proposals that align with those priorities.	Ongoing	Yes
<p><b>Recommendation to SCE3.</b></p> <p>APEC should consider funding the participation of economies personnel who are elected to official positions within fora (e.g., Experts Group and Sub-Group Chairs, Deputy or Vice Chairs, Lead Shepherd, etc.) as a means of encouraging developing economies to seek these positions. This should extend beyond the APEC travel eligible economies, however, as it would also encourage broader participation by all economies.</p>	<p><u>APEC Secretariat</u>: This proposal has significant funding implications and could not be accommodated within the Secretariat's current budget.</p>	Not at this time.	NA	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or TPTWG	Proposed timeline to implement the recommendation by SCE or TPTWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO SCE</b>				
<p><b>Recommendation to SCE4.</b> SCE should consider a protocol to make communication more efficient with TPT-WG including the possibility of attending the TPT-WG meetings or at least giving feedback on TPT-WG documents before its meetings. A protocol should be established with TPT-WG to facilitate this dialogue.</p>		SCE supports improved communication with fora and would welcome any specific proposals from TPTWG on how communication could be improved.	Ongoing	Yes
<p><b>Recommendation to SCE5.</b> Review protocols to provide travel funds for elected working group officials to attend other fora meetings.</p>	<p><u>APEC Secretariat</u>: This proposal has significant funding implications and could not be accommodated within the Secretariat's current budget.</p>	Not at this time.	NA	Yes
<p><b>Recommendation to APEC Secretariat 1.</b> Consider the possibility of allowing project funds to be used for project management activities. The project manager will be responsible for ensuring the implementation of the project and to work closely with the TPT-WG officer, the latter could also alleviate the APEC Secretariat workload.</p>	<p><u>APEC Secretariat</u>: Strictly speaking the assessor is not supposed to make recommendations to the Secretariat but rather to SCE (and was supposed to limit herself to five such recommendations). Project administration falls under the BMC's responsibility, however allowing limited project funds to be spent on project management does not seem appropriate at present.</p>	Not at this time.	NA	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or TPTWG	Proposed timeline to implement the recommendation by SCE or TPTWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO TPTWG</b>				
<p><b>Recommendation to TPTWG 1.</b> The TPT-WG priorities are taken into consideration at the highest levels in APEC. The inclusive methodology and timing to present the economies priorities fostered by the TPT-MG should be maintained to ensure this outcome. TPT-WG could consider detailing this methodology so this result is permanent.</p>		As per the recommendation.	Ongoing	Yes
<p><b>Recommendation to TPTWG 2.</b> Considering TPT-WG has a working web site and to facilitate a better understanding of the TPT-WG procedures as well as APEC mechanisms, it is recommended to prepare a presentation of the working group including the pertinent links to the experts groups and sub-groups' ToR as well as the APEC guidelines.</p>		TPTWG to consider and action, if feasible.	SCE 2 2014	Yes
<p><b>Recommendation to TPTWG 3.</b> Make it standard protocol to have each Member Economy to provide a brief overview of their expectations and purposes of participation as part of their inputs to a draft agenda for an upcoming meeting.</p>	<p><u>APEC Secretariat</u>: the TPTWG Lead Shepherd provided the following comment: "It is a regular practice to consult all Heads of Delegation and expert group chairs on the management, HODs and plenary agendas. It is not practical to <u>require</u> each economy to contribute to this exercise."</p>	TPTWG to consider and action, if feasible.	Ongoing	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or TPTWG	Proposed timeline to implement the recommendation by SCE or TPTWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO TPTWG</b>				
<p><b>Recommendation to TPTWG 4.</b> To consider developing a protocol to solicit those economies who haven't been active in terms of project supporting, their feedback on the alignment of the actual projects to their specific priorities. This should include an exercise of evaluating the obstacles they may have encounter to support or present projects to consider mechanisms to solve them.</p>		As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to TPTWG 5.</b> Prepare a presentation that explains the projects process including links to the pertinent documents.</p>	<p><u>APEC Secretariat</u>: This recommendation should be implemented in consultation with the Program Director and Project Management Unit who have appropriate resources readily available.</p>	As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to TPTWG 6.</b> Revise protocols to permit projects to have a full year for execution from the time of contract issuance to avoid the difficulty to adhere to the timeframe projects implementation due to various unexpected factors.</p>	<p><u>APEC Secretariat</u>: The TPTWG is unable to implement this recommendation as it falls within the BMC's responsibility. BMC regularly reviews project protocols in order to make them more effective.</p>	Not at this time.	NA	Yes
<p><b>Recommendation to TPTWG 7.</b> Support the APEC Secretariat proposal to the BMC to extend project completion dates to two years after the date of approval.</p>		As per the recommendation.	Ongoing	Yes
<p><b>Recommendation to TPTWG 8.</b> Identify best practices on joint project proposals to be strengthened and shared with other APEC fora.</p>		TPTWG to consider and action, if feasible.	SCE2 2014	Yes



Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or TPTWG	Proposed timeline to implement the recommendation by SCE or TPTWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO TPTWG</b>				
<p><b>Recommendation to TPTWG 9.</b> TPT-WG could consider reviewing its Management Guide to contemplate the possibility of distributing responsibilities amongst more office holders to incentivize economies to access to these positions.</p>		As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to TPTWG 10.</b> To increase member economies participation workshop schedules should coincide with Ministerial Meetings.</p>		TPTWG to consider and action, if feasible.	Ongoing	Yes
<p><b>Recommendation to TPTWG 11.</b> To incentivize participation, member economies should be involved since the preparation of the agenda, especially Expert Groups agendas, to ensure that their needs and topics of interest are covered. To achieve so, more time should be given to this preparation to include Member Economies feedback.</p>	<p><u>APEC Secretariat</u>: the TPTWG Lead Shepherd provided the following comment: It is a regular practice to consult all Heads of Delegation and expert group chairs on the management, HODs and plenary agendas. Expert Group chairs consult with their membership on their agendas, and there is always the opportunity to add issues or raise other business at the meetings.</p>	TPTWG to consider and action, if feasible.	Ongoing	Yes
<p><b>Recommendation to TPTWG 12.</b> Currently there are document submission deadlines that do not appear to be followed by Member Economies. The timings should be respected as, if documents are circulated with sufficient time prior to meetings, economies might be incentivized to better prepare their participation, which could contribute to higher quality meetings.</p>		As per the recommendation.	Ongoing	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or TPTWG	Proposed timeline to implement the recommendation by SCE or TPTWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO TPTWG</b>				
<p><b>Recommendation to TPTWG 13.</b> In order to assist office holders in better preparation of their meetings, a mechanism should be agreed so information of expected attendance is properly disseminated to the working group officers preferably in advance of document reproduction deadlines, but after registration deadlines.</p>	<p><u>APEC Secretariat</u>: the TPTWG Lead Shepherd provided the following comment: The intent of this recommendation is not clear. If the idea is that Expert Group chairs should be in touch with their members intersessionally, it should be noted that this is often the case.</p>	TPTWG to consider and action, if feasible.	Ongoing	Yes
<p><b>Recommendation to TPTWG 14.</b> Host governments should solicit work group chairs for desired meeting space conditions prior to sessions.</p>	<p><u>APEC Secretariat</u>: the Program Director is expected to facilitate meeting room requirements with host economies to ensure fora requirements are met. The TPTWG Lead Shepherd provided the following comment: We are not aware of any concerns in this regard. Ample space for each Expert and Sub Group is provided as a matter of course.</p>	Not at this time.	NA	Yes
<p><b>Recommendation to TPTWG 15.</b> Review existing protocols to ensure that website information is up to date to be an effective work tool for Member Economies and TPT groups.</p>		As per the recommendation.	SCE2 2014	Yes
<p><b>Recommendation to TPTWG 16.</b> Review protocols to focus economy reports. Economy priorities should be given special consideration.</p>		As per the recommendation.	Ongoing	Yes

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or TPTWG	Proposed timeline to implement the recommendation by SCE or TPTWG	Agreement on the suggested action (Yes/No)
<b>RECOMMENDATIONS TO TPTWG</b>				
<p><b>Recommendation to TPTWG 17.</b> Review protocols on how to involve ABAC in TPT-WG activities. Participation in meetings does not seem to be sufficient. A more strategic relationship should be created so that the knowledge and experience that the private sector has in transportation issues could be effectively shared to government officials and vice versa.</p>	<p><u>APEC Secretariat</u>: the TPTWG Lead Shepherd provided the following comment: ABAC is invited to participate in TPTWG meetings as a matter of course and participates as availabilities and scheduling allow.</p>	<p>TPTWG to consider and action, if feasible.</p>	<p>Ongoing</p>	<p>Yes</p>
<p><b>Recommendation to TPTWG 18.</b> TPTWG could consider co-sponsoring the CTTF's Secure Trade in the APEC Region (STAR) Conference or developing its own, similar, contact group in which TPT-WG issues are specifically discussed with a wide range of private sector entities.</p>		<p>As per the recommendation.</p>	<p>SCE2 2014</p>	<p>Yes</p>

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## ANNEX 8

2012/ISOM/004

### FUNDING CRITERIA FOR ALL APEC-FUNDED PROJECTS IN 2013

In assessing APEC-funded projects in 2013, priority should be given – pursuant to instructions from Leaders and Ministers – to funding capacity-building activities, with special emphasis on developing economies, in accordance with the following rankings. These criteria will be used for ranking all of APEC’s funded projects.

**Rank 1: Projects that demonstrate a direct link to promoting regional economic integration via free and open trade and investment**

This includes projects related to:

- Strengthening the Multilateral Trading System
- Promoting SMEs Development, including improving access to global market.
- Enhancing Supply Chain Connectivity, including through Infrastructure Development and Logistics Cooperation
- Activities under the APEC Environmental Goods and Services Programme Framework
- Next Generation Trade and Investment Issues
- Investment
- Services
- Standards, conformity assessment, technical regulations and regulatory cooperation
- Trade and Travel Facilitation
- Ease of doing business
- Information technology and digital economy
- Implementation of the APEC New Strategy for Structural Reform (ANSSR)

**Rank 2: Projects that directly support the APEC Leaders' Growth Strategy**

This includes project closely related to:

Balanced Growth

- Strengthening financial markets (including financial regulatory systems and capital market development), financial inclusion and ensuring long-term fiscal sustainability

Inclusive Growth

- Human resources development
- Women and the economy

Sustainable Growth:

- Promotion of Energy efficiency and Low Carbon technology, and Development of Renewable energy and alternative energy sources.
- Sustainable development of oceans and marine resources and their crucial role in climate change and food security
- Conservation, sustainable management, and rehabilitation of forest resources, combating illegal logging and associated trade

Secure Growth

<ul style="list-style-type: none"> <li>○ Implementation of the Niigata APEC Action Plan on Food Security, including Food Safety</li> <li>○ Strengthening health system and prevention and control of infectious and non-communicable diseases</li> <li>○ Emergency preparedness and disaster management</li> <li>○ Counter terrorism initiatives/anti-money laundering activities</li> <li>○ Fighting corruption and improving governance and transparency</li> </ul> <p>Innovative Growth</p> <ul style="list-style-type: none"> <li>○ Education</li> <li>○ Promoting innovation policy and research cooperation, including for green jobs and industries</li> </ul>
<p><b>Rank 3:</b> Projects that are <b>linked to other priorities</b> identified by Leaders and Ministers but are less closely linked to regional economic integration via free and open trade and investment</p>
<p>For example:</p> <ul style="list-style-type: none"> <li>○ Activities which contribute to balanced, inclusive, sustainable, innovative and secure growth in the long term such as Youth Issues and Tourism.</li> </ul>

## NOTES

**Cross-cutting issues:** All projects should maximise: regional economic integration; developing human capital; building linkage between APEC economies; gender equality; engagement of other APEC fora, ABAC, the private sector and other multilateral organisations; multi-year capacity building opportunities; and the spectrum of capacity building models and activities, although the extent to which projects incorporate these methodologies will not affect their priority rankings.

**Prioritisation within a rank:** In the event that there are more project proposals than available funding for initiatives within a particular rank, projects will be prioritized in accordance to the degree to which they contribute to its rank's objective (and therefore to the APEC's overall objective of the furtherance of the goal of economic integration via free and open trade and investment).

## ANNEX 9

### ABBREVIATIONS AND ACRONYMS

ABAC	APEC Business Advisory Council
ACTWG	Anti-Corruption and Transparency Working Group
AMM	APEC Ministerial Meeting
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
ASF	APEC Support Fund
ATCWG	Agricultural Technical Cooperation Working Group
BCP	business continuity plans
BMC	Budget Management Committee
BMG	Business Mobility Group (a sub-fora of CTI)
CEEDS	Cooperative Energy Efficiency Design for Sustainability
COW	Committee of the Whole
CSOM	Concluding Senior Officials' Meeting
CTI	Committee on Trade and Investment
CTTF	Counter-Terrorism Task Force
EC	Economic Committee
ECOTECH	Economic and Technical Cooperation
EPWG	Emergency Preparedness Working Group
ESI	Energy Security Initiative
EWG	Energy Working Group
FMP	Finance Ministers Process
FOTC	Friends of the Chair
HLPDAB	High Level Policy Dialogue on Agricultural Biotechnology
HWG	Health Working Group
ICT	Information and Communications Technology
IPD	Innovation Policy Dialogues
ISTWG	Industrial Science and Technology Working Group
ITD	Innovation Technology Dialogues
LCMT	Low Carbon Model Town
LEDS	Low Emission Development Strategies
MOU	Memorandum of Understanding
MRA	Mutual Recognition Arrangement
MRA-CA	MRA for Conformity Assessment
MRM	Ministers Responsible for Mining
MTF	Mining Task Force
NGO	Non-Governmental Organizations
OA	Operational Account
OECD	Organization for Economic Cooperation and Development
OFWG	Ocean and Fisheries Working Group
PMU	Project Management Unit ( <i>under APEC Secretariat</i> )
PPFS	Policy Partnership on Food Security

PPSTI	Policy Partnership on Science, Technology and Innovation
PPWE	Policy Partnership on Women and the Economy
QAF	Quality Assessment Framework
REI	regional economic integration
SCCP	Sub-Committee on Customs Procedures (a sub-fora of CTI)
SCE	Steering Committee on Economic and Technical Cooperation
SMEWG	Small and Medium Enterprises Working Group
SOM	Senior Officials' Meeting
TATF	Technical Assistance and Training Facility
TELWG	Telecommunications and Information Working Group
TILF	Trade and Investment Liberalisation Fund
ToR	Terms of Reference
TPTWG	Transportation Working Group
TWG	Tourism Working Group





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