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**2004 Report Of The Executive Director Of The APEC
Secretariat To The Sixteenth APEC Ministerial Meeting**

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16th APEC Ministerial Meeting
Santiago, Chile
17-18 November 2004

Executive Summary

The *Report of the Executive Director of the APEC Secretariat to the 16th APEC Ministerial Meeting* represents the Executive Director's annual performance accountability statement to Ministers. This has been a commitment and practice since 1999.

From the conclusion of the 15th APEC Ministerial Meeting and the 11th APEC Economic Leaders' Meeting in October 2003 in Bangkok, Thailand, the APEC Secretariat has continued to provide advisory and logistical support services to the APEC process. This service has been provided in accordance with its mandate as approved by Ministers and the *2004 Operational Plan* as endorsed by Senior Officials during SOM I. The Report outlines specific service targets and outputs for 2004 covering the following headings:

1. Logistic and advisory support to APEC Fora;
2. Support to the SOM Chair;
3. Management of the APEC Operational and TILF accounts
4. Communications and Public Affairs/Information Services; and
5. APEC Project Evaluation

In general the report shows that the Secretariat has exceeded in many ways the scope of the job originally assigned. Overall, the APEC fora are now better served by the professional and efficient support delivered by the seconded and permanent staff, an improved communications system and a wide reaching media liaison support.

The Report concludes that the APEC Secretariat has functioned well and with fiscal efficiency. Nevertheless, in the spirit of contributing to the APEC Reform the whole operation of the APEC Secretariat has been under self-scrutiny to consider areas in which it may be advisable to introduce some changes. These observations have been presented throughout the year both orally and in writing.

Recommendations

1. It is recommended that **AMM** endorse the *Report of the Executive Director of the APEC Secretariat to the 16th APEC Ministerial Meeting*.

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2004 Report of the Executive Director of the APEC Secretariat to the Fifteenth APEC Ministerial Meeting

**Santiago, Chile
17-18 November 2004**

EXECUTIVE DIRECTOR'S OVERVIEW

With the approval of the Informal SOM of December 2003, and in the spirit of assisting with streamlining the SOM process, beginning in 2004 the APEC Secretariat has modified its reporting commitments. Following the submission and approval of the 2004 APEC Secretariat Operational Plan during SOM I, the Secretariat brought to the attention of SOM II and SOM III only those issues that required a decision or guidance. As agreed, this Concluding SOM is the opportunity whereby the Executive Director shall provide performance accountability to Senior Officials and to Ministers.

From the conclusion of the 15th APEC Ministerial Meeting (AMM) and the 12th APEC Economic Leaders Meeting (AELM) in October 2003 in Bangkok, Thailand, the APEC Secretariat has continued to provide advisory and logistical support services to the APEC process. This service has been provided in accordance with its mandate as approved by Ministers and the *2004 Operational Plan* as endorsed by Senior Officials. The 2004 Operational Plan appears as **Annex A**.

In accordance with the *2004 Operational Plan*, the specific service targets and outputs have been served throughout 2004 as follows:

- Permanent support and assistance has been provided for the implementation of the Individual Action Plan (IAP) Peer Review process. Lessons learnt from previous reviews have been incorporated to strengthen the process. As a consequence a revised IAP Peer Review guideline has been adopted allowing for more efficient Peer Review Sessions. Furthermore, we have now concluded 14 IAP Peer Reviews and are set to complete Peer Reviews for all member economies by SOM I, 2005, in time for the 2005 Mid-Term Review, as instructed by Ministers.
- Continuous implementation of the *2001 APEC Communications and Outreach Strategy* has resulted in an extended range of communications services and support provided to fora and economies to help publicise the activities and achievements of APEC and to strengthen overall coordination of effort. APEC's overall media profile has been boosted substantially during 2004 and surveying of media groups during the year has revealed a noticeable increase in both the quality and extent of reporting on APEC activities.
- Revision of existing APEC operational and project guidelines to supplement with additional policies and guidelines in the areas of communications, sponsorship and intellectual property rights. In this connection, a set of *APEC Sponsorship Guidelines* have been agreed, publication policy guidelines have been updated and a set of *APEC Intellectual Property Guidelines* are being developed.

- While providing advice on project proposals at various levels of development and managing the process of approval of urgent project proposals, commenced a review of the *Guidebook on APEC Projects* that will incorporate the outcomes of a joint ESC – BMC initiative to improve evaluation through the adoption of a Quality Assessment Framework and a review of reimbursement procedures conducted by external consultants.
- Ensured a high level of service and included two new quality objectives to its ISO 9001: 2000 Quality Management Certification. Over the course of 2004 the Secretariat successfully underwent a total of four ISO Audits (two internal and two external). Still, in an ongoing process of improvement, the Secretariat continued to review its Operational Manual to ensure that its policies, procedures and guidelines remain relevant.

As an organisation staffed mainly by secondees from member economies, the APEC Secretariat has functioned well and with fiscal efficiency. Nevertheless, the Secretariat needs to continually adapt to the APEC process that it serves. Furthermore, as APEC's stature as a cooperative process grows, it is increasingly being asked to participate in activities of other regional and international organisations. At the same time, the role of the Secretariat is shifting and with it a demand for more specific qualifications from its staff is becoming necessary. Therefore, it is reasonable to consider that discussions on APEC reform should include the APEC Secretariat to adapt it as necessary to the new circumstances in which the Secretariat operates.

It has been an honour to serve as the head of an organisation that exists to serve APEC's member economies in the best possible way, providing low profile but essential services to ensure the effectiveness and smooth running of the APEC process.



Mario Artaza
Ambassador and Executive Director
APEC Secretariat

SECTION A – SECRETARIAT OUTPUTS

Output I: Logistical and Advisory Support to APEC Fora

- Provided logistical and advisory support to over 100 meetings/activities of APEC fora including ministerial meetings for Science and Technology, Education, Trade, Mining, Finance, Energy, Small and Medium Enterprise, Tourism, Transport and the APEC Joint Ministerial Meeting.
- Provided coordination and support for the strengthened IAP Peer Review Process conducted during 2004 for Chile, China, United States, Perú, Singapore and Chinese Taipei. Further measures were implemented to allow the 2005 process to proceed according to schedule.
- Assisted the setting up of several new APEC fora including the Non Ferrous Metals' Dialogue, the Health Task Force, the Expanded Dialogue on Trade Facilitation and the Anti-Corruption Experts' Task Force. Provided coordination and logistic support in preparation of the Steering Group Meeting that launched the fourth APEC Industrial Dialogue on non-ferrous metal.
- Coordinated the process of developing an electronic management tool for SOM (temporarily called "*the SOM Tasking Database*") requested by Senior Officials at I SOM 2004, including its design, preparation of the request for proposals, selection of vendor and managing the consultation process with economies.

Highlights of the support provided to APEC fora include:

- The APEC Secretariat Less Paper Meeting System. Developed in APEC 2003 has been continuously updated and has supported a total of 6 meetings including BMC, IST and CTTF, over the last year. Changes were made to reduce the turnaround time in uploading of meeting materials, which has greatly enhanced the usability of the system. The system could contribute to APEC 2005, if requested.
- Provided support to APEC fora in accordance with the agreed division of responsibilities between APEC fora and the APEC Secretariat, to ensure a more standard expectation of the level of support that the Secretariat is capable of providing to fora;
- Continued to revise and tune the APEC fora annual reports on the standard reporting template introduced last year in order to continue to simplify the fora reporting burden and duplication;
- Coordinated the ABAC 2003 Recommendations and APEC Actions Matrix as seen in **Annex N**;
- Drafted the 2004 Committee on Trade and Investment (CTI), Economic Committee (EC) and SOM Committee on ECOTECH (ESC) reports to Ministers.

The APEC Secretariat also had the honour of welcoming the visit of the President of Chile, H.E. Ricardo Lagos. During a ceremony held in his honour, President Lagos outlined plans for APEC 2004 and the growing links between Chile and Asia. The Secretariat had earlier hosted H.E. Vice President Arturo Vallarino of Panama as well as several personalities and groups as part of its ongoing interaction with officials from member economies, as well as its outreach programme. More detail is given in Section C, Service IV.

Output II: Support for SOM Chair

- Provided advice and support to the APEC 2004 SOM Chair on the preparation and hosting of Senior Officials, Ministerial and Leaders Meetings.
- Prepared the draft *APEC 2003 Tasking Statement*.
- Prepared the draft annotated agenda, draft expanded annotated agenda, draft Chair's Summary Conclusions and other substantive documents for the above-mentioned meetings.
- Provided guidance and on-site operational support for management of documentation operations for SOM, Ministers Responsible for Trade and other Ministerial Meetings.
- Processed non-member participation requests/proposals. A detailed record on participation issues is attached as **Annex B**.
- Lent considerable communications expertise and support throughout the year to the host economy, to assist in multiplying both domestic and international profile-building efforts for the 2004 APEC programme of events.

Output III: Management of the APEC Operational and TILF Accounts

The APEC Secretariat has provided ongoing support and advice to Project Overseers, including organising tendering, negotiating contracts and reimbursement for APEC funded projects in accordance with the *5th Edition of the Guidebook on APEC Projects* and the ISO 9001: 2000 Quality Management System. The Secretariat has commenced a review of the *Guidebook on APEC Projects*. The review will incorporate into the *Guidebook* the outcomes of a joint ESC – BMC initiative to improve evaluation through the adoption of a Quality Assessment Framework and a review of reimbursement procedures conducted by external consultants.

The Secretariat managed preparations for the Budget and Management Committee (BMC) meetings in March and August 2004 and provided advice on project proposals seeking reprogramming, additional funding and new funding.

Inter-sessionally, the Secretariat managed the process of approval of urgent project proposals, acting as an intermediary between project proponents and BMC members, and also between the SOM Chair and the BMC.

The Statement of Accounts for the Operational and TILF Accounts is included under Service II below.

Output IV: Communications and Public Affairs / Information Services

The Secretariat continues to extend the range of communications services and support provided to fora and economies to help publicise the activities and achievements of APEC and to strengthen overall coordination of effort.

Strategic advice from the Secretariat is now routinely sought by fora in the planning and execution of communications related projects as well as in the development of promotional and editorial material. The Secretariat has also lent considerable communications expertise and support throughout the year to the host economy Chile, to

assist in multiplying both domestic and international profile-building efforts for the 2004 APEC programme of events.

Media Relations

During the year the Secretariat provided on-the-ground media liaison support for all Senior Officials Meetings and major Ministerial Meetings including the Trade, Science and Technology, Tourism, SMEs and Mining Ministerial Meetings as well as the Secure Trade in the APEC Region (STAR II) Conference, CSOM and forthcoming, AMM and AELM. Assistance with managing media and publicity requirements is now being regularly extended by the Secretariat to all APEC fora and economies for major meetings, events and projects to help generate news opportunities.

APEC's overall media profile has been boosted substantially during 2004 through increased Secretariat output of information and material targeted directly at both general and specialist media outlets and surveying of media groups during the year has revealed a noticeable increase in both the quality and extent of reporting on APEC activities.

APEC Website and Online Services

The APEC website remains a key delivery mechanism for information about the APEC process to stakeholders and the public. Building on the successful development of the new site last year, a number of new services were added in 2004 as well as new content areas reflecting APEC's evolving agenda.

In late 2003, the APEC Secretariat acquired the URL - www.apec.org. This new URL provides APEC with a more intuitive address for its primary website, enabling both users and search engines to easily find the new site. APEC Secretariat e-mail addresses were brought into line with the new URL in early 2004.

The APEC e-newsletter was launched in December 2003 via e-mail delivery to a subscription database of businesses, academics, government officials and interested members of the public. Each issue provides analysis of APEC's activities and the tangible benefits accruing from discussion and decisions reached in the forum. Since the initial issue, two further issues have been distributed; in March and August 2004. A fourth issue is planned for December 2004.

In support of increased media activity throughout the year, the APEC website has played host to a number of webcasts throughout 2004. This includes a live webcast of President of Chile, H.E. Ricardo Lagos' address at the APEC Secretariat in May 2004, and recorded webcasts of opening addresses and press conferences of a number of key APEC meetings throughout the year.

As a trial, electronic bulletin board functionality was added to the APEC website in September 2004 to provide a web-based mechanism for information sharing and dialogue among members. Designed to allow private, member-driven communication within a virtual group, APEC Bulletin Boards (BBS) are intended to support intersessional communication by interested APEC fora. From September 2004 until January 2005, the Government Procurement Experts' Group and an informal group on Business Outreach will each trial an APEC BBS. After assessing technical and management issues associated with the trial, BBS could be offered to other interested fora in early 2005.

An FTAs/RTAs Matrix has also been created for access via the FTA/RTA page on the APEC website <http://apps.apec.org/apec/fta.html> .

Summary statistics for the website are attached as **Annex C**.

Outreach

Outreach requirements continue to expand and the APEC Secretariat has been increasingly active in working with fora in designing communications and outreach tactics and strategies as well as identifying and responding to generic promotional opportunities for APEC.

Trips with an outreach focus were made by the Executive Director (ED) to New Zealand, Chinese Taipei and Peru. These involved a range of activities engaging with key groups from the business sector, media, the academic community and government agencies to promote the work of APEC and encouraging greater involvement and input into the APEC process. The visit to Peru also served to support Peru's early efforts in publicising its role as APEC host economy for 2008.

The Deputy Executive Director and Professional Staff Members at the Secretariat also supported outreach efforts by speaking at numerous international meetings and events throughout the year and delivering presentations to government, business and student groups visiting the Secretariat.

A list of outreach activities undertaken by the ED, DED or by Professional Staff Members during the year appears as **Annex D**.

Responding to the need to engage more effectively with the business community and to better communicate APEC's relevance and the value of the process to business, a Business Outreach Strategy was also prepared this year and several activities were implemented. These include -

- **Business Editorial Program:** Several editorial pieces were prepared for placement in regional business and in-flight magazines, providing practical examples to support and illustrate that APEC is relevant and produces outcomes that are important for business.
- **Business Outreach Bulletin Board:** An electronic bulletin board was developed for the APEC website to facilitate communication on business outreach issues between the Secretariat, economies, fora and ABAC.
- **Database of Business Associations:** A database of business associations and business media throughout APEC has been developed to support the periodic delivery of business-relevant information.

Communications Policy and Best Practice

To support the adoption of best practice across various areas of APEC communications activity, the Secretariat is developing a set of APEC Intellectual Property Guidelines for SOM approval and is also working with the Health Task Force on the development and testing of a set of Health Crisis Communications Response Guidelines.

Production of General Information Resources on APEC

The Secretariat produced and distributed a wide range of publications during 2004 as part of its publishing programme including promotional brochures and a variety of reports, studies and other annual publications on behalf APEC fora.

The Secretariat has recently trailed a joint publishing arrangement with leading academic and professional publisher World Scientific Publishing, which is headquartered in Singapore. The arrangement offers the potential for APEC to improve the editorial quality as well as audience reach of its publications through access to the company's professional editorial capabilities as well as its extensive distribution and marketing channels.

A review of all publications produced under the APEC banner has also been initiated to identify opportunities for greater quality control and cost effectiveness.

The lists of publications produced and supported by the Secretariat; and sales revenue received during 2004 appears as **Annexes E and F**.

Output V: APEC Project Monitoring and Evaluation

- The Secretariat assisted the BMC to monitor ongoing APEC projects and to evaluate completed APEC projects.
- The Secretariat is assisting the ESC and the BMC to refine a project evaluation framework. It is expected that when completed this project evaluation framework will be integrated into the revised *Guidebook on APEC Projects* and be ready for implementation for the 2005 project cycle/budget year.

SECTION B: SPECIFIC OUTPUT TARGETS FOR 2004

- A. To support and provide assistance for the implementation of the strengthened IAP Peer Review Process. In 2004 there were IAP Peer Reviews for six (6) economies: Chile, China, Peru, Singapore, Chinese Taipei and United States. The APEC Secretariat facilitated the preparation for the IAP Peer Reviews by applying the Guideline; assigned PSMs as members of the review teams and, arranged the Peer Review Sessions. The APEC Secretariat has also taken measures to ensure the Peer Review Process for seven member economies whose sessions are to be held at SOM I, 2005, by appointing and contacting the Experts approved by SOM and designating PSMs to serve as members of the review teams. The APEC Secretariat also submitted the revised IAP Peer review guideline, which aims to make the Peer Review Session more efficient. The new format of IAP Peer Review Session was applied during the Sessions held at SOM II, 2004.
- B. To continue assisting SOM in its efforts to undertake a broad APEC Reform. The Secretariat introduced changes in the timeline of its reporting to SOM to assist in streamlining the SOM Meetings process. It also contributed papers with suggestions to I SOM and SOM III, as well as to the BMC.
- C. To implement and introduce further improvements to the APEC Communications and Outreach Program for 2004 with emphasis on the following areas:
- Communications planning and support services to host economy;
 - Engagement with fora on development of fora-specific communications plans and tactics to improve outreach to key audiences;
 - Develop and implement business outreach strategy and strengthen networks with business community;
 - APEC Health Crisis Communications guidelines;
 - Media relations and information program;
 - Further extend APEC Internet presence through expansion of web-based information and communications services;
 - Extend range of generic communications resources and tools.
- Communications services and support to both fora and economies have expanded considerably and all of the areas highlighted above have been addressed this year, as outlined in the main body of this report.
- D. To continue implementation of processes certified under the ISO 9001: 2000 Quality Management Certification and ensure that the ISO quality of service mentality takes a firm hold in the Secretariat.
- The ISO Committee has included two new quality objectives with effect from September 2004: BMC pre-meeting project papers to be uploaded to website 10 days before the meeting and Substantive (papers requiring decisions) Secretariat papers for SOM/BMC to be submitted at least 10 days before the meeting.
 - Over the course of 2004 the Secretariat underwent a total of four ISO Audits; two were conducted by the Internal Audit Team consisting of Secretariat volunteers trained in the process, and two external audits which were conducted by Lloyds.
 - In an ongoing process, the Secretariat continues to review its Operational Manual to ensure that its policies, procedures and guidelines remain relevant.

- E. Keep under review the strategy developed in 2001 to address the potential financial problems relating to the forecasted expenditure for year 2004, without increasing members' contributions. To consider means to expand the financing of project proposals, bearing in mind the current number and amount of contributions to the TILF Special Account; to seek Members' views and report on progress.
The APEC Secretariat has continued to keep updated the forecast of expenditure for the Administrative and Operational Accounts and echoed calls for additional contributors to the TILF Special Account. The BMC has agreed that the current financial strategy should remain in place for 2005, but changes will be required from 2006 onwards. The Secretariat has prepared papers on these changes for discussion at the BMC at meetings and intersessionally and also for discussion at SOM. Following these discussions the Secretariat is examining further options and examining critically its expenditure in relation to the agreed taskings and whether there should be changes to those taskings. Further papers are being prepared.
- F. To continue with the design, development and maintenance of the SOM Database on Implementation of APEC Commitments.
Later called “*the SOM Tasking Database*”, the Secretariat has coordinated the process of developing an electronic management tool for SOM requested by Senior Officials at I SOM 2004, including its design, preparation of the request for proposals, selection of vendor and managing the consultation process with economies. It has reached the stage of presenting a demonstration model to allow for further consideration by SOM.
- G. To improve the process of approval for APEC participation in non-member activities ensuring appropriate representation and outreach. To propose to SOM a guideline that properly considers the needs of representation and outreach.
The Secretariat developed and proposed to SOM a Guideline that it understands properly considers the needs of representation and outreach. The Secretariat stands ready to further contribute to the decision making process currently in the hands of SOM.
- H. To contribute to SOM with the review of the experience gained in terms of capacity building identifying measures and practices that may contribute to improve WTO capacity building activities.
The Secretariat provided its assistance and logistic support for the preparations of the Seminar on WTO Capacity Building Best Practice and took all the measures available to disseminate its outcomes.
- I. To contribute to the timely completion of preparations to conduct a successful mid-term stocktake in 2005 on overall progress towards meeting the Bogor Goals.
The APEC Secretariat has readily provided information to SOM on the past review practice and given advice to Korea, incoming host economy, for the financial rules to apply for the TILF project titled “Mid-term stocktaking of the progress towards the Bogor Goals.” Furthermore, the APEC Secretariat is ready to support member economies to prepare for the Mid-term Stocktake review.

- J. To contribute to the trade facilitation process through the compilation of information about best practices and propose a project so that it may be made available in local languages of APEC.

In 2004, the Secretariat provided extensive support to the Expanded Dialogue on Trade Facilitation that was organized by CTI and ABAC on 1 October 2004. The Dialogue served to assess whether APEC was on track to meet the Shanghai Accord's target of reducing transaction costs by 5 percent by 2006. An outside expert was commissioned by CTI to perform an assessment of APEC's implementation of the Trade Facilitation Action Plan (TFAP). The assessment was based on 2004 IAP Highlights of Trade Facilitation cum Mid-Term Review report submitted by economies and other related APEC documents. The results of this assessment will be published and presented to AMM and made publicly available through the APEC Homepage. In addition, the Secretariat has also worked with the e-IAP system developer to "house" the 2004 Mid-term review Trade Facilitation reports.

- K. To assist in further refining the template for reporting the implementation by economies of the General Transparency Standards and make these standards publicly available to the business community.

The Secretariat supported the CTI in the updating of the IAP chapter templates to reflect the sector-specific transparency standards in 9 areas: services; investment; competition law and policy and regulatory reform; standards and conformance; intellectual property; customs procedures; market access and government procurement as well as the development of a new template on APEC's general transparency standards. The Secretariat will explore how best to incorporate these templates into the reporting structure of IAPs in the e-IAP system.

The Secretariat will also continue to assist the CTI in its work with ABAC and the wider business community to develop a list of concrete transparency-related issues that are important to the private sector in specific APEC economies.

- L. To assist SOM on the identification and implementation of capacity building projects under the four ECOTECH priorities.

Using the existing management mechanisms, the Secretariat supported the ESC in identification and coordination of ECOTECH activities across Working Groups and Fora. These activities are reported in the 2004 SOM Report on Economic and Technical Cooperation.

The Secretariat also supported the ESC in strengthening the implementation of ECOTECH activities through an independent assessment of the Fisheries Working Group (FWG) and the improved project evaluation frameworks. The latter has led to the development of a new Quality Assessment Framework (QAF) which will replace the existing ECOTECH Weightings Matrix that forms part of the APEC Project Proposal Format from next year. It will also continue to support the ESC and Working Groups in avoiding duplication of works by providing information on past and existing ECOTECH projects through a revamping of the APEC Secretariat Project Database to be completed in 2005.

- M. To ensure that APEC's communication strategy promotes APEC's counter-terrorism initiatives to its stakeholders. The Secretariat has worked closely with CTF throughout the year to continuously promote APEC's efforts in countering the economic effects of terrorism and in promoting secure trade. This has

included generating media exposure through interviews and news releases and insertion of content on this important topic in key speeches, editorial and published material.

SECTION C – INTRA-SECRETARIAT SERVICES REQUIRED TO PRODUCE OUTPUTS

Service I: Communications and Information Services

Information Technology

Information and communications technology continues to be critical to the work of the Secretariat and requires substantial resources. Starting in 2003 and continuing in 2004, a number of projects were undertaken to improve the IT system and to ensure that it maximises the efficiency of the Secretariat's operation and APEC in general.

- Less Paper Meeting System – The Secretariat developed the APEC Secretariat Less Paper Meeting System in 2003, now used to support meetings held in Secretariat. The updating and improvements of this system demonstrates the continual effort taken by Secretariat in providing innovative initiatives in supporting the APEC process.
- Wireless LAN (Local Area Network) - The Secretariat has put in place a wireless LAN infrastructure within the APEC Secretariat building. This forms the backbone which supports applications such as the Less Paper Meeting System.
- Firewall – Installation of a firewall has allowed the monitoring of network traffics accessing valuable information assets of APEC web server and email system. This has improved the administrator's capability in defending Secretariat's systems against Internet threats such as denial of service.
- Fax Gateway - This was installed to facilitate the ease of disseminating information on APEC activities to media contacts by the communications team.
- Security Awareness Programme - All staff members attended a specially tailored in-house training course to increase their level of awareness in computer security.
- The Secretariat Web server – The Secretariat has upgraded the APEC Secretariat web server system having high performance and capacities as well as reliable web services
- Upgrading of mail server which provide a more robust communication tool to Secretariat, it also comes with features that allow Directors on the move to efficiently communicate with their counterparts and Secretariat.
- Inclusion of Trade Facilitation and APEC Food System into the e-IAP system.
- Adopt a new purchase mean by leasing notebooks instead of upfront purchases. This allows Secretariat to spread investment of substantial amount over 2 to 3 years and to ensure Secretariat Directors having up-to-date equipment to carry out their works efficiently.

Management of APEC Documentation Policy

The Secretariat continues to improve and strengthen its management of APEC documentation in line with the document access policy including through the application of ISO 9001: 2000 quality management processes.

During 2004 the Secretariat assisted with the transfer of expertise and knowledge in this area to the host economy through onsite support at meetings as well as training given to staff involved with documentation management both from the host economy as well as the incoming host economy, Korea (2005).

Service II: Management of the APEC Central Fund

The Secretariat manages three accounts under the APEC Central Fund - the Administrative Account, the Operational Account and the TILF Special Account. The following financial report covers all these accounts.

Financial Report for the Period Ending 31 August 2004

1. Asset Status

The Secretariat maintains all assets in deposits, most in the form of US dollar fixed deposits. Members' contributions are made in US dollars. Eventual disbursements to approved projects are also mostly made in US dollars. Singapore-dollar denominated expenditures are required for the majority of the local costs of the APEC Secretariat. The relevant US dollar accounts are drawn upon and converted to Singapore dollars when such expenditures are necessary.

As at 31 August 2004, the total assets under the Operational and Administrative Accounts were as follows:

Fixed Deposit Account	US\$	4,715,800
Current Account		4,000
Amounts maintained in Singapore dollars (S\$185,200)		<u>108,000*</u>
Total:		4,827,200

The total assets under the TILF Special Account were as follows:

Fixed Deposit Account	US\$	13,103,700
Amounts maintained in Singapore dollars (S\$12,700)		7,400 *
Total:		13,111,100

(* Per exchange rate as at 31 August 2004)

2. Revenue

The total revenue for the period 1 January to 31 August 2004 for the Administration and Operational Accounts was US\$2,423,000 (**Annex G**). Contributions from Member economies are required to be deposited in the APEC Central Fund by 31 March each year. The tendency for some economies to make their contributions late is becoming more marked. This could prove disruptive to the operations of the APEC Secretariat and Operational Account projects in future years. There is also still one contribution of US\$50,000 still outstanding from 2003. The APEC Secretariat is actively following up the economies which have not yet paid.

The total revenue from 1 January to 31 August 2004 under the TILF Special Account was US\$2,981,800 (**Annex H**).

3. Expenditure

Operational Account

The total approved amount under the Operational Account for 2000, 2001, 2002, 2003 and 2004 projects was US\$10,207,000. The APEC Secretariat had, up to 31 August 2004, disbursed a total of US\$5,899,800 (57.8%) (Details are at [Annex I](#)).

TILF Special Account

The total approved amount under the TILF Special Account for 2000, 2001, 2002, 2003 and 2004 projects was US\$24,601,800. The Secretariat had, up to 31 August 2004, disbursed a total of US\$12,090,200 (49.3%) (Details are at [Annex J](#)).

Administrative Account

The Administrative Account covers the costs of running the APEC Secretariat Office in Singapore and the production of Operational Plan outputs. In 2004, the Secretariat continues to exercise prudence and tight control in managing this account. The expenditure incurred from 1 January to 31 August 2004 was US\$1,337,500 (38.2%) (Details are at [Annex K](#)).

4. Uncommitted Reserves

The uncommitted reserves are the total funds under the management of the APEC Secretariat which are not committed by the BMC for any specific purpose at a specific point of time. These reserves consist of members' contributions, savings from expired and cancelled projects, bank interest and any other income, minus all the committed expenditures.

The uncommitted reserves for the Administrative and Operational Account as of 31 August 2004 amounted to US\$ 3,457,100 (Details are at [Annex L](#)).

The uncommitted reserves for the TILF Special Account as of 31 August 2004 amounted to US\$ 5,165,200 (Details are at [Annex M](#)).

5. Forecast

The Secretariat presented the forecast of Administrative and Operational account budgets for 2006-2008 to the BMC. The BMC agreed that the total amount to be allocated to 2005 projects should continue to be capped at US\$2 million of which up to US\$736,166 should be set aside for urgent 2005 projects. The BMC agreed that a prudent financial management approach should continue to be adopted for 2005, but beyond that year there was a need to look afresh at the taskings for the Secretariat, the value of Operational Account projects to be funded and Members' contributions. The Secretariat is now assisting the BMC and Members to develop a sustainable financial strategy beyond 2005.

Service III: Management Support

Staffing

On 5 January 2004, the Secretariat welcomed Ambassador Choi Seok Young of Korea as the new Deputy Executive Director.

Secondees who joined the Secretariat as Directors (Programme) since Ministers last met were Ms. Monica Ochoa Palomera of Mexico, Mr. Soonthorn Chaiyindeepum of Thailand, Mr. Park Doo Soon of Korea, and Mr. Atsushi Iwasaki of Japan.

The Secretariat bade farewell to Ambassador Piamsak Milintachinda and Mr. Chutintorn Gongsakdi of Thailand, Mr. Kang Jae Kwon of Korea, and Mr. Masanori Wada of Japan.

The Secretariat has coped well with the changes and measures have been taken to minimise any impact that regular staff transitions may have on Secretariat support to member economies and fora.

The attrition rate of the support staff remains low. Their dedication and loyalty provide valuable support and continuity to the Secretariat. One Clerical Officer recruited in October 2003 for the Secretariat's Finance Section left in July 2004 for personal reasons. A replacement was appointed in October 2004.

Incentive Schemes for Support Staff Members (SSM)

The Secretariat is committed to provide an environment that is caring and forward looking, one that would promote professionalism and enhance staff morale. It is the Secretariat's hope that a sense of well being and job satisfaction would evolve through ongoing efforts in this direction, thus increasing productivity. Consistent with this approach, the Secretariat introduced the several staff incentive schemes and pro-family measures in 2004:

- Ideas Incentive Scheme aimed at encouraging SSMs to continually think of ways to do things better and more effectively;
- Study Sponsorship Scheme for Support Staff, an incentive tool for deserving SSMs, which is also a staff development tool enabling the Secretariat to benefit from better-trained staff;
- Child Medical Leave and Childcare Leave schemes, whereby married SSMs may take leave to look after their sick children below 12 years old or spend time with their children below 7 years old; and
- Aged Parent/Parent-in-Law Medical Leave scheme, whereby SSMs may take leave to look after aged parents (70 years old and above) when the latter fall ill or need to be accompanied to the hospital/clinic for medical check-ups.

APEC Secretariat Internship Framework (ASIF)

The Secretariat is looking into the implementation of an internship programme which would provide it with the services of qualified persons specialised in various professional fields. It would not have any financial implications for the Secretariat as all expenses connected with the internship, including accommodation and travel, will be borne by the intern and/or his/her sponsoring institution.

Improving the Functioning of the APEC Secretariat

The Secretariat continues to work towards improving the functioning of the Secretariat through the ISO process. The Secretariat's ISO Committee, in consultation with the Management Review Committee, regularly monitors and reviews the Secretariat's objectives to ensure that it is meeting stakeholders' expectations and that its services are

delivered with professionalism, diligence and transparency. In line with this process of continuous improvement and renewal, the Secretariat has increased the Service Satisfaction Index (SSI) from 70% to 80%, with effect from September 2004, as the Secretariat's average SSI of 78.6% for the past year was well above the target of 70%.

In addition, the ISO Committee has included the following new quality objectives with effect from September 2004:

- BMC pre-meeting project papers to be uploaded to website 10 days before the meeting.
- Substantive (papers requiring decisions) Secretariat papers for SOM/BMC to be submitted at least 10 days before the meeting

The Secretariat continues to review its Operational Manual to ensure that its policies, procedures and guidelines remain relevant. This is an ongoing process.

Service IV: Secretarial and Administrative Services

Training Courses for Secretariat Staff

The Secretariat is committed to provide staff with opportunities for self-improvement and life-long learning. Both SSMS and PSMs have been sent, or will be sent, to attend courses aimed at enhancing their performance, and/or contribute towards self-development, including:

1. ISO 9001:2000 Appreciation and Interpretation;
2. IT-related courses – including IT Best Practices, Outlook 2003;
3. Self-development courses - including Communications Skills, Work Management, Stress Management, Creativity and Innovation, Coping with Internal and External Customers, Leadership and Management Skills for Support Personnel, etc.

Meetings at the APEC Secretariat

Six meetings were held at the Secretariat building in 2004, as follows:

- 1 Budget & Management Committee Meeting I, March 2004
- 2 Counter-Terrorism Task Force (CTTF) meeting to agree on CT deliverables for presentation to Leaders July 2004
- 3 Energy Working Group's Trans-ASEAN Gas Pipeline Workshop, August 2004
- 4 Budget & Management Committee Meeting II, August 2004
- 5 Electronic Commerce Steering Group's Internet Investigatory Training Workshop for Law Enforcement Personnel, August 2004
- 6 27th Industrial Science & Technology Working Group Meeting, September 2004.

The Secretariat provided support services to the abovementioned meetings –assistance in obtaining hotel quotations and reservations, coordinating with meeting organisers on logistical requirements – stationery items, office/IT and audio-visual equipment, Less Paper Meeting System, if required, food catering, transportation, etc.

The SELI Symposium on International Financing Instruments is scheduled to be held in the Secretariat in December 2004.

Visits Hosted by the Secretariat

On 1 May 2004, the Secretariat was honoured by the visit of H.E. President Ricardo Lagos of Chile. During a ceremony held in honour of the President, President Lagos outlined plans for APEC 2004 and the growing links between Chile and the Asia. President Lagos also took questions from media in attendance at the news conference. The delegation accompanying President Lagos included Minister of Finance, Mr. Nicolás Eyzaguirre, and SOM Chair 2004, Mr. Ricardo A Lagos.

The Secretariat had earlier, in February 2004, hosted H.E. Vice President Arturo Vallarino of Panama. Vice President Arturo Vallarino was briefed by the Secretariat on APEC in general and APEC membership issues, in particular.

Through the year, the Secretariat hosted several personalities and groups as part of its ongoing interaction with officials from member economies, as well as its outreach programme. They include the following:

- Peruvian SOM Leader, Ambassador Juan Carlos Capuñay, on 28 – 29 October 2003
- Former Executive Director of the Secretariat (1999), Ambassador Timothy Hannah, on 2 December 2003
- Indonesian SOM Leader, Ambassador M Wibisono, on 28 January 2004
- Director, New Zealand Trade Liberalisation Network (TLN), Ms. Suse Reynolds, on 19 February 2004
- ABAC Chair, Mr. Hernán Somerville, on 5 May 2004
- Lead Shepherd of HRDWG, Dr. Chira Hongladarom, on 30 June 2004
- General Secretary of the International Confederation of Free Trade Unions/Asia Pacific Labour Network, Mr. Noriyuki Suzuki, on 17 August 2004.
- New Zealand SOM Leader, Mr. David Walker, on 6 September 2004
- Delegation from Colegio San Agustin of the Philippines, on 5 October 2004
- Delegation from Banghuasua Boonjam Niammin School, Thailand on 20 October 2004 with the Lead Shepherd of the HRDWG
- Korean SOM Leader and Incoming SOM Chair 2005, Amb Kim Jong Hoon, on 3 – 4 November 2004

CLOSURE

I would like to take this opportunity to thank my successor, Ambassador Choi Seok Young of Korea for his continuous and unerring support, and to wish him a very successful year in 2005. Also, my deep appreciation goes to member economies for their determination to make APEC an even more relevant, progressive and effective cooperative mechanism. I would also like to commend the APEC Secretariat staff for their dedication and professional commitment shown during the year and with whose support the Secretariat is able to continue serving APEC's stakeholders well.

APEC SECRETARIAT 2004 OPERATIONAL PLAN

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Introduction

The APEC Secretariat was established in February 1993.
Singapore was selected as its site at the 4th APEC Ministerial Meeting in September 1992 in Bangkok.
The permanent site of the APEC Secretariat at 35 Heng Mui Keng Terrace was officially opened on 6 September 2003.

The Bangkok Declaration on Asia-Pacific Economic Cooperation (APEC) Institutional Arrangements determined the principal functions, financial arrangements and staffing of the Secretariat. Refinements were made in 1995 in the *Report of the Task Force For the Review of the APEC Secretariat* and the 1996 and 1997 *Reports of the Task Force on Management Issues*. The 14th APEC Ministerial Meeting in October 2002 in Los Cabos, Mexico welcomed the *Report on Improving the Functioning of the APEC Secretariat*, took note of the recommendations therein and supported their prompt implementation.

From an initial complement of 11 professional staff seconded from among the then 15 member economies, the Secretariat has grown to number 22 professional staff seconded from among the current 21 member economies.
The Secretariat's support staff totals 27.

The position of Executive Director is filled on secondment from the member economy chairing APEC.
The position of Deputy Executive Director is similarly filled by the economy chairing APEC the following year.

Vision Statement

To support and facilitate the achievement of APEC goals.

Statement of Business

The Secretariat is the core support mechanism for the APEC process.

The Secretariat provides advisory, operational and logistical/technical services to member economies and APEC fora to coordinate and facilitate the conduct of business of the forum.

On behalf of member economies, it provides preparatory advice on formulation of APEC projects, manages project funding and evaluates projects funded from the APEC Operational and TILF Accounts.

The Secretariat provides coordination and support for APEC's communications and outreach programs and promotes understanding and support of APEC's role and agenda through a range of targeted communications activities which include print and web publishing, media, promotional and information services, and outreach to business and other stakeholders.

The Secretariat maintains a capacity to support research and analysis in collaboration with APEC Study Centres and PECC as required.

The Executive Director is responsible to APEC Senior Officials through the SOM Chair and manages the Secretariat in line with priorities set by SOM on behalf of Ministers. The Secretariat acts on behalf of APEC member economies as and when required or directed.

Annual Operational Priorities and Accountability

APEC's operational priorities and activities are established annually by Leaders' and Ministers' tasking directions to Senior Officials. APEC Senior Officials manage activities and may adjust priorities on behalf of Ministers in the course of the year.

The Executive Director is responsible to Senior Officials through the SOM Chair and manages the Secretariat in line with priorities determined as above. Secretariat staff are responsible to the Executive Director for fulfilment of their respective responsibilities.

The Executive Director will provide performance accountability statements to SOM, as purchaser of Secretariat outputs, at its periodic regular meetings and also annually to Ministers.

The Executive Director will also provide relevant reports to the Budget and Management Committee (BMC).

Statement of Outputs

Output I: Logistical and Advisory Support for APEC Fora

This output involves delivery of a wide range of support services for the different fora (Committees, Working Groups, *Ad hoc* Groups, Task Forces, etc.) and associate bodies (e.g. ABAC) through which APEC conducts its business. Fora meet periodically, hosted by different member economies. Support is also provided to Ministerial meetings and meetings held in Singapore, including at the APEC Secretariat.

Output Description	Collective Performance Indicators
<p>The Secretariat provides direct support to the Chair/Lead Shepherd at and between meetings as follows:</p> <p>A. Managing document circulation at meetings and drafting documents, including:</p> <ul style="list-style-type: none"> – Agendas; – Meeting records; – Other documents, including background papers, as requested by fora. <p><u>Primary Responsibility:</u> Directors (Program) as assigned to fora.</p> <p>B. Providing regular briefings and advice on APEC policies and procedures, including:</p> <ul style="list-style-type: none"> – <i>Consolidated Guidelines on Non-Member Participation in APEC Working Group Activities</i> – <i>Guidebook on APEC Publications, Websites and Meeting Documents</i> – <i>Selection, Terms and Functions of Lead Shepherds of APEC WGs</i> – <i>Guidebook on APEC Projects</i> – <i>Guidelines for Hosting APEC Meetings</i> – <i>Guidelines on APEC Database Projects</i> – <i>Guidelines on Information Sharing Among APEC Fora</i> – <i>Guidelines for Evaluation and Reporting System for APEC Projects</i> 	<p>Member economies representatives, in particular SOM Chair and Fora Chairs/Lead Shepherds/host economies express satisfaction with Directors' (Program) support and delivery of agreed services. No complaints received by the Executive Director.</p> <p>Fora have information at hand when planning activities.</p>

Output Description	Collective Performance Indicators
<ul style="list-style-type: none"> – <i>Implementation of the New Document Access Policy</i> – <i>Guidelines on ECOTECH Activities</i> – <i>Guidelines for Updating and Reporting System for IAPs</i> – <i>Guidelines for IAP Peer Reviews</i> <p><u>Primary Responsibility:</u> Directors (Program) as assigned to fora.</p> <p>C. Maintenance of a comprehensive Operational Manual of APEC Policies and Procedures containing the guidelines listed in Output I B. <u>Primary Responsibility:</u> Director (Administration) with support from all Directors (Program).</p> <p>D. Providing comprehensive information on relevant activities of other APEC fora, including Leaders/Ministerial/SOM taskings. <u>Primary Responsibility:</u> Directors (Program) as assigned to fora.</p> <p>E. Representing the interests of particular fora in the Secretariat’s general service areas (communications and public affairs, the APEC website, and the project funding/management process) and acting as necessary as a channel of communication and coordination. <u>Primary Responsibility:</u> Directors (Program) as assigned to fora with support from Director (Communications and Public Affairs), Director (Finance), Publications Manager and Webmaster.</p> <p>F. Managing the production of publications on behalf of fora including collating content, sourcing printers/proofreaders/Internet authoring, print production management and distribution. <u>Primary Responsibility:</u> Directors (Program) as assigned to for a with support from Director (Public Affairs), Director (Information Technology) and Publications Manager</p>	<p>All policies and procedures kept under internal review and changes/updates recommended where appropriate.</p> <p>Accurate and timely flows of information maintained.</p> <p>Publications produced in accordance with <i>Guidebook on APEC Publications, Websites and Meeting Documents</i>.</p> <p>Fora/project proponents fully advised of relevant procedures and requirements.</p>

Output Description	Collective Performance Indicators
<p>G. Providing preparatory advice to fora and project proponents on formulation and financing of projects, managing applications to BMC for APEC Operational and TILF Account funding and providing BMC with independent advice on levels of support/participation, TILF linkage (for TILF projects), possible overlaps, and conformity with financial guidelines. <u>Primary Responsibility:</u> Director (Finance), Project Overseer and Directors (Program) as assigned to fora.</p> <p>H. Providing electronic support to virtual taskforces. <u>Primary Responsibility:</u> Director (Information Technology) with support from Directors (Program) as assigned to fora.</p> <p>I. Provision of support and assistance to the strengthened IAP Peer Review Process. - To support and provide assistance for the implementation of the strengthened IAP Peer Review Process by, among other things, selecting experts and seeking agreements on the Review Teams for member economies under review. <u>Primary Responsibility:</u> Executive Director supported by Director (Program) responsible for coordination of IAP Peer Reviews and Directors (Program) in charge of specific IAP Peer Reviews. - To provide technical/logistical support to the Review Teams, including preparation of draft reports after the visits, and to prepare Reports of the Peer Review Sessions for the consideration of SOM. <u>Primary Responsibility:</u> Director (Program) responsible for coordination of IAP Peer Reviews and Directors (Program) in charge of specific IAP Peer Reviews.</p> <p>J. Provision of program evaluation services. <u>Primary Responsibility:</u> Director (Program) responsible for program evaluation supported by Directors (Program) and Director (Finance).</p>	<p>Project applications to BMC are accompanied by accurate and complete Secretariat commentary. No surprises in BMC meeting.</p> <p>Support provided to maximize efficiencies of electronic communications within Secretariat resources.</p> <p>To the satisfaction of SOM, member economies under review and Review Teams.</p>

Output II: Support for SOM Chair

This output involves delivery of support services to the SOM Chair.

Output Description	Collective Performance Indicators
<p>A. Providing analysis, advice and administrative support to the SOM Chair on substantive and procedural issues. <u>Primary Responsibility:</u> Executive Director, Special Assistant to Executive Director with support from relevant Directors (Program).</p> <p>B. Drafting documentation for SOM Meetings, including:</p> <ul style="list-style-type: none">– Draft Annotated Agenda– Draft Expanded Annotated Agenda– Chair’s Summary Conclusions– Annual Tasking Statements– Executive Director’s Report– Other papers as requested by SOM Chair or SOM <p><u>Primary Responsibility:</u> Special Assistant to Executive Director with support from relevant Directors (Program).</p> <p>C. Documentation for Annual Ministerial Meeting including:</p> <ul style="list-style-type: none">– Annual Report on ECOTECH Activities– CTI Annual Report– EC Annual Report– CTTF Annual Report <p><u>Primary Responsibility:</u> Relevant Directors (Program).</p>	<p>Support delivered in a timely and proactive way which meets with the approval of the SOM Chair.</p>

Output Description	Collective Performance Indicators
<p>D. Management of the annual IAPs collation and summarization process. <u>Primary Responsibility:</u> CTI Coordinator with support from Assistant to the CTI Chair and Director (Information Systems)</p> <p>E. Support for media management and liaison: – Managing media logistics and liaison at SOM and related meetings; – Assistance with drafting and issuing of press releases; – Production and dissemination of backgrounders, APEC publications and information materials; – Providing background briefings to journalists; – Assisting with interview and press conference arrangements and other media opportunities; – Recording audio and video content for distribution to regional broadcasters. <u>Primary Responsibility:</u> Director (Communications and Public Affairs) and Communications Team with support from Directors (Program) assigned to fora.</p> <p>F. Liaison with the SOM Chair on behalf of the EC, ESC, CTI, BMC and CTTF Chairs. <u>Primary Responsibility:</u> Relevant Directors (Program).</p>	<p>Secretariat responsibilities undertaken in accordance with the <i>Guidelines for Updating and Reporting System for IAPs</i> in compliance with the timeframes agreed with SOM Chair and providing support for the work programs to be carried out in 2004 as directed by Ministers.</p>

Output III: Management of the APEC Operational and TILF Accounts

This output involves delivery of financial management services for APEC-funded projects. These projects are designed to build capacity in support of the objectives of APEC Leaders and Ministers.

Output Description	Collective Performance Indicators
<p>A. Disbursement of funds for approved projects in liaison with relevant project proponents and fora.</p> <p>B. Providing advice to fora and project proponents on project implementation processes including contracts and tendering (Requests for Proposals-RFPs). <u>Primary Responsibility:</u> Director (Finance) with support from Project Overseer, Directors (Program) whose fora propose projects.</p>	<p>Checklists of administrative requirements supplied to Project Overseers. Funds disbursed on time and according to <i>Guidebook on APEC Projects</i>. Project evaluation and progress reports submitted to BMC. Project proponents and BMC satisfied with Secretariat inputs. Compliance with ISO 9001: 2000 quality management requirements.</p>

Output IV: Communications and Public Affairs/ Information Services

This output involves delivery of information on APEC and engagement with key audiences including media, government, academic and business audiences and the general public. It includes generic information on APEC and its objectives as well as specific support to fora and their activities.

Output Description	Collective Performance Indicators
<p>A. Production of general information and promotional resources on APEC such as:</p> <ul style="list-style-type: none"> - Printed and electronic publications providing regular updates on the work of APEC; - Online and web-based tools and resources including e-Newsletter; - Audio/video material suitable for use by electronic media as required; - APEC promotional material for event use. <p><u>Primary Responsibility:</u> Director (Communications and Public Affairs) and Communications Team, with support from Directors (Program).</p> <p>B. Marketing and distribution of APEC publications.</p> <p><u>Primary Responsibility:</u> Director (Communications and Public Affairs) and Communications Team.</p> <p>C. Media relations program including press liaison, development and dissemination of press releases, backgrounders, advisories and other information materials for media; and production of audio and video content for distribution to global broadcasters.</p> <p><u>Primary Responsibility:</u> Director (Communications and Public Affairs) and Communications Team with support from relevant Directors (Program).</p> <p>D. Presentations, speeches and briefings for business, industry, academic and other groups and visitors to Secretariat.</p> <p><u>Primary Responsibility:</u> Director (Communications and Public Affairs), Communications Team and relevant Directors (Program)</p>	<p>Information about APEC readily accessible; efficient processing of enquiries; external audiences regularly updated on APEC developments via briefings, presentations, speeches, publications, media coverage and website. All meeting documents archived in hard and soft copies.</p>

Output Description	Collective Performance Indicators
<p>E. Support for Fora Chairs in media relations. <u>Primary Responsibility:</u> Director (Communications and Public Affairs) and Communications Team with support from Directors (Program) as assigned to fora.</p> <p>F. APEC Secretariat website. <u>Primary Responsibility:</u> Director (Communications and Public Affairs) and Communications Team with support from relevant Directors (Program).</p> <p>G. Management of APEC document access policy, including procedures for collection of meeting documents and, maintenance of archives of APEC meeting documents and other publications. Report to BMC annually on document access policy and any problems encountered. <u>Primary Responsibility:</u> Director (Communications and Public Affairs) and Information Manager with support from Directors (Program) as assigned to fora.</p> <p>H. Provision of Current Awareness Service. <u>Primary Responsibility:</u> Information Manager.</p> <p>I. Activities to support outreach to business. <u>Primary Responsibility:</u> Director (Program) assigned to ABAC and Director (Communications and Public Affairs).</p> <p>J. Management of intellectual property (APEC logo, copyright for publications and data) on behalf of APEC member economies and provision of relevant advice. <u>Primary Responsibility:</u> Director (Administration), Director (Communications and Public Affairs) with support from relevant Directors (Program).</p>	<p>Directors (Program) deliver a full set of meeting documents to library immediately following meetings. Soft copies received from meeting organizers within fifteen days of meeting's conclusion.</p>

Output Description	Collective Performance Indicators
<p>K. Secretariat representation at APEC exhibitions. <u>Primary Responsibility:</u> Relevant Directors (Program) with support from Director (Communications and Public Affairs).</p> <p>L. Outreach activities in APEC member economies as agreed. <u>Primary Responsibility:</u> Executive Director with support from relevant Directors (Program) and Director (Communications and Public Affairs).</p>	<p>Representation undertaken in accordance with the <i>Guidelines on APEC Secretariat's Participation in Exhibitions</i>.</p> <p>Identify opportunities for cost-effective outreach e.g. combined with other official APEC travel.</p> <p>Effectively support requesting member economies in delivery of information to APEC stakeholders.</p>

Output V : APEC Project Monitoring and Evaluation	
This output involves assistance to the BMC and ESC in assessing completed APEC projects.	
Output Description	Collective Performance Indicators
<p>A. Administering the <i>Guidelines for Evaluation and Reporting System for APEC Projects</i> as follows:</p> <ul style="list-style-type: none"> – Proactive liaison with APEC fora to ensure that progress and evaluation reports conform to guidelines; – Advice to the BMC and ESC on the progress and evaluation of specific projects. <p><u>Primary Responsibility:</u> Project Overseer with support from Director (Finance), Directors (Program) whose fora undertake projects, Director (Program) responsible for Project Evaluation.</p> <p>B. Providing advice to the BMC on the development and implementation of the <i>Guidelines for Evaluation and Reporting Systems for APEC Projects</i>.</p> <p><u>Primary Responsibility:</u> Project Overseer with support from Director (Finance), Directors (Program) whose fora undertake projects, Director (Program) responsible for Project Evaluation</p>	<p>Progress and evaluation reports supplied to BMC conform to procedures. Secretariat input on project evaluation regarded by BMC and ESC as proactive and constructive.</p>

Output VI: Research and Analysis Support

This output involves supporting research and analysis as requested by Ministers, SOM and APEC fora.

Output Description	Collective Performance Indicators
A. Research requested by Ministers, SOM or APEC fora (latter , subject to approval on a case by case basis). <u>Primary Responsibility:</u> Relevant Directors (Program).	Research delivered in a cost-efficient way and to the satisfaction of the commissioning body or fora.
B. Liaison with APEC Study Centres and PECC. <u>Primary Responsibility:</u> Directors (Program) in charge.	Research synergies and information flows maximized.
C. Support, within the resources of the Secretariat library, for researchers on APEC. <u>Primary Responsibility:</u> Information Manager.	

Specific Output Targets for 2004	
Output Description	Collective Performance Indicators
<p>A. To support and provide assistance for the implementation of the strengthened IAP Peer Review Process. <u>Primary Responsibility:</u> Executive Director supported by Director (Program) responsible for coordination of IAP Peer Reviews and Directors (Program) in charge of specific IAP Peer Reviews.</p>	To the satisfaction of SOM, member economies under review and the Review Teams.
<p>B. To continue assisting SOM in its efforts to undertake a broad APEC Reform. <u>Primary Responsibility:</u> All Directors (Program)</p>	To the satisfaction of SOM.
<p>C. To implement and introduce further improvements to the APEC Communications and Outreach Program for 2004 with emphasis on the following areas:</p> <ul style="list-style-type: none"> - Communications planning and support services to host economy; - Engagement with fora on development of fora-specific communications plans and tactics to improve outreach to key audiences; - Develop and implement business outreach strategy and strengthen networks with business community; - Implement APEC Health Crisis Communications guidelines; - Proactive media relations and information program; - Further extend APEC Internet presence through expansion of web-based information and communications services; - Development of extended range of generic communications resources and tools. 	To the satisfaction of SOM.

Output Description	Collective Performance Indicators
<p>D. To continue implementation of processes certified under the ISO 9001: 2000 Quality Management Certification and ensure that the ISO quality of service mentality takes a firm hold in the Secretariat. <u>Primary Responsibility:</u> Executive Director supported by ISO Quality Management Representative, Management Review Committee and ISO Committee.</p>	<p>To the satisfaction of SOM. Retention of the ISO 9001: 2000 Quality Management Certification.</p>
<p>E. To review and assess towards the end of 2004 whether it would be appropriate to obtain ISO 9001: 2000 Quality Management Certification for further Secretariat processes. <u>Primary Responsibility:</u> Executive Director supported by ISO Quality Management Representative, ISO Management Review Committee and ISO Committee.</p>	<p>To the satisfaction of SOM.</p>
<p>F. Keep under review the strategy developed in 2001 to address the potential financial problems relating to the forecasted expenditure for year 2004, without increasing members' contributions. To consider means to expand the financing of project proposals, bearing in mind the current number and amount of contributions to the TILF Special Account; to seek Members' views and report on progress. <u>Primary Responsibility:</u> Director (Finance).</p>	<p>Update and submit any recommendations to BMC as necessary.</p>
<p>G. To continue with the design, development and maintenance of the SOM Database on Implementation of APEC Commitments. <u>Primary Responsibility:</u> Director (Information Technology) with support from all Directors (Program).</p>	<p>To the satisfaction of SOM.</p>
<p>H. To improve the process of approval for APEC participation in non-member activities ensuring appropriate representation and outreach. To propose to SOM a guideline that properly considers the needs of representation and outreach. <u>Primary Responsibility:</u> Relevant Directors (Program).</p>	<p>To the satisfaction of SOM.</p>

Output Description	Collective Performance Indicators
<p>I. To contribute to SOM with the review of the experience gained in terms of capacity building identifying measures and practices that may contribute to improve WTO capacity building activities. <u>Primary Responsibility:</u> Director (Program) and support from all other relevant Directors (Program).</p>	To the satisfaction of SOM
<p>J. To contribute to the timely completion of preparations to conduct a successful mid-term stocktake in 2005 on overall progress towards meeting the Bogor Goals. <u>Primary Responsibility:</u> Director (Program) and support from all other relevant Directors (Program).</p>	To the satisfaction of SOM
<p>K. To contribute to the trade facilitation process through the compilation of information about best practices and propose a project so that it may be made available in local languages of APEC. <u>Primary Responsibility:</u> Director (Program) and Director (Communications and Public Affairs).</p>	To the satisfaction of SOM
<p>L. To assist in further refining the template for reporting the implementation by economies of the General Transparency Standards and make these standards publicly available to the business community. <u>Primary Responsibility:</u> Director (Program) and Director (Communications and Public Affairs).</p>	To the satisfaction of SOM

Intra-Secretariat Services Required to Produce Outputs

Service I: Communication and Information Services	
This service involves maintenance of operational capacities to facilitate current information flows and storage within the APEC Secretariat.	
Service Description	Collective Performance Indicators
<p>A. Maintaining an IT system to meet word processing, communication, database, website support, and other IT requirements. <u>Primary Responsibility:</u> Director (Information Systems) with support from IT Committee and IT Staff.</p> <p>B. Maintaining a library of historical and current APEC-related material for reference or research by APEC Secretariat staff. <u>Primary Responsibility:</u> Information Manager.</p> <p>C. Maintaining a record management (storage and retrieval) system for APEC Secretariat working documents and correspondence. <u>Primary Responsibility:</u> Director (Administration) with support from all Directors (Program) and Support Staff.</p>	<p>Systems meet needs of APEC Secretariat and external users in a cost efficient way.</p>

Service II: Management of APEC Administrative Budget

This service involves the development and prudential management of the Secretariat's operating budget.

Service Description	Collective Performance Indicators
<p>A. Preparation of an annual budget estimate for consideration by BMC and subsequent outturn reporting on it. <u>Primary Responsibility:</u> Director (Finance) with support from Finance Staff.</p> <p>B. Cost effective and prudential management of expenditure in accordance with the Administrative Budget approved by the BMC. <u>Primary Responsibility:</u> Director (Finance) with support from Finance Staff.</p>	<p>BMC satisfied with Secretariat performance.</p>

Service III: Management Support

This service involves management of administrative systems and the terms and conditions of employment for Secretariat locally-engaged staff. It also includes assistance to seconded staff.

Service Description	Collective Performance Indicators
<p>A. Assistance to seconded staff with the following administrative matters:</p> <ul style="list-style-type: none">– Facilitation of privileges and immunities;– Liaison work with government departments;– Obtaining visas for official travel;– Assistance for newly arrived seconded staff, including <i>Guidance Booklet for New Arrivals</i>. <p>B. Administration of the following policies and procedures for locally-engaged staff:</p> <ul style="list-style-type: none">– Recruitment policy;– Development of skills for learning;– Terms and conditions for local staff;– Annual review of performance. <p>C. Property management: office equipment and security of premises. <u>Primary Responsibility:</u> Director (Administration) with support from Administration Staff.</p> <p>D. Maintenance of a comprehensive <i>Operational Manual of APEC Secretariat Guidelines and Procedures</i>. <u>Primary Responsibility:</u> Director (Administration) with support from all Directors (Program).</p>	<p>Staff matters processed efficiently and according to policies and procedures.</p> <p>All policies and procedures kept under review and changes/updates recommended where appropriate.</p>

Service IV: Secretarial and Administrative Services

This service involves the provision of secretariat, logistical and word processing services for professional staff and at SOM, CTI, ESC, BMC and EC meetings, as well as others held in Singapore.

Service Description	Collective Performance Indicators
<p>A. Secretarial and administrative support to Directors (Program).</p> <p>B. Planning and organization of conference facilities – management and support services for meetings held in Singapore, particularly at Secretariat.</p> <p><u>Primary Responsibility:</u> Director (Administration), Director (Program) responsible for the relevant forum and Support Staff.</p>	<p>Accurate and timely services provided to Directors (Program).</p>

RECORD OF PARTICIPATION ISSUES

ANNEX B

(Compiled by the APEC Secretariat)

As of 27 October 2004

Applicant/Invitee	Fora	Participation Nature	Time of the Request/Proposal	Decision by Fora since 1 January 2004
Application for Guest Status in APEC Fora				
<i>Economy</i>				
Colombia	TPWG	Request for renewal of its guest status	Received in January 2004	Approved by TPWG in February 2004, valid until the end of 2006
Colombia	EWG	Request for renewal of its guest status	Received in August 2004	Approved by EWG in September 2004, valid until the end of 2006
Macao, China	TPTWG	Request for renewal of its guest status	Received in December 2003	Approved by TPTWG in March 2004, valid until the end of 2006
Macao, China	ISTWG	Request for renewal of its guest status	Received in December 2003	Approved by ISTWG in February 2004, valid until the end of 2006
Macao, China	SMEWG	Request for renewal of its guest status	Received in December 2003	Approved by SMEWG in February 2004, valid until the end of 2006
Macao, China	TELWG	Request for renewal of its guest status	Received in December 2003	Approved by TELWG in March 2004, valid until the end of 2006
Macao, China	TWG	Request for renewal of its guest status	Received in December 2003	Approved by TWG in March 2004, valid until the end of 2006
Macao, China	TPWG	Request for renewal of its guest status	Received in December 2003	Approved by TPWG in February 2004, valid until the end of 2006
Pakistan	FWG	Request for renewal of its guest status	Received in February 2004	Approved by FWG in June 2004, valid until the end of 2006
<i>Governmental Org</i>				
ECMT	TPTWG	Request for guest status	Received in August 2002	Approved by TPTWG in February 2004, valid until the end of 2006

Applicant/Invitee	Fora	Participation Nature	Time of the Request/Proposal	Decision by Fora since 1 January 2004
<i>Non-Governmental Organisation</i>				
CAB International	ATCWG	Request for guest status	Received in May 2004	Request was rejected by ATCWG in July 2004.
INTUG	TELWG	Request for renewal of its guest status	Received in February 2004	Request was approved by TELWG in March 2004.
SIAM	Auto Dialogue	Request for guest status	Received in August 2004	Request was approved by CTI in August 2004, valid until 31 December 2006
UNI	TELWG	Request for guest status	Received in September 2003	Request was rejected by TELWG in December 2003.
Pan-Asian E-Commerce Alliance	ECSG	Request for guest status	Received in September 2004	Request was approved by SOM in September 2004, valid until 31 December 2006

Applicant/Invitee	Fora	Participation Nature	Time of the Request/Proposal	Decision by Fora since 1 January 2004
<i>One-off Applications for Participation</i>				
<i>Economy</i>				
Austria	SCSC	Invited speaker on one-off basis in SCSC workshop to be held on November 8-11, 2004 in Korea	Proposed in July 2004	Proposal was approved by CTI in July 2004
Brazil	CPDG	Invited speaker on one-off basis in CPDG Workshop to be held in Bangkok on Nov 1-2, 2004	Proposed in October 2004	Approved by CTI in October 2004
Ecuador	EWG	Guest participant on one-off basis in EWG27 held in Beijing, China	Request received in March 2004	Request was approved by EWG in March 2004

Ecuador	TWG	Guest participant on one-off basis in TWG24 held in Jinju, Korea	Request received in March 2004	Request was approved by TWG in May 2004
India	LSIF	Request to participate in the 2 nd Life Science Innovation Forum held on September 16-17, 2004 in Malaysia	Request received in August 2004	Request was approved by CTI in August 2004
Myanmar	Chemical Dialogue	Invited to participate in a Chemical Dialogue Workshop held on September 7-8, 2004 in Malaysia	Proposal received in August 2004	CTI rejected the proposal in September 2004
Kiribati	EWG	Invited speaker on one-off basis in EWG Workshop to be held in Christchurch, New Zealand	Proposed in October 2004	Approved by EWG in October 2004
Tonga	EWG	Invited speaker on one-off basis in EWG Workshop to be held in Christchurch, New Zealand	Proposed in October 2004	Approved by EWG in October 2004
Argentina	EWG	Invited speaker on one-off basis in EWG Workshop to be held in Cuernavaca, Mexico	Proposed in October 2004	Approved by EWG in October 2004
Brazil	EWG	Invited speaker on one-off basis in EWG Workshop to be held in Cuernavaca, Mexico	Proposed in October 2004	Approved by EWG in October 2004

Applicant/Invitee	Fora	Participation Nature	Time of the Request/Proposal	Decision by Fora since 1 January 2004
<i>Governmental Organisation</i>				
UNESCAP	TPTWG	Invited speaker on one-off basis in TPTWG24 held in Bangkok	Proposed in August 2004	Approved by TPTWG in August 2004
UNITAR	Chemical	Invited speaker on one-off	Proposed in January 2004	Approved by CTI and BMC in

	Dialogue	basis in GHS seminar held in September 2004 in Kuala Lumpur, Malaysia		March 2004
ADB	SOM	Invited experts on one-off basis in Anti-Corruption Experts Meeting held in Santiago	Proposed in September 2004	Approved by SOM in September 2004
ADB	EWG	Invited speaker on one-off basis in EWG Workshop to be held in Christchurch, New Zealand	Proposed in October 2004	Approved by EWG in October 2004
ADB	EWG	Invited speaker on one-off basis in EWG workshop held on August 12-13 in Singapore	Proposed in July 2004	Approved by EWG in July 2004
ADB	EWG	Invited speaker on one-off basis in EWG workshop to be held on November 11, 2004 in Sydney, Australia	Proposed in July 2004	Approved by EWG in July 2004
Energy Charter Secretariat	EWG	Invited speaker on one-off basis in EWG workshop held on August 12-13, 2004 in Singapore	Proposed in July 2004	Approved by EWG in July 2004
Energy Charter Secretariat	EWG	Invited speaker on one-off basis in EWG workshop to be held on November 11, 2004 in Sydney, Australia	Proposed in July 2004	Approved by EWG in July 2004
European Commission	SCSC	Invited speaker on one-off basis in a SCSC conference held in September 2004 in Chile	Proposed in July	Approved by CTI in July 2004
IDB	SMEWG/ MESG	Invited guest on one-off basis in a SMEWG/MESG meeting held on March 8-10, 2004 in Vancouver, Canada	Proposed in October 2003	Approved by SMEWG in March 2004
IDB	SMEWG/ MESG	Invited guest on one-off basis in a MESG/MESG meeting	Proposed in October 2003	Approved by SMEWG in March 2004

		held on October 2-4, 2004 in Santiago, Chile		
OAS	SOM	Invited experts on one-off basis in Anti-Corruption Experts Meeting held in Santiago	Proposed in September 2004	Approved by SOM in September 2004
OECD	CTI	Invited speaker on one-off basis in a CTI workshop held in May 2004 in Pucon, Chile	Proposed in February 2004	Approved by CTI and BMC in March 2004
OECD	SOM	Invited experts on one-off basis in an Anti-Corruption Experts Meeting held in Santiago	Proposed in September 2004	Approved by SOM in September 2004
OECD	IEG	Invited speaker on one-off basis in an IEG seminar held on May 25-26, 2004 in Pucon, Chile	Proposed in February 2004	Approved by CTI and BMC in March 2004
OECD	CTI	Invited speaker on one-off basis in CTI expanded dialogue held in September 2004 in Santiago, Chile	Proposed in February 2004	Approved by CTI and BMC in March 2004
South Pacific Regional Environment Programme	EWG	Invited speaker on one-off basis in EWG Workshop to be held in Christchurch, New Zealand	Proposed in October 2004	Approved by EWG in October 2004
UNCTAD	IEG	Invited speaker on one-off basis in an IEG seminar held on May 25-26, 2004 in Pucon, Chile	Proposed in February 2004	Approved by CTI and BMC in March 2004
United Nations	SOM	Invited experts on one-off basis in Anti-Corruption Experts Meeting held in Santiago	Proposed in September 2004	Approved by SOM in September 2004
UNDP	EWG	Invited speaker on one-off basis in EWG Workshop to be held in Christchurch, New	Proposed in October 2004	Approved by EWG in October 2004

Zealand				
WB	IEG	Invited speaker on one-off basis in an IEG seminar held on May 25-26, 2004 in Pucon, Chile	Proposed in February 2004	Approved by CTI and BMC in March 2004
WB	SOM	Invited experts on one-off basis in Anti-Corruption Experts Meeting held in Santiago	Proposed in September 2004	Approved by SOM in September 2004
WB	EWG	Invited speaker on one-off basis in EWG Workshop to be held in Christchurch, New Zealand	Proposed in October 2004	Approved by EWG in October 2004
WB	EWG	Invited speaker on one-off basis in EWG workshop held on August 12-13 in Singapore	Proposed in July 2004	Approved by EWG in July 2004
WB	EWG	Invited speaker on one-off basis in EWG workshop to be held on November 11 in Sydney, Australia	Proposed in July 2004	Approved by EWG in July 2004
WEC	EWG	Invited speaker on one-off basis in EWG workshop held on August 12-13, 2004 in Singapore	Proposed in July 2004	Approved by EWG in July 2004
WEC	EWG	Invited speaker on one-off basis in EWG workshop to be held on November 11, 2004 in Sydney, Australia	Proposed in July 2004	Approved by EWG in July 2004
Non-Governmental Organizations				
ABA	SOM	Invited experts on one-off basis in an Anti-Corruption Experts Meeting held in Santiago	Proposed in September 2004	Approved by SOM in September 2004
APRU	HRDWG	Invited as guest on a one-off basis at the 26 th . HRDWG	Proposed in April 2004	Approved by the HRDWG in April 2004

		Meeting in Jeju Island, Korea 10-14 May 2004		
International LNG Alliance	EWG	Invited speaker on one-off basis in EWG workshop held on August 12-13 in Singapore	Proposed in July 2004	Approved by EWG in July 2004
International LNG Alliance	EWG	Invited speaker on one-off basis in EWG workshop to be held on November 11, 2004 in Sydney, Australia	Proposed in July 2004	Approved by EWG in July 2004
International Banking and Securities Association of Australia	EWG	Invited speaker on one-off basis in EWG workshop held on August 12-13 in Singapore	Proposed in July 2004	Approved by EWG in July 2004
International Banking and Securities Association of Australia	EWG	Invited speaker on one-off basis in EWG workshop to be held on November 11, 2004 in Sydney, Australia	Proposed in July 2004	Approved by EWG in July 2004
Transparency International	SOM	Invited experts on one-off basis in an Anti-Corruption Experts Meeting held in Santiago	Proposed in September 2004	Approved by SOM in September 2004

**Declined Invitations Received from Non-APEC International Organization
(as of 2 Nov 2004)**

Event	Date of Events	Host/Organiser	Outcome
Shanghai Cooperation Organization Beijing, PRC	15 Jan 2004	Shanghai Cooperation Organization	
World Summit of Attorneys & Prosecutors General, Chiefs of Public Ministries & Ministers of Justice Antigua Guatemala, Guatemala	2-5 Feb 2004	Ministerio Publico Guatemala, CA	
9 th Session of the Sub-Committee on Fish Trade Bremen, Germany	10-14 Feb 2004	Food & Agriculture Organization of the United Nations	
G8-CTAG Meeting Washington DC	20 Feb 2004	US Department of State	No Consensus – PRC indicated no objection if ED & DED could find time to participate – Both ED & DED not available
7 th Meeting of Commonwealth	28-29 Feb 2004	Commonwealth Secretariat	

Ministers Responsible for Women's/Gender Affairs, New York			
Follow up meeting to the UN Counter-Terrorism Committee (CTC) Special Meeting, Vienna	11-12 Mar 2004	OSCE & UN Office on Drugs & Crime	
2004 Asia Pacific Roundtable Meeting, Sydney	15-16 Mar 2004	Global Foundation	
OSCE-Japan Conference on the Search for conflict prevention in the New Security Circumstance – European Security Mechanisms and Security in Asia, Tokyo, Japan	15-16 Mar 2004	OSCE	
UN Commission on International Trade Law (UNCITRAL) 43 rd Session of Electronic Commerce WG UN Headquarters, NY, USA	15-19 Mar 2004	UNCITRAL	
WTO Regional Trade Agreements for Asia & Pacific Economies Taipei	17-19 Mar 2004	WTO	
Commonwealth Tourism Business forum, Kuala Lumpur, Malaysia	19-20 Mar 2004	Commonwealth Business Council	
5 th Session of UNCITRAL WG VI (Security Interests) UN Headquarters, New York, USA	22-25 Mar 2004	United Nations Commission on International Trade Law	
International Conference World Without Terror, Bari, Italy	21-23 Apr 2004	International Conference without Terror Organizing Committee	
60 th Session of ESCAP Shanghai, China	22-28 Apr 2004	ESCAP	
WTO Regional Course on Trade Negotiating Skills for Developing Countries and Least-Developed Countries from Asia and Pacific Economies Ulaanbaatar, Mongolia	26-30 Apr 2004	WTO	
WTO Regional Workshop on TBT Agreement for some Asian and Pacific Countries Hanoi, Viet Nam	4-5 May 2004	WTO	
WTO Regional Seminar on dispute	4-7 May 2004	WTO	

Settlement for Asia and Pacific Economies, Vientiane Lao PDR			
WTO Regional Workshop on Trade and Environment for Asian and Pacific Economies, Hanoi, Vietnam	10-11 May 2004	WTO	
WTO Geneva Week Geneva	10-14 May 2004	WTO	
13 th Session of the Commission on Crime prevention and Criminal Justice, Vienna International Centre, Vienna, Austria	11-20 May 2004	United Nations Office on Drugs and Crime	
Regional Hearing for Asia and the Pacific, Manila, Philippines,	17-18 May 2004	Global Commission on International Migration (GCIM)	
WTO Regional Workshop on Government Procurement, Manila, Philippines	18-20 May 2004	WTO	
WTO/ESCAP Regional Workshop on Trade in Services Negotiations for Asian and Pacific Economies, Dhaka, Bangladesh	25-27 May 2004	WTO/ESCAP	
WHO/FAO/SPC Meeting on Future Action on Food Safety in the Pacific, Seremban, Malaysia	28-31 May 2004	WHO/FAO/SPC	
OECD Conference of Ministers responsible for SME on “Promoting Entrepreneurship and Innovative SMEs in a Global Economy”, Istanbul, Turkey	3-5 Jun 2004	OECD	
Forum on “Multilateralism and Regionalism: The New Interface”, Rio de Janeiro, Brazil	8 Jun 2004	UN Conference on Trade and Development	
37 th Session of the United Nations Commission on International Trade Law, New York, US	14-15 Jun 2004	UNCITRAL	
Technical Consultation to Review Progress and promote the Full Implementation of the International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing and the International Plan of Action for the	24-29 Jun 2004	UN FAO	

Management of Fishing Capacity FAO Headquarters, Rome			
WTO/ESCAP Seminar on Trade and Development, Denpasar, Bali, Indonesia	29 Jun-1 Jul 2004	WTO/UN ESCAP	
The NATO Forum on Business and Security, Istanbul, Turkey	30 Jun- 2 Jul 2004	NATO	
Third Round of the Informal Consultations of the States Parties, New York, USA	8-9 Jul 2004	UN	
Bernie Initiative Regional Consultations for Asia, Guilin, China	29-30 Jul 2004	Swiss Federal Office for Refugees & International Organization for Migration	
WTO/ESCAP Regional Training Workshop on Multilateral Negotiations on Agriculture, Colombo, Sri Lanka	13-14 Sep 2004	WTO/ESCAP	
Petroleum in an Interdependent World, Vienna	16-17 Sep 2004	Organization of the Petroleum Exporting Countries (OPEC)	
Asia Trustmark Alliance 2004, Taipei	21-22 Sep 2004	Secure Online Shopping Association (SOSA)	
6 th Session of UNCITRAL Working Group VI (Security Interests), Vienna, Austria	27 Sep 2004	UNCITRAL	
WTO/ESCAP Regional Seminar on Customs Valuation, Trade Facilitation and Rules of Origin, Yangon, Myanmar	27-29 Sep 2004	WTO/ESCAP	
WTO/ESCAP/ASCI Regional Seminar on Trade and Competition Policy for Asia and Pacific Economies, Hyderabad, India	6-8 Oct 2004	WTO/ESCAP/ASCI	
UNCITRAL 44 th Session of Working Group on Electronic Commerce, Vienna, Austria	11-22 Oct 2004	UNCITRAL	
FAO/WHO Global Forum of Food Safety Regulators, Bangkok, Thailand	12-14 Oct 2004	UN FAO/WHO	
Technical Group of Experts on Liability and Redress in the context of the Cartagena Protocol on	18-20 Oct 2004	Convention on Biological Diversity	

Biosafety, Montreal, Canada			
Executive Course on Genomics and Public Health Policy for the Western Pacific and South-East Asian Regions, Hong Kong	20-23 Oct 2004	University of Toronto Joint Centre for Bioethics	
Asia Pacific Aset Management 2004 Conference & Exhibition, Hong Kong	25 Oct 2004	Schists (Asia) Pte Ltd	
12 th International Seminar – National Security, Galilee College, Israel	28 Oct-8 Nov 2004	Galilee College, Israel	
Geneva Week, Geneva, Switzerland	1-5 Nov 2004	WTO	
World SME Expo, Hong Kong	16-18 Nov 2004	Hong Kong Trade Development Council	
World Summit on the Information Society, Tunis, Tunisia	16-18 Nov 2005	WSIS	
Workshop on the WTO Customs Valuation Agreement, Switzerland	19-20 Nov 2004	World Trade Institute (WTI)	No Consensus
ICFTU 18 th World Congress, Miyazaki, Japan	5-10 Dec 2004	International Confederation of Free Trade Unions (ICFTU)	
South-South Trade Forum, Beijing, China	13-14 Dec 2004	UNDP	
World Affairs Council of Northern California, San Francisco, USA	Autumn 2004 through Summer 2005	World Affairs Council	

Note: With delegation of authority from SOM on non-member participation in the activities of APEC fora from 1 January 2003, this Record of Participation Issues has been reformatted. The decision-making authority has been delegated to the APEC fora on a trial basis until the end of 2005 and the purpose of this Record is to keep SOM informed on the issue and provide the opportunity for APEC fora to seek SOM's guidance whenever it is deemed necessary.

Acronyms:

ABA --- American Bar Association, a non-governmental organization based in the United States.

APRU--- Asia Pacific Rim Universities

CDSG ---Competition Policy and Deregulation Group

CTI --- Committee on Trade and Investment

CTTF --- Counter-terrorism Task Force
ECSG ---Electronic Commerce Steering Group
ECMT --- EUROPEAN CONFERENCE OF MINISTERS OF TRANSPORT
EWG ---Energy Working Group
INTUG --- International Telecommunications Users Group
IDB --- Inter-American Development Bank
LSIF --- Life Science Innovation Forum
OAS --- Organization of American States
OECD --- Organization for Economic Cooperation and Development
SCSC --- Sub-Committee on Standards and Conformance
SIAM --- Society of Indian Automotive Manufacturers
SMEWG ---Small and Medium Sized Enterprises Working Group
SOM --- Senior Officials Meeting
TEL ---Telecommunications and Information Working Group
TPTWG ---Transportation Working Group
TPWG ---Trade Promotion Working Group
UNI --- Union Network International
UNITAR --- United Nations Institute of Training and Research
WEC --- World Energy Council

Report on the APEC Website

(For the period 1 January to 31 October 2004)

1. Overview

For the 10 month period from January to October 2004, the APEC website received a total of 24,242,797 requests.

The APEC website underwent major redevelopment in 2003 and the revamped site was launched in August 2003. Two of the key improvements to the APEC website included the consolidation of content suitable for a broad range of audiences as well as the eradication of duplicated and redundant content.

The total estimated number of visitors to the APEC website for 2004 is 323,375, as compared to 309,054 in 2003 and total data transferred in 2004 is 189.658 GB, as compared to 164.776 GB in 2003.

Detailed statistics on the APEC website can be found in the following section *Summary Statistics for the APEC Website*.

2. Summary Statistics for the APEC Website

2.1 General statistics (10 months)

Total successful requests: **24,242,797**
 Total successful requests for pages: **3,425,208 pages**
 Total data transferred: **189.658 GB**
 Average successful requests per day: **79,746**
 Average requests for pages per day: **11,267 pages**
 Average data transferred per day: **624 MB**
 Estimated number of visitors: **323,375**

2.2 Monthly Report (Requests for pages)

Jan 2004: **321,340**
 Feb 2004: **357,760**
 March 2004: **365,027**
 April 2004: **404,048**
 May 2004: **378,274**
 June 2004: **275,929**
 July 2004: **345,059**
 Aug 2004: **297,299**
 Sep 2004: **330,573**
 Oct 2004: **349,899**

2.3 Monthly Report (Total requests, includes pdf, images, docs, etc)

Jan 2004: **2,738,702**
 Feb 2004: **2,948,720**
 March 2004: **2,601,021**
 April 2004: **2,326,175**
 May 2004: **2,303,720**
 June 2004: **1,541,418**
 July 2004: **1,930,759**
 Aug 2004: **2,198,240**
 Sep 2004: **2,715,106**
 Oct 2004: **2,938,936**

2.4 Top 10 Most Accessed Pages

Page	No. of access
Homepage	353,413
About APEC	35,719
News and Media	31,831
Member Economy Report (Introduction)	29,574
APEC Groups	22,346
Documents and Reports	22,204
Media Releases	16,789
Speeches	16,332
Fact Sheets	15,407

2.5 Top 10 Most Accessed Information

Information	No. of access
News and Media	386,478
Ministerial Statements	165,968
Member Economies and Economy Reports	123,458
APEC Background Information	103,786
Leaders Declaration	77,967
Publications	65,326
Business Resources	29,631
Calendar of Events	17,395
Committee on Trade and Investment	9,356
Counter-terrorism (Information and Documents)	8,817

2.6 Top 10 Most Accessed APEC Publications

Publication	No. of access
APEC Outcomes and Outlook 2003/2004	2,662
Development Needs of Small to Medium Size Tourism Business	1,525
2003 APEC Economic Outlook	1,450
Update of Activities – May 2004	1,062
Handbook on Traceability in Legal Metrology	873
Seminar on Venture Capital and Start-up Companies	803
Manual on Risk Analysis for the Safe Movement of Aquatic Animals	660
APEC Energy Overview (2003)	618
Electronic Authentication – Issues relating to its selection and use	583
The Drivers of New Economy in APEC – Innovation and Organizational Practices	570

APEC Secretariat Participation in Meetings and Outreach Activities in 2004

Date	Participation and Title of Meeting or Event
Late 2003	Outreach visit to HK, China by ED and Director (Program).
12 – 17 January	Outreach Visit to Chinese Taipei by ED and Director (Program).
17-19 January	Participation and presentation delivered by Director (Program) at the APEC Learning Community Builders Conference (ALCoB) (Seoul, Korea).
3-5 February	Participation by the ED and Director (Program) at the Bali Ministerial Meeting on Counter Terrorism (Bali, Indonesia).
8-11 February	Participation by the ED and Director (Program) and speech delivered by the ED at the 2004 Workshop on Development of S &T Intermediary Mechanism (Beijing, China).
23 February – 3 March	Participation by Director (Program) at the APEC Symposium on Data Privacy Implementation Mechanisms: Developing the APEC Privacy Framework, ECSG Data Privacy Subgroup Meeting and ECSG9 Meeting. (Santiago, Chile).
28-29 February	Participation by Director (Program) at the 1 st Plenary Meeting of the Economic Committee for 2004 (Santiago, Chile)
5-6 March	Participation by the ED, DED and Director (Program) and speech delivered by the ED at the Secure Trade in the APEC Region (STAR) Conference II (Valparaiso, Chile).
9-12 March	Participation by the ED and Director (Program) and speech delivered by the ED at the 4 th APEC Science Ministers Meeting, Christchurch, New Zealand.
14-17 March	Outreach Programme in New Zealand (Wellington and Auckland) undertaken by the ED and Director (Communications and Public Affairs).
14 March	Seminar conducted by Media Adviser for Postgraduate Journalism Class, Canterbury University, New Zealand.
21-26 March	Participation of Director (Program) at the 29 th Telecommunication and Information Working Group (Hong Kong, China).
8-9 April	Participation of Director (Program) at the 2 nd International Meeting of Experts on Social Safety Nets (SSNCBN) (Bangkok, Thailand).
16-19 April	Participation by the ED and Director (Program) and speech delivered by ED at the PECC Standing Committee Meeting (Beijing, China).
27-30 April	Participation by the DED and Director (Program) and speech and presentation delivered at the APEC Education Ministerial Meeting (Santiago, Chile).

10-15 May	Participation by the ED and Director (Program) at the 2 nd ABAC Meeting (Chinese Taipei).
11-14 May	Participation by the DED and Director (Program) and speech and presentation delivered at the Human Resources Development Working Group (HRDWG) Meeting (Santiago, Chile).
15 May	Participation by the DED at the 37 th ADB Annual Meeting (Jeju, Korea).
22-24 May	Participation by the DED and Director (Program) at the 29 th International Energy Forum (Amsterdam, Holland).
26 May	Presentation by Director (Program) at the APEC – OECD Seminar on “Current FDI Trends and Investment Agreements: Challenges and Opportunities” (Pucon Chile).
26-29 May	Participation by Director (Program) at the APEC Study Centers Consortium Annual Conference (Viña del Mar, Chile).
10 June	Participation by the DED and Director (Program) and speech delivered by the DED at the Energy Ministerial Meeting (Manila, Philippines).
15-17 June	Participation by the ED and Director (Program) and speech delivered by the ED at the Ministers Responsible for Mining, Santiago (Antofagasta & Calama, Chile).
14-16 June	Participation by the DED and Director (Program) and speeches delivered by the DED at the APEC E-Commerce Fair and related activities (Yantai, China).
20-21 June	Participation by Director (Program) at the 3 rd Annual PECC Finance Forum Conference (Santiago, Chile).
29 June – 3 July	Participation by the DED at the 4 th APEC Future Economic Leaders Think Tank (Sydney, Australia).
23-25 June	Participation by Director (Program) at the 18 th APEC Finance Ministers’ Technical Working Group Meeting (Arica, Chile).
1-3 July	Participation and speech delivered by the ED at the Forum Barcelona 2004 “The East-West Dialogue Forum” (Barcelona, Spain).
11-13 July	Participation by the ED, DED and Director (Program) at the International Symposium on the Preparation for APEC 2005 (Seoul, Korea).
13 July	Participation and presentation by Director (Program) at the International Maritime Organization (International Transport Worker’s Federation) – <i>Asia-Pacific Seafarer’s Regional Committee Meeting</i> (Singapore).
14-16 July	Participation by the ED and Director (Program) and speech and presentation delivered at the APEC High-Level Seminar on Social Safety Nets, (Shenyang, China).
27-29 July	Participation by the ED and Director (Program) at the Transportation Ministerial Meeting (Bali, Indonesia).

6-7 August	Participation and speech delivered by Director (Program) at the APEC International Youth Camp (Taipei City, Chinese Taipei).
17-21 August	Participation by the DED and Director (Program) at the 3 rd ABAC Meeting (Auckland, New Zealand).
26 August-7 September	Participation by the DED and Director (Program) at the Finance & Central Bank Deputies Meeting and the 11 th APEC Finance Ministers Meeting (Santiago, Chile).
15-20 September	Attendance at 13 th Northeast Asia Economic Forum by the DED and made presentation on e-commerce activities of APEC (Seoul, Korea).
19-24 September	Participation of Director (Program) at the 30 th Telecommunication and Information Working Group (Singapore).
26 September – 4 October	Participation of Director (Program) at the ECSG Data Privacy Subgroup Meeting, ECSG Paperless Trading Subgroup Meeting and ECSG10 Meeting (Santiago, Chile).
30 September-1 October	Participation by Director (Program) at the 2 nd Plenary Meeting of the Economic Committee for 2004 (Santiago, Chile).
5-6 October	Participation of Director (Program) at the Preparatory Meeting of the 6 th Telecommunication and Information Ministerial Meeting (Lima, Peru).
6-7 October	Participation by the ED and Director (Program) at the SME Ministerial Meeting (Santiago, Chile).
12-15 October	Participation by the ED and Director (Program) at the Tourism Ministerial Meeting (Punta Arenas, Chile).
18-22 October	Outreach Programme to Lima, Peru undertaken by the ED and Director (Communications and Public Affairs).
25-30 October	Outreach activities to Taipei undertaken by DED and Director (Program) (Chinese Taipei).
10 November	Presentations by Director (Program) and Special Assistant to CTI Chair to CPA/WTO Regional Workshop for Parliamentarians (Singapore)

**Publications Produced by the APEC Secretariat
January – October 2004**

	Working Group	Publication Title
1.	APEC	APEC Outcomes and Outlook 2003/2004
2.	APEC	Update of APEC Activities, May 2004
3.	CTI	NTM Conference Proceedings, April 2004 (CD)
4.	CTI	2004 Committee on Trade and Investment: Annual Report to Ministers
5.	EC	2004 APEC Economic Outlook
6.	EC	Realising Innovation and Human Capital Potential in APEC
7.	EC	Trade Facilitation and Trade Liberalisation: From Shanghai to Bogor
8.	ESC	2004 Senior Officials Report on Economic and Technical Cooperation
9.	EWG	APEC Energy Overview 2003

**Fora Publications Produced with support from APEC Secretariat
January – October 2004**

	CTI
1.	Life Cycle Assessment
2.	Benefits and Costs of Services Trade Liberalisation
3.	Seminar on Venture Capital & Start-Up Companies
4.	Symposium on Traceability in Legal Metrology
5.	Membangun Usaha Kecil-Menengah Berbasis Pendayagunaan Sistem Hak
6.	Quyên So Huu (Vietnamese)
7.	Quantitative Methods for Assessing NTMs (CD)
8.	Quantitative Methods For Assessing NTMs (Chinese Translation)
9.	Trading For Development: Report From An APEC Workshop On WTO Capacity building Best Practices
10.	Seminar On Regulation Competition In Regulated Sectors (CD)
11.	Intellectual Property-An Overview For Government Agencies (In Vietnamese)
12.	APLAC T041 Coliforms Proficiency Testing Program
13.	APLAC Proficiency Testing Program T036
14.	3rd Conference on Good Regulatory Practices
15.	5th Conference on Standards and Conformance
16.	Current FDI Trends and Investment Agreements - Presentations (CD)
	SCCP
17.	Customs-Business Partnership
18.	Showcases of Customs-Business Partnership
	EWG
19.	Zero Emissions Technologies (CD-Rom)

20.	Energy in China: Transport, electric power & fuel market
21.	New and Renewable Energy in APEC
22.	Electric Power Grid Interconnections
23.	Nuclear Power Generation
24.	Cross-Border Gas Trade
25.	APEC 21st Century Renewable Energy Development Initiative (Collaborative VIII): Financial Road Map for the APEC Region
	ESC
26.	An Independent Assessment of APEC's Economic and Technical Cooperation: Activities Of The FWG
	HRD
27.	Innovation In Entrepreneur Development
	MRC
28.	APEC Workshop On Oil Spills Response & Planning
29.	Development & Validation Of Phycotoxin Analytical Methods, Standards and Reference Materials for Seafood Product Certification and Safety (MRC 01/2000T) - (CD)
30.	2 nd International Conference on Harmful Algae Management and Mitigation
	IST
31.	National Innovation Competencies and Interests in a Globalised World
	FWG
32.	APEC Elasmobranch Management Manual
	TEL
33.	Smart Border Symposium
34.	Website Accessibility Information
35.	From E-Government To E-Citizen, To Create An E-Society
36.	Safety Mail
37.	Stocktake Of Progress Towards The Key Elements Of A Fully Liberalised Telecommunications Sector
38.	IPV6 Workshop: Bridging The Digital Divide
39.	MRA Design: Training Program Design for Phase II implementation
40.	Regulatory Training Design (TEL04/2003T)
	TP
41.	APEC Seminar on Credit Management and Security Practices in International Business
42.	Gender Analysis In Trade Promotion Organisation Activities 2003
	TPT
43.	International Air Law- Vol 1
44.	International Air Law Vol 2
45.	Initiatives for Improving Road Safety-Phase I
	TWG
46.	Best Practices for Disabled Travellers - French Translation
47.	Best Practices in Safety & Security to Safeguard Tourism Against Terrorism
48.	Tourism Occupational Skill Standard Stage III
	SOM
49.	Implementing the E-APEC Strategy: Progress and Recommendations for Further Action

	SME
50.	APEC SME Informatization Survey 2003
51.	International Conference: SME & Big Companies Interaction
52.	2nd APEC Incubator Forum in Taipei
	OTHERS
53.	Workshop: Strengthening Corporate Governance
54.	AFDP Annual Report (FIN) 2004

Publications Sales Revenue (Estimated)
For the year 2004
As at 2 November 2004

	Jan-2004 S\$	Feb-2004 S\$	Mar-2004 S\$	Apr-2004 S\$	May-2004 S\$	Jun-2004 S\$	Jul-2004 S\$	Aug-2004 S\$	Sep-2004 S\$	Oct-2004 S\$	Total S\$
Total Publications Sold	11	5	42	7	3	5	18	20	29	16	156
Gross Publication Sales	\$ 290.50	\$ 244.90	\$ 1,157.00	\$ 145.00	\$ 140.00	\$ 215.00	\$ 363.00	\$ 600.00	\$ 681.50	\$ 411.00	\$ 4,247.90
<i>Resellers(Invoice)</i>	\$ 80.50	\$ 4.90	\$ 1,127.00	\$ -	\$ -	\$ -	\$ 245.00	\$ -	\$ 311.50	\$ 126.00	\$ 1,894.90
<i>Cash/Cheque</i>	\$ 210.00	\$ 240.00	\$ 30.00	\$ 145.00	\$ 140.00	\$ 215.00	\$ 118.00	\$ 600.00	\$ 370.00	\$ 285.00	\$ 2,353.00
<i>Add:</i>											
Royalty Fees	\$ -	\$ -	\$ 862.00	\$ -	\$ 711.45	\$ -	\$ -	\$ 3,655.85	\$ -	\$ -	\$ 5,229.30
<i>Total Publications Sales (SGD)</i>	\$ 290.50	\$ 244.90	\$ 2,019.00	\$ 145.00	\$ 851.45	\$ 215.00	\$ 363.00	\$ 4,255.85	\$ 681.50	\$ 411.00	\$ 9,477.20
<i>Total Publications Sales (USD)</i> <i>(USD1=SGD1.7)</i>	\$ 170.88	\$ 144.06	\$ 1,187.65	\$ 85.29	\$ 500.85	\$ 126.47	\$ 213.53	\$ 2,503.44	\$ 400.88	\$ 241.76	\$ 5,574.82

Revenue for Administration and Operational Accounts
01 January to 31 August 2004

	Amount USD	Total USD
(1) 2004 Members' Contributions received as at 31 August 2004		
Australia	224.000	
Brunei	50.000	
Canada	303.000	
Chile	50.000	
People's Republic of China	258.000	
Hong Kong, China	92.000	
Indonesia	50.000	
Japan	601.000	
Republic of Korea (Note 1)	0	
Malaysia	50.000	
Mexico	134.000	
New Zealand	92.000	
Papua New Guinea	0	
Peru	0	
Philippines (note 2)	0	
Russia	135.000	
Singapore	92.000	
Chinese Taipei	158.000	
Thailand	50.000	
United States of America (note 3)	0	
Viet Nam	50.000	2.389.000
(2) Bank Interest (January - August 2004)		25.229
(3) Publication Sales (January - August 2004)		2.798
(4) Other Income (January - August 2004)		5.954
Total		2.422.981

Note

- 1 Cheque of US\$198,000 cleared on 15 September 2004
- 2 Partial contribution of US\$43,027.16 received 1 November 2004
- 3 Cheque of US\$601,000 received on 5 November 2004

**Revenue for TILF Account
01 January to 31 August 2004**

	Total USD
(1) 2004 Contribution received on 12 & 13 August 2004	2.936.904
(2) Bank Interest (January - August 2003)	44.902
Total	<u>2.981.806</u>

Projects Financed by Central Fund
Status of Approved Budget & Actual Expenditure (01.01.2000 - 31.08.2004)

	2000 Projects		2001 Projects		2002 Projects		2003 Projects		2004 Projects	
	Approved Budget	Disbursement	Approved Budget	Disbursement	Approved Budget	Disbursement	Approved Budget	Disbursement	Approved Budget	Disbursement
	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)
A. WORKING GROUPS										
1. ATCWG	15.000	14.774	15.000	14.968	81.200	46.240	133.560	57.989	76.500	-
2. EWG	304.310	222.573	347.795	243.247	213.660	183.801	249.400	118.185	192.800	-
3. FWG	157.000	141.774	192.885	157.821	202.913	142.425	60.500	33.800	138.420	2.821
4. HRDWG	296.035	202.209	159.000	99.924	277.360	152.264	218.825	120.167	289.808	79.052
5. ISTWG	26.530	10.314	37.990	27.752	189.088	129.990	284.985	156.103	139.660	37.607
6. MRCWG	239.000	168.541	222.650	180.847	186.334	151.653	193.810	74.502	182.816	5.730
7. SMEWG	54.810	-	106.500	98.546	61.750	32.835	37.500	5.337	224.836	96.428
8. TELWG	176.000	167.562	172.464	159.351	87.910	85.016	219.230	92.624	116.700	20.000
9. TWG	-	-	144.750	133.952	64.650	64.650	80.740	73.612	86.335	-
10. TPWG	133.450	55.929	-	-	-	-	-	-	-	-
11. TPTWG	283.300	249.080	68.405	66.137	185.003	112.662	188.776	101.475	90.670	-
B. COMMITTEES/ AD-HOC GROUPS										
1. CTI	204.025	134.487	19.525	14.473	38.525	31.826	87.390	67.984	7.900	-
2. EC	102.300	40.769	88.200	60.130	121.150	83.112	43.200	43.120	47.500	-
3. AGGI	64.330	57.449	155.730	148.200	-	-	-	-	-	-
4. ESC	115.013	113.364	-	-	-	-	25.950	25.450	-	-
5. FIN	135.530	86.620	149.590	42.202	252.480	107.540	66.960	54.124	155.480	65.502
6. HTF	-	-	-	-	-	-	-	-	37.500	-
7. SOM	12.000	2.000	-	-	26.100	22.311	130.400	18.190	211.605	88.631
TOTAL	2.318.633	1.667.445	1.880.484	1.447.550	1.988.123	1.346.325	2.021.226	1.042.662	1.998.530	395.771

Projects Financed by TILF Fund
Status of Approved Budget & Actual Expenditure (01.01.2000 - 31.08.2004)

	2000 Projects		2001 Projects		2002 Projects		2003 Projects		2004 Projects	
	Approved Budget	Disbursement	Approved Budget	Disbursement	Approved Budget	Disbursement	Approved Budget	Disbursement	Approved Budget	Disbursement
	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)
A. WORKING GROUPS										
1. ATCWG	-	-	60.000	39.985	72.100	48.466	66.100	10.825	62.900	-
2. EWG	576.850	454.194	689.450	655.550	281.750	93.000	607.650	297.006	486.910	142.641
3. FWG	-	-	176.070	95.710	-	-	68.140	46.537	67.860	-
4. HRDWG	193.500	154.589	411.200	223.271	198.400	140.083	193.400	-	157.690	-
6. ISTWG	-	-	-	-	-	-	66.550	19.425	68.050	-
5. MRCWG	149.100	141.864	149.100	136.000	204.400	203.570	-	-	72.900	11.450
7. SMEWG	-	-	226.490	123.397	79.720	62.604	74.320	67.744	191.800	5.972
8. TELWG	181.000	178.540	420.100	392.640	-	-	231.125	104.279	167.700	13.489
9. TWG	-	-	245.100	230.911	-	-	-	-	45.400	12.100
10. TPWG	18.000	14.000	156.956	116.246	140.325	80.596	371.200	190.713	291.220	10.030
11. TPTWG	122.096	121.546	194.750	177.988	328.250	179.221	202.191	121.119	155.319	-
B. COMMITTEES/ AD-HOC GROUPS										
1. CTI	1.522.732	870.902	3.081.186	1.616.981	3.147.050	1.691.625	3.019.597	1.361.836	2.343.722	369.984
2. EC	-	-	-	-	-	-	28.000	10.000	43.840	2.000
3. CTTF	-	-	-	-	-	-	-	-	100.200	17.937
4. ECSG	-	-	-	-	-	-	-	-	91.202	3.908
5. FIN	-	-	-	-	-	-	112.600	19.391	118.000	-
6. SOM	-	-	354.280	213.786	684.825	563.343	186.600	157.241	844.848	103.979
TOTAL	2.763.278	1.935.635	6.164.682	4.022.465	5.136.820	3.062.506	5.227.473	2.406.116	5.309.561	693.490

2004 Administrative Account as at 31 August 2004

	Revised Budget US\$	Actual Expenditure US\$
(1) <u>TRAINING/SEMINARS</u>		
1,1 Course fees,registration fees and related items	15.000	3.038
(2) <u>PUBLISHING/COMMUNICATIONS</u>		
2,1 Publication of APEC Literature (e.g. APEC Brochure)	50.000	9.541
2,2 Publication of APEC Committee Reports	50.000	787
2,3 Website Redevelopment and Electronic Publishing	60.000	1.421
2,4 Support for media and outreach programs	65.000	8.533
	225.000	20.282
(3) <u>LIBRARY</u>		
3,1 Subscriptions (e.g. newspapers,journals,etc)	3.000	1.490
3,2 General reference books/Encyclopedia	2.000	205
3,3 Databases (electronic information)	20.000	9.224
3,4 CD ROMS and others	1.000	0
3,5 Scanning	0	0
	26.000	10.919
(4) <u>PUBLIC RELATIONS</u>		
4,1 Official functions/receptions/meetings	15.000	4.212
4,2 Exhibitions/Souvenir items	5.000	0
	20.000	4.212
(5) <u>EQUIPMENT</u>		
5,1 Office equipment,furniture and fittings,etc.	50.000	35.906
(6) <u>TRAVEL</u>		
6,1 Exec-Director/Deputy Exec-Director	221.100	78.312
6,2 Professional Staff	952.700	360.978
6,3 Support Staff	174.800	67.363
6,4 Other related expenses	1.000	25
	1.349.600	506.678
(7) <u>PERSONNEL -SUPPORT STAFF</u>		
7,1 Recruitment costs	3.000	0
7,2 Salaries and bonus	1.000.000	550.335
7,3 Insurance	30.000	21.893
	1.033.000	572.228
(8) <u>RESEARCH AND ANALYSIS</u>		
8,1 Research	10.000	3.481
(9) <u>ADMINISTRATIVE SUPPORT</u>		
9,1 Communications	36.000	14.182
9,2 Professional Fees	31.000	4.955
9,3 Maintenance/Insurance of Vehicles	18.500	5.018
9,4 Stationery	17.000	8.159
9,5 Postage and courier charges	45.000	14.044
9,6 Office and Building maintenance	143.000	69.046
9,7 Others	28.000	11.832
	318.500	127.236

2004 Administrative Account as at 31 August 2004

	Revised Budget US\$	Actual Expenditure US\$
	<hr/>	<hr/>
(10) <u>INFORMATION TECHNOLOGY</u>		
10,1 Operational Costs	109.490	43.321
10,2 Development Costs	76.000	7.365
10,3 Miscellaneous Expenses	<u>7.000</u>	<u>2.790</u>
	192.490	53.476
(11) APEC SOM TASKING DATABASE**	260.000	0
Grand Total :	<u>3.499.590</u>	<u>1.337.456</u>

** One-off expense, approved in BMC II, Aug 2004

**APEC Operational & Administrative Accounts :
Uncommitted Reserves as at 31 August 2004**

	US\$
Uncommitted reserves as at 31 Dec 2003	954.645
<u>Add</u>	
Returned funding for expired 2001 projects [FWG 01/2001 & MRC 05/2001]	10.055
Returned funding for expired 2002 projects [FWG 01/2002, FWG 02/2002 & MRC 04/2002]	60.501
Amount set aside for urgent 2004 projects	375.555
Bank interest income (Jan - Aug 2004)	25.229
Net publications income (Jan - Aug 2004)	2.798
Other Income (Jan - Aug 2004)	5.954
2004 Members' Contributions	2.389.000
2003 Member's Contribution	50.000
<u>Less</u>	
Funding of urgent 2004 projects [HRD 06/2004, SME 06/2004, FIN 03/2004, HTF 01/2004 & SOM 02/2004]	(374.085)
Ex-gratia payment to 2001 project [AGGI 03/2001]	(26.773)
Ex-gratia payment to 2002 projects [HRD 02/2002 & HRD 09/2002]	(15.787)
Uncommitted reserves as at 31 Aug 2004	<u><u>3.457.092</u></u>

TILF Special Account: Uncommitted Reserves as at 31 August 2004

	US\$
Uncommitted reserves as at 31 Dec 2003 <u>after</u> approval of 2004 Projects	2.681.507
<u>Add</u>	
Bank interest income (Jan - Aug 2004)	44.902
2004 Contribution received from Japan on 12 & 13 Aug 04	2.936.904
Returned funding for expired 2001 project [FWG 03/2001T]	70.512
Returned funding for expired 2002 projects [HRD 01/2002T, MRC 01/2002T, TPT 01/2002T, TPT 08/2002T, CTI 01/2002T, CTI 18/2002T, CTI 21/2002T, CTI 23/2002T, CTI 25/2002T, CTI 34/2002T & CTI 37/2002T]	481.471
Returned funding for cancelled 2002 project [CTI 07/2002T]	89.628
Transfer of fund from EC 01/2003T to SOM 04/2004T - Approved 2004 BMC I Meeting	58.000
Returned funding for HRD 02/2003T due to revised budget - Approved BMC II, Aug 04	28.100
<u>Less</u>	
Transfer of fund from EC 01/2003T to SOM 04/2004T - Approved 2004 BMC I Meeting	(58.000)
Urgent 2003 project approved intersessionally in Jan 2004 [TEL 04/2003T]	(18.250)
<u>Urgent 2004 projects approved</u>	
<i>Intersessionally in Feb 2004</i> [CTI 22/2004T]	(68.150)
<i>2004 BMC I Meeting</i> [CTI 23/2004T, CTI 24/2004T, CTI 25/2004T, CTI 26/2004T, CTI 27/2004T, CTI 28/2004T, CTI 29/2004T, EC 01/2004T, CTF 01/2004T, CTF 02/2004T, ECSG 01/2004T & SOM 04/2004T]	(747.018)
<i>Intersessionally in Jun 2004</i> [CTI 30/2004T, CTI 31/2004T]	(178.676)
<i>Intersessionally in Jul 2004</i> [HRD 02/2004T]	(19.990)
<i>Intersessionally in Aug 2004</i> [SOM 05/2004T]	(69.950)

<u>Ex-gratia payments approved</u>	
<i>Intersessionally in Feb 2004</i> [TPT 02/2002T]	(10.750)
<i>Intersessionally in Jun 2004</i> [EWG 02/2001T]	(24.000)
<i>Intersessionally in Jul 2004</i> [TPT 03/2002T]	(31.000)
Uncommitted reserves as at 31 August 2004	<u><u>5.165.241</u></u>

ABAC 2003 RECOMMENDATIONS AND APEC ACTIONS (Draft November 2004)

In 2002 a formal feedback process was instituted to enable ABAC to be informed regularly of action undertaken by APEC in response to its annual recommendations to APEC Leaders. This process involves the collection by the APEC Secretariat of feedback from all APEC fora prior to the second ABAC meeting of each year and presentation of this summary information to both ABAC and SOM in advance of the APEC Leaders' Meeting each year.

The following is a status report on APEC responses to recommendations outlined in the ABAC Report to APEC Economic Leaders presented in Bangkok, Thailand in October 2003.

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
TRADE LIBERALIZATION		
APEC Action Plan for WTO Negotiations		
That a concerted action plan be developed and pursued by APEC Members participating in the WTO negotiations with the objective of achieving early results from the Doha Round in key areas.	<p>In Bangkok, APEC Leaders declared their intention "To advance the DDA and the Bogor Goals of free and open trade and investment, as well as their supporting conditions, we agreed to: "Press for an ambitious and balanced outcome to the DDA... Reenergize the negotiation process, building on Chairman Derbez's text..."</p> <p>CTI has made "support for the WTO" one of its main priorities, and has developed a clear work plan on this issue with detailed objectives in February 2004.</p> <p>The Statement issued by APEC Ministers Responsible for Trade in June 2004 in Pucon, Chile was one of the strongest and most specific ever issued. It contained key references to almost all the elements agreed in the February CTI work program, including an</p>	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>agreement by APEC Ministers Responsible for Trade to support the launch of trade facilitation negotiations in the WTO, an important breakthrough that helped ensure progress on this issue a few weeks later in Geneva.</p> <p>CTI sub-fora organized several capacity building activities aimed at helping developing economies better understand WTO issues, participate in WTO negotiations, and better implement their WTO obligations.</p> <p>The WTO Capacity Building Group organized a very successful workshop on best practices in WTO capacity building activities which discussed coordination and involved the OECD, the WTO Secretariat, the World Bank, the Asian Development Bank, and several other key partners.</p> <p>The WTO Capacity Building Group organized a Seminar on WTO Trade Facilitation in Thailand in November 2004.</p> <p>The WTO Capacity Building Group will organize an APEC/WTO Roundtable on Trade Facilitation to convey APEC's work on trade facilitation to WTO members</p> <p>MAG developed an indicative list of information technology (IT) products for Ministers to propose to the WTO for possible tariff elimination.</p> <p>As a result of the CTI Expanded Dialogue on Trade Facilitation, CTI agreed to recommend that Ministers support recommendations from</p>	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>ABAC on advancing trade facilitation in a WTO context (see CTI Report for recommendations).</p> <p>APEC's Geneva Caucus has resumed regular meetings and has met with SOM Chair, CTI Chair, ABAC Chair, and other APEC officials and experts. Geneva Caucus members have noted APEC's relative strengths and potential to contribute to the WTO, especially in certain sensitive areas. In addition to the more active policy exchanges facilitated by the Geneva Caucus, the group has also encouraged the WTO DG and other senior WTO representatives to attend APEC events, such as the MRT, AMM, AELM and CEO Summit.</p> <p>In light of the importance of environmental protection to sustainable development, industry and trade, the WTO Capacity Building Group held a seminar on "The Environmental Impact Analysis of Trade Liberalization Measures – Methodology and Case Studies". This project aims to support the DDA, in line with the WTO Doha Ministerial Declaration, which noted the importance to continuing trade liberalization of technical assistance and capacity building in the fields of trade and environmental protection.</p>	
<p>That urgent action be taken to free up access and reduce tariffs on tropical products; lower high tariffs on manufactured products including textiles and apparel; as well as deal with the issues in trade in agricultural products; services; and on non-tariff and anti-dumping measures as set out below.</p>		
<p>Trade in Agricultural Products</p>		

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
<p>That Ministers Responsible for Trade commit themselves to working together to solve the critical issues in the WTO negotiations affecting trade in agricultural products – achieving significant reductions in high tariffs and improvements in market access; elimination of export subsidies; and continuing reductions in domestic farm production support programs.</p>	<p>Leaders in Bangkok agreed to “Work towards the abolition of all forms of agricultural export subsidies, unjustifiable export prohibitions and restrictions, and commit ourselves to work in the negotiating group on rules in accordance with the Doha mandate.”</p> <p>In Pucon, Trade Ministers agreed to a negotiating framework for agriculture that provided an ambitious approach to market access with the necessary flexibility; substantial reductions of trade-distorting domestic support; and included a specific commitment to abolish all forms of export subsidies by a date certain. Trade Ministers also instructed the APEC Geneva Caucus to intensify their efforts to support the key areas of the WTO July package. Recognizing that agricultural market access is lagging behind export subsidies and domestic support, they further instructed that special attention be given to finding a way forward.</p>	<p>From this year, economies will report annually on market access for agricultural products in a new IAP Chapter on the APEC Food System.</p>
Trade in Services		
<p>That Ministers Responsible for Trade push forward on services liberalization negotiations with particular focus on the issues of market access; national treatment, pro-competitive regulatory disciplines, transparency, cross-border trade, the classification of “new” services sectors (i.e., energy and express delivery services) and the movement of natural persons.</p>	<p>The Group on Services (GOS) has adopted the Menu of Options (MOOs) for Voluntary Liberalization, Facilitation and Promotion of Economies and Technical Cooperation in Services Trade and Investment. The Services MOOs include items on regulatory disciplines and transparency.</p> <p>GOS continued to monitor developments in WTO services negotiations through a WTO Watch Group.</p> <p>GOS enhanced its communications with Geneva-based delegations of APEC</p>	<p>GOS agreed to hold a symposium, on the margins of 2005 SOM I, on ways to make mode 4-related rules and regulations more transparent.</p> <p>GOS agreed to hold a symposium, on the margins of 2005 SOM I, on mutual recognition in professional services.</p> <p>GOS discussed services critical to electronic commerce, including how to define express delivery services, and agreed to take this work (conducted under the 2002 Leader’s Pathfinder Statement on Trade and the Digital Economy)</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>economies: reporting on GOS activities, receiving feedback from the Geneva Caucus, and exchanging information and ideas on Services issues, including capacity building for APEC members, which are being discussed in the WTO.</p> <p>GOS completed a project on the costs and benefits of services trade liberalization in: distribution, health, tourism and insurance.</p> <p>GOS continues to discuss measures to implement services transparency standards adopted in 2003.</p> <p>In light of recommendations of the ICAO Fifth World Wide Air Transport Conference and the 4th APEC Transportation Ministerial Joint Statement, members of the TPTWG Air Services Group are discussing the Annual Survey on the Implementation of the 8 Options for more competitive Air Services.</p>	<p>forward in 2005.</p> <p>GOS will complete a study on trade liberalization and facilitation of environmental services in APEC economies in 2004.</p> <p>The proposal on cargo-only accession to the Multilateral Agreement on the Liberalization of International Air Transportation (MALIAT) will be discussed as a possible option for advancing implementation of the Eight Options for More Competitive Air Services.</p>
<p>That APEC economies be encouraged to submit GATS offers as soon as possible, and that these be shown in the public domain.</p>	<p>GOS commissioned a project on transparency of mode-4 commitments in the WTO. As an outcome of the project, GOS will develop a template for information gathering for mode-4 commitment in the WTO.</p>	
<p>That APEC economies coordinate capacity building programs that would ensure participation in services negotiations by developing economies.</p>	<p>GOS undertook two urgent projects in 2004 to enhance its capacity building efforts in the area of services negotiation.</p> <p>The Human Resources Development Working Group (HRDWG) endorsed an urgent project "Forum on Trade In Education Services", held 11-12 October in Sydney, Australia. The Forum focused on sharing knowledge and experience concerning trade negotiations, as well as quality</p>	<p>GOS will continue to discuss a proposal concerning interpretation of scheduling commitments on services trade.</p> <p>The HRDWG will continue to explore prospective capacity building projects that advance APEC's TILF goals.</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	assurance and accreditation systems, particularly as they relate to liberalization of Education Services.	
Non-Tariff and Anti-Dumping Measures		
<p>That APEC economies:</p> <ul style="list-style-type: none"> recommit to avoiding the use of NTMs and the misuse of ADMs, participate in the review of NTMs and the WTO Anti-Dumping Agreement, with the aim of clarifying and improving rules to prevent the misuse of such measures. 	<p>The Transportation Working Group (TPTWG) completed a project “Non-tariff measures in the Transport Sector”, and will review its outcomes and recommendations in 2005.</p>	<p>The WTO Capacity Building Group (WCBG) will conduct a project “Capacity Building for Anti-dumping and Safeguard Measures”. The project seeks to enhance government officials’ expertise and understanding of Anti-dumping and Safeguard measures, to promote mutual understanding, and to encourage economies to use existing measures more effectively and appropriately.</p>
Accession to WTO		
<p>That APEC support the accession of all APEC economies to the WTO noting that two member economies, Vietnam and Russia, are in the process of accession.</p>	<p>Leaders declared in Bangkok, “Extend our continued support for the early accession of the Russian Federation and Viet Nam to the WTO.”</p>	
Preferential Trading Arrangements		
<p>That APEC provide, in the 2004 work program, for comprehensive consideration of the PECC studies on preferential trading arrangements within APEC, and other relevant material, at all official levels, in consultation with other interested parties.</p>	<p>Leaders in Bangkok agreed that “...regional and bilateral free trade agreements must be consistent with WTO principles, advance WTO objectives and contribute to the Bogor Goals.”</p> <p>In Pucon, Trade Ministers recognized the contribution that bilateral and regional free trade arrangements can make towards achieving the Bogor Goals and promoting multilateral trade liberalization. They agreed that this contribution is enhanced if regional trade arrangements are open, comprehensive and consistent with WTO rules and disciplines, and with APEC goals and principles. They welcomed Senior Officials’ report on their Second Policy Dialogue on FTAs/RTAs, including their decision to explore possible FTAs/RTAs best practices and develop</p>	<p>In Santiago, in November, Ministers will consider a comprehensive response to FTAs, including a policy response, enhanced transparency and capacity building.</p> <p>Ministers are expected to endorse the “<i>Best Practices for FTAs/RTAs in APEC</i>” and encourage its use in member economies’ FTA negotiations. To enhance transparency, Ministers are expected to approve the IAP reporting template for economies to report on their FTAs/RTAs from 2005.</p> <p>FTA/RTA capacity building activities will be held in several economies in 2005, and Korea will host the 3rd SOM Policy Dialogue on FTAs/RTAs on the margins of SOM II.</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>specific measures to enhance the contribution of FTAs/RTAs to APEC's goals and principles.</p> <p>The Economic Committee also held a symposium on FTAs/RTAs in August 2004.</p> <p>Chapter 2 of APEC's 2004 Economic Outlook is devoted to the issue of FTAs/RTAs in the region.</p> <p>CTI developed and agreed on an IAP reporting template for RTAs and FTAs, which increases transparency by making available descriptions of these agreements and links to their websites.</p> <p>Links have been established on the APEC Secretariat's new FTA webpage to the texts, where available, of APEC economies' FTAs.</p>	
<p>Trade and the Digital Economy</p>		
<p>That, to implement the APEC digital trade initiative, APEC economies achieve throughout the region as expeditiously as possible, full market access with a minimum of exceptions for trade in services critical to electronic commerce, and take leadership collectively in the WTO to pursue the same openness to digital trade.</p>	<p>Australia and Canada became the 18th and 19th member economies to join the Trade and the Digital Economy Pathfinder.</p> <p>CTI discussed a proposal from the United States and Singapore to amend the Pathfinder to make permanent APEC's long-term moratorium on customs duties on electronic transmissions.</p> <p>The Telecommunications and Information Working Group (TELWG) prepared a paper on APEC economies' implementation of the WTO Reference Paper on Basic Telecommunications, as a next step under the Trade and the Digital Economy Pathfinder.</p> <p>CTI agreed to hold, in cooperation with the</p>	<p>CTI, in cooperation with the ECSG, will hold a joint discussion on technology choice at SOM I in 2005.</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>ECSG, a discussion on technology choice.</p> <p>CTI agreed that economies would reflect their progress implementing the Leaders' Digital Economy Statement by updating their 2002 templates on the status of their policies on services critical to e-commerce, intellectual property and tariffs.</p> <p>GOS discussed services critical to electronic commerce, including how to define express delivery services, and agreed to take this work forward in 2005.</p>	
Investment Rules and Trade Facilitation		
<p>That APEC economies support the launching of negotiations on investment rules and trade facilitation at the WTO Ministerial Meeting in Mexico in September 2003.</p>	<p>APEC's WTO Capacity Building Group, in Bangkok, in November 2004, held a Seminar on "WTO Trade Facilitation". The purpose of this project was to:</p> <ul style="list-style-type: none"> strengthen the negotiating ability of APEC members in the WTO; introduce the latest developments on global trade facilitation, including input from the private sector and discussions on trade facilitation in the WTO; and enhance APEC's contribution to the WTO and strengthening the multilateral trading system. 	<p>Japan proposed holding, in January 2005, in Geneva, an APEC/WTO Roundtable on the benefits of a Trade Facilitation agreement with WTO disciplines. The purpose is to share APEC's trade facilitation experience, particularly with developing member negotiators, in the hope that it will help advance trade facilitation talks in the DDA. The roundtable is also expected to bolster APEC/WTO cooperation and capacity/confidence building activities.</p>
MALIAT		
<p>That the Multilateral Agreement on Liberalization of International Air Transportation (MALIAT) should be reviewed to encourage a voluntary phase-in over time of additional APEC economies on an all-cargo basis.</p>	<p>As a step toward implementing the Eight Options for More Competitive Air Services, APEC started discussing a proposal on cargo-only accession to the Multilateral Agreement on the Liberalization of International Air Transportation (MALIAT).</p>	<p>TPTWG members will continue to discuss MALIAT, including as an option to advance implementation of the Eight Options for More Competitive Air Services.</p>
Peer Reviews of APEC IAPs		
<p>That the APEC IAP peer review program should be continued after the current end date of 2005, and should cover all member economies.</p>	<p>Efforts continue to improve IAPs and the IAP Peer Review process. A new format for the IAP Peer Review was adopted in 1998, and in 2005</p>	<p>ABAC has been encouraged to participate more substantially in future IAP Peer Reviews.</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>APEC will complete a full review cycle of Peer Reviews of all economies. Economies have generally acknowledged the IAPs' important role in APEC, but there has not yet been a collective decision to continue IAPs past 2005.</p>	
TRADE FACILITATION		
Trade Facilitation Action Plan		
<p>That APEC member economies steadily implement the actions and measures under the Trade Facilitation Action Plan. ABAC draws attention, in particular, to these measures:</p> <ul style="list-style-type: none"> • the implementation of paperless trading through development of a single window system. • the development and adoption of advanced risk management methodology. • improving the transparency of customs and other trade-related laws, regulations and procedures. 	<p>APEC places a high priority on advancing its trade facilitation agenda and is making progress adopting trade facilitation measures as outlined in the Trade Facilitation Action Plan (TFAP).</p> <p>APEC's work on Trade Facilitation is lead by CTI, which notes outcomes this year including:</p> <ul style="list-style-type: none"> • CTI worked with ABAC to organize an Expanded Dialogue on Trade Facilitation in October 2004, which allowed APEC to assess progress under the TFAP and explore possible ways forward. • A commissioned expert prepared a report assessing APEC's TFAP implementation, which showed both specific progress and areas for additional work. • CTI endorsed recommendations from the Expanded Dialogue on Trade Facilitation and the expert's report, covering: monitoring of TFAP implementation; interaction with business; and APEC contributions to work on trade facilitation in the WTO. • Twenty member economies submitted progress reports on their TFAP implementation, showing substantial progress since 2002. • China oversaw an APEC project aimed at 	<p>Much of the trade facilitation work of CTI and it's sub-fora is ongoing and will continue in the coming year.</p> <p>For example, SCCP will continue its work to promote implementation of advance risk management techniques and effective implementation by SCCP members of APEC's transparency standards.</p> <p>TPTWG members will work to develop a draft Roadmap for trade liberalization and facilitation as well as economic and technical assistance in all modes of transportation (the Roadmap), for distribution prior to the next TPT-WG meeting.</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>measuring APEC's progress toward the goal of cutting transaction costs by 5 percent.</p> <ul style="list-style-type: none"> • CTI sub-fora organized a range of capacity building projects on trade facilitation. • Canada oversaw a project that generated recommendations on facilitating trade for SMEs owned by women. • Malaysia oversaw a project examining developments in efforts to both facilitate and secure trade, intended to contribute APEC's ability to respond to threats to trade and economic activity while still pursuing facilitation goals. <p>In support of APEC's Shanghai Accord goal of reducing transaction costs by 5% by 2006, the Economic Committee developed a methodology to assess economies' progress reducing transaction costs. This methodology, along with another study that uses a gravity analysis model to measure the impact of trade facilitation, will go to Ministers in November.</p> <p>Other notable SCCP activities included:</p> <ul style="list-style-type: none"> • Conducting seminars on "Trade Facilitation and Customs Procedures" and "Capacity Building on Trade Facilitation/ Customs Procedures"; • Including risk management techniques in the SCCP Collective Action Plan to promote greater adoption by economies of advanced risk management techniques to facilitate legitimate trade and travel while maintaining effective customs control (18 economies have completed this CAP to date); • Publishing the SCCP's annual <i>Blueprint on Customs Procedures</i>, which informs the 	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>private sector about changes in customs-related laws and regulations, as well as publicizing SCCP activities and promoting transparency; and</p> <ul style="list-style-type: none"> • Developing an implementation plan (comparable to those developed by other CTI sub-fora in their fields) for the APEC Transparency Standards on Customs Procedures. The plan covers public Customs information, including: publication of changes to Customs regulations or procedures; implementation of Advanced Rulings; maintaining procedural transparency and fairness, and establishing Customs contact points for the public. <p>The Transportation Working Group (TPTWG) Maritime Initiative Group completed work on “Facilitation of International Shipping”, adopting Common Principles to Shipping Policy. While subject to existing laws and agreements, these principles are intended to encourage free and competitive access to international liner shipping markets, maritime auxiliary and intermodal services.</p> <p>Ministers are expected to endorse the APEC Privacy Framework that will assist APEC economies to develop privacy laws and regulations that promote electronic commerce by seeking a balance between effective privacy protection and the continuity of cross-border information flows.</p> <p>Ministers are also expected to endorse <i>APEC’s Strategies and Actions Towards a Cross-Border Paperless Trading Environment</i> and its</p>	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	recommendations and timelines to achieve paperless trading in the APEC region.	
That member economies clearly state the actions they intend to implement in the relevant sections of the IAPs.	From 2003, economies are to report on implementation of trade facilitation measures in their IAPs. Trade facilitation is reported in relevant IAP chapters rather than in a separate chapter.	
Standards and Conformance		
That APEC economies renew the commitment to aligning domestic standards with international standards.	<p>Alignment of domestic standards into international standards is an APEC priority, and all member economies have reported that they are making progress in that direction.</p> <p>SCSC held a Policy Dialogue with ABAC on Standards in September 2004 aimed at enhancing SCSC's responsiveness to business needs on standards and conformance matters.</p> <p>SCSC organized a series of capacity building programs to train officials from developing economies in areas such as calibration and testing of laboratory performance, metrology standards, mutual recognition agreements, and interaction with stakeholders.</p> <p>TPTWG continued work on the harmonization of vehicle regulatory and certification systems</p> <p>TPTWG completed a project on Identification of Competency Standards for Perishable Goods Handling and Development of Training Programs.</p> <p>TPTWG continues to identify standards requirements for Intelligent Transport Systems (ITS) in order to facilitate the establishment of these standards by the ISO. To this end,</p>	A comprehensive review is scheduled for 2005.

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>TPTWG conducted a workshop with the ISO Technical Committee 204 to define APEC needs for ITS standards in the areas of Public Transit and Freight/Fleet Management.</p>	
<p>That efforts be accelerated to integrate APEC markets through the development and implementation of APEC-wide mutual recognition agreements on conformance testing by 2005.</p>	<p>There are several MRA schemes in APEC, and SCSC seeks to promote economies' participation in them. Examples of achievements in 2004 include:</p> <ul style="list-style-type: none"> • one economy joining the Toy MRA; • one economy joining Part I of the EEMRA; • one economy joining Parts II and III of the EEMRA; and • TELWG undertaking work on standards equivalence and Supplier Declarations of Conformance for Telecommunications equipment. • TELWG developed and is implementing a MRA for conformity assessment of telecommunications equipment, covering testing and certification as two conformity assessment procedures. <p>APEC also adopted a new APEC Sectoral Food MRA pathfinder initiative.</p> <p>SCSC does not expect to complete APEC-wide MRAs on conformance testing by 2005.</p>	
<p>That all APEC economies adopt Codex food standards, implement the Medical Equipment Regulatory Harmonization and promote greater co-operation on health care accreditation.</p>	<p>CTI will organize two regional seminars: Harmonization of Medical Device Regulation (one in Asia and one in Latin America) for APEC government regulators of medical devices. The seminars will explore benefits to patients, regulators, industry, and to global/regional trade when economies implement medical device regulatory systems based on harmonized standards and</p>	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
<p>That the APEC Secretariat measure progress in participation in international standards bodies and the extent of harmonization; continue work to identify obstacles to faster progress; identify a next tranche of priority sectors.</p>	<p>procedures.</p>	<p>In order for the APEC Secretariat to undertake such work, it must be tasked by member economies.</p>
<p>Strengthening IPR Protection</p>		
<p>That APEC member economies take the following actions to strengthen IPR protection, particularly to secure enforcement:</p> <ul style="list-style-type: none"> • promote public awareness of the importance of IPR protection • establish an APEC IPR Service Centre in each member economy • adopt and ratify the WIPO Digital Treaties • develop a comprehensive strategy on IP protection in APEC. 	<p>For three years, through the SCCP, interested APEC economies have received technical assistance to implement border enforcement aspects of the Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement). To date, 18 APEC economies have adopted the WTO TRIPS Agreement.</p> <p>IPEG member economies conducted seminars on implementation of the WTO TRIPS Agreement and enforcement of intellectual property rights rules to assist members to develop the capabilities of government officials and business people in the APEC region.</p> <p>IPEG enhanced the IPEG website by adding a discussion board, links to economies' IPR service centers, and an enforcement database.</p> <p>IPEG has developed an APEC IPR Service Center Manual as a reference for economies establishing an IPR Service Center. To date, two economies have established IPR Service Centers and five more plan to have their IPR Service Centers operational by the end of 2005.</p> <p>IPEG completed a report on <i>IPR Policy Progress, Mapping the Comprehensive Strategy on IPRs in APEC</i>. The report summarizes each economy's progress on IPR</p>	<p>In 2005, the SCCP will organize a workshop on TRIPS Arrangements in Manila, Philippines.</p> <p>IPEG will undertake a Workshop on Intellectual Property for SMEs and Micro-enterprises in the APEC Region in Vietnam in 2005.</p> <p>IPEG endorsed and will conduct a project on Public Education and Awareness in six APEC economies.</p> <p>In 2005, IPEG will conduct a Seminar on Developing a Successful Intellectual Property Enforcement Regime.</p> <p>IPEG will complete in December 2004 a public awareness program, designed and started in 2002, to increase public understanding and use of IP in Southeast Asian countries such as Indonesia, the Philippines and Vietnam.</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	protection and its enforcement in a concise and user-friendly manner along with information on the current legal schemes and enforcement statistics for the 1998-2003 period.	
Movement of Business People		
<p>That APEC member economies should participate in and implement the APEC Business Travel Card scheme expeditiously; review and standardize the regulations regarding the ABTC to improve the user-friendliness of the scheme; and enhance efforts to disseminate information on the benefits and the operation of the scheme.</p>	<p>Participation in the ABTC Scheme has increased to 16 with Papua New Guinea and Singapore as the latest additions.</p> <p>Informal Experts' Group on Business Mobility (IEGBM) members review at every meeting members' implementation experiences and issues, and are starting to discuss possible future improvements to the ABTC. ABTC participants are also undertaking greater promotion of the Card.</p> <p>IEGBM continues ongoing efforts to facilitate the mobility of business travelers. Additionally, it has undertaken new work in 2004 in: travel document security, Advanced Passenger Information (API) systems, and developing a Regional Movement Alert List (RMAL) system to improve security and coordination.</p>	<p>IEGBM members are starting to discuss possible future improvements to the ABTC, and ABTC participants are undertaking greater promotion of the Card.</p>
Legal Infrastructure		
<p>That APEC member economies take the following steps to strengthen economic legal infrastructure:</p> <ul style="list-style-type: none"> • enhance predictability, transparency, and objectivity of litigation procedures, especially to avoid delays • secure expeditious enforcement of debt collection • reinforce mechanisms for alternate dispute resolution • improve public access to legal precedent. 	<p>Launched at the 15th AMM (APEC Ministers Meeting) in Bangkok, the Strengthening Economic Legal Infrastructure Coordinating Group (SELI) work plan includes the following core areas:</p> <ul style="list-style-type: none"> • Advocacy and awareness raising; • Capacity building; • Coordination and cooperation; and • Communications with business <p>SELI has developed a reporting mechanism for</p>	<p>SELI will conduct the 5th in a series of training sessions on Competition Policy in December 2004, in Indonesia.</p> <p>SELI will convene a Symposium on Legal Instruments Relating to International Financing and Dispute in December 2004 in Singapore.</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>economies to report on measures to strengthen economic legal infrastructure, to be presented for endorsement to Ministers in Santiago.</p> <p>SELI completed a Study on Debt Collection Litigation/ Arbitration in APEC economies, offering findings and recommendations on how member economies can improve their domestic laws on debt collection/litigation.</p> <p>SELI completed a summary report on findings from a series of seminars on Strengthening Commercial Laws in the APEC region.</p> <p>The APEC Training Program on Competition Policy continued, with the 3rd training session in Malaysia in March 2004, and the 4th session held in Viet Nam in August 2004.</p> <p>SELI members also conducted self-funded projects in 2004, which included a Seminar on Enforcement of Business Regulations and Commercial Laws in the APEC region, a Seminar on Enforcement in Corporate Governance, and Capacity Building for the Implementation of the Accounting Act, with Thailand as a current case study.</p>	
FINANCIAL STABILITY		
Regional Cooperation		
<p>That APEC economies ensure that regional and sub-regional mechanisms not only contribute to financial system stability but also to efficiencies in business transactions and to economic growth in the region.</p>	<p>The APEC Finance Ministers' Process held two back-to-back voluntary policy dialogues in Kuala Lumpur in February 2004. The first was the Voluntary Action Plan (VAP) on Deposit Insurance, and the second was the VAP on Financial Disclosure.</p>	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>The VAP on Deposit Insurance was to promote a greater understanding of the role of deposit insurance in banking financial safety nets and key elements and effective attributes of limited coverage deposit insurance systems. The policy dialogue assisted APEC economies in implementing robust deposit insurance systems.</p> <p>The VAP on Financial Disclosure, on the other hand, was to promote a greater understanding of the importance of financial disclosure by corporate entities, and particularly by financial institutions, and to assist APEC economies implement robust disclosure regimes.</p> <p>APEC Finance Ministers held their 11th annual meeting in September 2004 under the themes:</p> <ol style="list-style-type: none"> 1. Fiscal Policies for Growth and Stability in an Open APEC Region; and 2. Institution Building in a World of Free and Volatile Capital Flows: Looking Forward to APEC 2020. <p>Among the diverse elements that promote growth and economic stability, fiscal discipline is especially relevant because a stable and sustainable fiscal policy provides support to the economy during periods of cyclical deceleration.</p> <p>Additionally, APEC economies should develop the necessary instruments, both domestic and international, that will help minimize the negative effects of volatility of capital flows, which has been an observed feature of globalization, so that openness does not lead to</p>	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	greater instability.	
That APEC welcome the ASEAN Plus Three's review of the CMI, encouraging progress towards greater transparency, efficiency and effectiveness in terms of membership and mechanisms, and the development of regional arrangements that effectively complement global institutions such as the IMF, as well as other regional institutions elsewhere.		
That APEC implement ABAC's previous recommendation to establish an IMF/private sector financial consultative group to deepen and improve understanding of emerging financial developments in the region, as well as the establishment of a policy forum including specialists from the public and private sectors to develop and to promote enhanced regional financial and economic cooperation.		
Security in Financial Systems		
That increased cooperation be achieved between the public and private sectors in APEC economies to strengthen security in financial systems and ensure that measures maintain efficiencies and effectiveness in the delivery of financial services.		
That APEC member economies provide meaningful data on the identity of known and suspected terrorists and related parties to enable financial institutions to understand with whom they are doing business and the nature of the relationships that customers are maintaining, thereby partnering effectively with Governments to identify suspect transactions.	In the 2002 APEC Action Plan on Combatting the Financing of Terrorism, APEC Finance Ministers agreed to intensify their efforts to deprive terrorist financiers access to their financial system by ensuring the ability of financial institutions to identify their customers. Finance Ministers attached importance to the need to improve practices and transaction for effective customer identification. To this end, they called on FATF to continue its work to enhance the 40 Recommendations in this area.	
That the Wolfsberg principles be reviewed to	APEC Finance Ministers, in their 2003 Action	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
<p>ensure that any new measures reflect sound commercial practices, the interests of private sector institutions and those of their bona fide customers. APEC economies should closely watch the FATF and IMF evaluations of the adequacy of anti-money laundering and anti-terrorist financing regimes (reporting, transparency and information sharing) and economies with systems found wanting should enact measures to strengthen their regimes as a matter of priority.</p>	<p>Plan on Combating the Financing of Terrorism, expressed full support to the Wolfsberg Statement on the Suppression of the Financing of Terrorism and endorsed the cooperation between financial institutions and governments.</p>	
<p>That ABAC's work be linked with that of the APEC Counter-Terrorism Task Force on capacity building measures to strengthen the monitoring and reporting of financial transactions across all APEC economies.</p>		
Insurance		
<p>That APEC members support the recapitalization of the reinsurance sector and actions to reduce the heightened uncertainties in non-life insurance markets.</p>		
CAPACITY BUILDING		
To Strengthen Financial Systems		
<p>That APEC Finance Ministers endorse active participation by their officials in the Public-Private Sector Advisory Group for Financial Sector Capacity Building, being promoted by ABAC and PECC, in cooperation with the ADB.</p>		
<p>That existing capacity building programs for life insurance and pensions be expanded to include banks, in addition to general insurance and securities. More APEC economies should provide resources and facilities for additional training programs in risk management.</p>	<p>The APEC Finance Ministers' Process' (FMP) policy initiative on "Managing Regulatory Change in Life Insurance and Pensions" focuses on the prudential supervision of the life insurance and pension industry, and aims to encourage the adoption of existing international standards of best practice. Three symposiums</p>	<p>Australia, which is leading this initiative, is considering extending the MRC model to other areas of work such as risk management. The aim is to build on the strength of the MRC in providing targeted training and harnessing resources of the private sector.</p>

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	and six training courses for middle and senior level regulators were held and conducted under this initiative. The final training course was held in Melbourne in September 2003.	
That capacity building efforts focus on the areas of credit and operational risk, and be directed towards developing human resources and technology, as well as addressing problems related to data availability.		
That APEC member economies develop capacity building programs for reform of insolvency laws and legal protection of creditor rights based on key principles governing enforcement systems, legal frameworks, secured lending, corporate insolvency, as well as frameworks for informal corporate workouts.	The APEC Finance Ministers' Process' policy initiative on Insolvency Law intends to review the effectiveness of insolvency law pertaining to asset resolutions and corporate restructuring. The Third Forum on Asian Insolvency Reform (FAIR III) was held in Seoul in November 2003. Participants examined the policy issues and techniques related to value maximization of distressed assets and non-performing loans. The meeting attempted to distill the experience with new initiatives that have emerged since the beginning of the Asian financial crisis in the area of non-performing asset resolution, and to assess whether they provide the right incentives for debtor and creditor discipline.	
That APEC developing member economies establish their own consultative committees on asset securitization, involving relevant authorities, financial institutions and key market players.		
That APEC convene a securitization forum in the region, where representatives of relevant authorities and market players could exchange views and discuss regional cooperation.	The APEC Finance Ministers' Process' policy initiative on Development of Securitization and Credit Guarantee Markets aims to promote understanding and awareness of the importance of securitization and credit guarantees to bond market development in the region, and to assist APEC economies to identify and take concrete steps to remove	

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
	<p>impediments to the development of securitization and credit guarantee markets. Policy dialogues and workshops involving both public and private sectors have been held to exchange views on relevant issues affecting bond market development. Expert panels have also visited economies interested in receiving expert advice on drawing up detailed action plans and managing the implementation of reforms.</p> <p>The 'Initiative' conducted the second and third panel visits as well as holding the second and third policy dialogues in 2004.</p> <p>A 3-day FMP workshop on “Developing Corporate Bond Market in the APEC Region” was held in June 2004.</p>	
<p>That APEC member economies implement key recommendations previously made by ABAC, including the establishment of coordinating bodies in each economy to facilitate bond market development and capacity building measures to promote robust legal and regulatory frameworks, market infrastructure and credible and independent credit rating agencies to facilitate cross-border investment in bonds.</p>		
<p>That APEC encourage the active involvement and participation of relevant private sector groups and all interested member economies in efforts to develop the market infrastructure for bonds in the region, to expand the institutional investor base, and to accelerate market development through such initiatives as the Asian Bond Markets Initiative and the Asian Bond Fund.</p>		

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
To Improve Governance and Transparency		
<p>That the Pathfinder initiative on corporate governance under the APEC Finance Ministers process be implemented and broader participation be encouraged.</p>	<p>The FMP Pathfinder Initiative on Corporate Governance is a peer review process that will encourage greater participation in the Reports on the Observance of Standards and Codes (ROSC) and better reporting on members' achievements and plans for corporate governance reforms. The peer review process will not rank economies, but will note the completion of work reported in the questionnaires, and will resolve issues that arise.</p> <p>To date, several economies have submitted their completed questionnaires, focusing on disclosure and oversight.</p> <p>Australia tabled the final report at the September 2004 Finance Ministers' Meeting with its recommendations on improving corporate governance in APEC.</p>	
<p>That APEC economies facilitate the creation of institutes of corporate governance or equivalent bodies where they have not yet been established, and encourage these organizations to work with regional bodies to provide insight into best corporate and regulatory practice in the region, as well as business associations in individual economies to include corporate governance training in their work programs.</p>	<p>Action being undertaken by Economies (Thailand used as illustrative example):</p> <p>In the case of Thailand, the National Corporate Governance Committee chaired by the Prime Minister was set up in 2003 to formulate policies to enhance corporate governance of listed companies and financial institutions as well as to monitor implementation by relevant agencies. Since its establishment in 1999, the Thai Institute of Directors (TIOD) has trained more than 400 directors of listed and financial institutions.</p>	
<p>That APEC broaden its outreach and message delivery by encouraging participants in regional</p>		

ABAC RECOMMENDATION	WHAT APEC HAS ALREADY DONE	WHAT APEC PLANS TO DO
<p>fora addressing corporate governance, and to this end establish a running calendar on its website of these events.</p>		
<p>That the APEC Leaders 2002 statement on Transparency be implemented as a matter of priority, and that a region-wide benchmark be established for strengthening corporate governance and transparency, drawing on, for example, work done by the OECD Asia Roundtable on Corporate Governance in July 2003.</p>	<p>The first APEC Anti-Corruption Experts' Meeting was held in Chile in September 2004. SOM has agreed to establish an Ad Hoc Anti-Corruption Experts Task Force.</p>	<p>Leaders, in November, are expected to release the "Santiago Commitment To Fight Corruption and Ensure Transparency".</p> <p>Ministers will consider an APEC Course of Action on Anti-corruption and Transparency when they meet in November. This encourages APEC economies to:</p> <ul style="list-style-type: none"> • take steps to ratify, or accede to, and to implement the United Nations Convention Against Corruption (UNCAC); • strengthen effective measures to prevent and fight corruption; • deny safe haven to corrupt officials, those who corrupt them, and their assets; • fight both public and private sector corruption; • promote public-private partnerships; • nurture cooperation to combat corruption in the region; and • launch the APEC Anti-corruption Initiative in Korea in 2005. <p>Ministers are also expected to recommend effective and results-oriented synergies and partnerships with other multilateral and regional organizations, particularly on donor coordination, training, capacity building, and exchanges of technical expertise. They are expected to commit to the development of an APEC website, training programs, and e-governance tools on anticorruption and transparency and to strongly encourage regional public outreach and awareness</p>

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<p>That APEC economies support efforts and pursue progress in improving transparency among highly leveraged institutions, particularly through enhancing mandatory public disclosure for these institutions; accelerating the harmonization of legal provisions being undertaken by the Global Documentation Steering Committee; and greater sharing of information on HLIs among regulators.</p>		<p>campaigns.</p>
<p>That APEC economies continue to advocate strengthened governance and transparency in the IMF.</p>		
<p>That APEC economies strengthen governance and transparency in domestic regulatory arrangements, in particular by participating in the IMF/World Bank Financial Sector Assessment Program (FSAP) and Reports on the Observance of Standards and Codes (ROSC).</p>	<p>The APEC FMP sponsored a Workshop in May, in Shanghai, to provide training on Strengthening Corporate Governance in Financial Institutions. The purpose was to share experiences, professional knowledge and lessons regarding corporate governance in the Asia-Pacific region, and to improve managerial ability and skills of capital market professionals. This capacity building was also intended to promote sound financial systems, sustainable economic development, and regional trade and investment liberalization.</p>	
<p>To Reinforce Trade and Business Facilitation</p>		
<p>That APEC take further steps to build the capacity of developing member economies to participate in international standard setting bodies. These steps to include building technical competence to enable regulators to cooperate actively in the international standard setting process, allowing governments to move towards MRAs, and towards the objective of “one standard, one test, accepted everywhere, which are based on market forces not</p>	<p>The SCSC continues to promote capacity building among APEC members and to encourage economies’ participation in international standard setting bodies. An ongoing challenge for the SCSC, and for APEC more broadly, is gaining the direct participation and support of economies’ regulators.</p> <p>TELWG continues to support implementation of the TEL MRA, covering testing and certification.</p>	

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government mandate.		
To Support SMEs and Micro-Enterprises		
<p>That APEC economies should support the proposed changes to the Basel Accords to give effect to lower risk weights for SME lending. Bank supervisors should consider lower risk weights for SME loan portfolios where those portfolios are secured, priced for risk, and where the enforceability of securities is certain under local legal systems.</p>		
<p>That APEC Finance Ministers initiate a policy dialogue in cooperation with international institutions such as the ADB, the IADB and the World Bank, as well as ABAC and PECC, and with the participation of experts, policy makers, regulators and market players in venture capital industries from both developed and developing economies, to identify best practices related to institutions, policies and regulations for the industry.</p> <p>That APEC examine incentives that will encourage private sector investment in SMEs and the creation of venture capital funds.</p>	<p>The APEC Finance Ministers' Process conducted a workshop on "SME Financing in the Asia-Pacific region" in November 2003 in Seoul. Topics discussed included strategies and policies in promoting SME financing, SME financing through capital markets, products, and services, and SME governance.</p> <p>At the 2003 Finance Ministers' Meeting, representatives from APEC Financial Institutions Dealing with SMEs signed an MOU on Cooperation. In July 2004, signatory member institutions held their first annual meeting, followed by a 2-day conference: "Promoting APEC Entrepreneurs: The Financiers' Perspective".</p> <p>The SMEWG and Bank Rakyat of Indonesia (BRI) conducted training in May 2004 on micro banking and micro financing. The objectives were:</p> <ul style="list-style-type: none"> • to provide opportunities for APEC economies to learn from BRI's success in establishing an institutionally sustainable micro-banking system, and from BRI's experience with issues of sustainability, outreach and profitability; 	

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	<ul style="list-style-type: none"> • to develop APEC economies' and local participants' managerial skills in running Micro Finance Institutions (MFIs), based on best practices from APEC economies; • to provide training on practical aspects of micro-finance development, including: technology, management information systems, human resources management and skill-building, and internal control systems; • to share experiences in developing MFIs through a MFI Bazaar; and • to introduce successful micro finance institutions to the micro credit public. 	
<p>That APEC Ministers review the range of financing options available to SMEs in their economies and identify “financing gaps” that may exist, with particular emphasis on equity financing.</p>	<p>Participants in the first meeting of APEC Financial Institutions Dealing with SMEs in Thailand in July 2004 agreed that co-financing activities, whether debt or equity financing, should be explored bilaterally or among a few members before being extended widely. China and Thailand agreed to explore bilateral cooperation, such as establishment of a SME equity fund.</p>	
<p>That APEC recognize and promote the APEC IBIZ network of small business counselors throughout the region.</p>	<p>SMEWG and MESG representatives met with APEC IBIZ program representatives in Vancouver in March 2004 and noted the success of the APEC-IBIZ project on “Implementation and Program Enhancement” in expanding the network of business counselors and national institutes.</p>	
<p>That APEC SME Ministers improve linkages with other APEC Working Groups with regard to SME management training, particularly the HRD Working Group, and provide links between the APEC IBIZ and BizAPEC websites.</p>	<p>The SMEWG has been working closely with other APEC bodies (see <i>SME-Related Activities Of APEC Fora</i>, a report available as document 31, from the 2nd SMEWG meeting of 2004).</p> <p>Examples of cooperation include: a Policy dialogue with the Market Access Group</p>	<p>A future seminar is also planned on Capacity Building in Venture Capital Management.</p>

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	<p>(February 2004) to address impediments to trade for SMEs; a joint session with the SCSC (September 2004) on the margins of SOM III; and coordination and shared objectives with the FMP, ESC and HRDWG.</p> <p>The HRDWG, in line with its priority to 'support the training needs of SMEs', completed/supported the following projects:</p> <ul style="list-style-type: none"> • APEC symposium on Human Resources Development Strategies for the Small and Medium Enterprises (SMEs); • the APEC Vocational Training Project in Cooperation with Enterprises; • Improving Industrial Relations through Training in Interest-based Negotiation Techniques; and • the APEC White-Collar Training Program on Production and Material Handling Management under the Total Management System. 	
<p>That APEC SME Ministers examine ways of accelerating the application of information communications technology by SMEs in partnership with the business sector.</p>	<p>The SMEWG conducted the project "Enabling e-Micro-enterprises Environment - through survey and e-community based capacity building." The project surveyed SMEs and micro-enterprises to assess issues such as IT strategies, ICT and e-biz training, and infrastructure readiness and utilization. An Information and Communication Technology policy forum on Micro Enterprises was conducted in Korea in July 2004, followed by an October training session on ICT and e-biz to support e-community building and foster inter-firm networking.</p>	
<p>That an APEC SME Portal be completed by October 2003 to provide one-stop access to</p>	<p>The site is operational at www.smallbizapec.org or at www.smallbizapec.net.</p>	

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information and services available to SMEs in their economies.	The first meeting of APEC Financial Institutions Dealing with SMEs agreed to establish a website www.financingSME.net as a trial forum for information sharing, and to promote cross-border SME business linking among member institutions. SME Bank of Thailand will host the website initially and then hand it over to the next host (China) in 2005.	
For Infrastructure Development		
That APEC Leaders recognize the importance of broadband development by adopting an APEC broadband access goal which will update Leader's regional Internet access goals.	<p>During the 2002 APEC Economic Leaders' Meeting, in Los Cabos, APEC Leaders welcomed the implementation of the e-APEC Strategy and called for accelerated work to put in place sound macroeconomic policies, a legal and regulatory regime that will stimulate investment and technology development to promote e-business and broadband networks, and programs to ensure that our people have access to the Internet and the skills to use it.</p> <p>At the 5th TELMIN Meeting in Shanghai, Ministers recognized that competition has been a key factor underlying the rapid build out of the Internet, including broadband access and greater use of ICT, especially among SMEs and micro-enterprises.</p>	<p>The TELWG is preparing a status report on broadband development within APEC to be presented at 6th TELMIN Meeting in 2005 and to the 2005 AELM in Korea.</p> <p>Senior Officials have commissioned a report on implementation of the e-APEC Strategy, which will be considered by Ministers in November.</p>
That APEC economies exchange information on their domestic broadband policy strategies through the APEC Telecommunications Working Group and report annually to ABAC on broadband progress and programs within the region, beginning in 2004.	The TELWG recognized the importance of broadband development and held workshops during its 27 th , 28 th and 29 th meetings. During these workshops, economies exchanged information on their domestic broadband policy strategies and examined general benefits of broadband on an economy-wide basis. Other goals were to learn more about the latest technologies, and to consider emerging policy and regulatory issues resulting from leading-	Based on the outcomes of the third Broadband Workshop, the DCSG approved the creation of a drafting group to draft key principles to remove barriers to rapid deployment of broadband for economic development. The group will bring draft principles to the DCSG at 30 th TELWG meeting, aiming for adoption by the TELWG Plenary for presentation to the 6 th TELMIN Meeting in 2005. The DCSG will develop a status report on DCSG broadband

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	edge broadband deployment.	activities since TELMIN5 and present it to TEL 31 DCSG and Plenary for consideration.
<p>That APEC economies redouble their efforts to develop educational programs and associated facilities to build indigenous capacity in engineering skills and technology and in other infrastructure-related services.</p>	<p>The HRDWG has committed to promoting and developing lifelong learning as a means both to meet economies' rapidly changing skills needs and individuals' needs for: education, vocational training, professional, technical and management skills development.</p> <p>Relevant to this recommendation, APEC has completed in the past few years the following projects:</p> <ul style="list-style-type: none"> • Use of IT in a Learning Society: APEC Educators Exchange Program; • Information Sharing and Best Practices in Teleworking; • Human Capacity Building for Workforce in the field of Information Communications Technology and Facilitation of Human Resources Exchanges; • Best Practices for Fostering a Lifelong Learning Society; • Preparing Human Resources for the New Economy; and • APEC Network of Skills Development Centres; 	<p>Projects planned for the year 2005 include:</p> <ul style="list-style-type: none"> • APEC Consortium for Future Education: Focusing on Network of ICT Model Schools for Future Education; • Capacity Building for the New International Architecture in Trade and Investment; and • Seminar on Maximizing the Potential of an Older Workforce
<p>That APEC Ministers examine ways of maximizing existing training resources within APEC economies, in partnership with educational institutions, governments, and the private/business sector, and that ABAC be kept informed of the progress through the participation of a representative of the APEC HRD Working Group.</p>	<p>Training forms the core of the HRDWG's work, and the HRDWG continues to cooperate with governments, institutions and the private sector to advance Leaders' and Ministers' instruction to promote training. APEC funded or partially-funded training projects numbered 31 in 2002-2004, and 5 more projects were approved for implementation in 2005.</p> <p>The 3rd APEC Education Ministers Meeting in Santiago, Chile was held 27-30 April 2004</p>	<p>Ministers instructed the Education Network (EDNET) to work with other APEC Fora, including ABAC, to develop a Strategic Plan for English and other Languages in the APEC region, which recognizes each economy's needs, and report the results to Leaders.</p> <p>HRDWG will also conduct in 2005 the project "Workforce Retraining through Digital English Instruction Media."</p>

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	under the policy theme “Skills for the Coming Challenges” to foster linkages and to strengthen collaborative initiatives in education. Ministers recognized the challenge of balancing economic goals and educational needs, to develop a skilled labor force to stimulate sustainable economic growth, and foster civic education and cultural identity in the region.	The second APEC/IFIs Roundtable Dialogue on ECOTECH is being planned for 2005, tentatively on the margins of either the SME or Finance Ministers’ Meeting, around an evolving theme concerning SMEs and education.
To Promote a Recycling-Based Economy		
That APEC cooperate with the private sector in developing an APEC project to promote a recycling-based economy in the APEC region.	HRDWG held a kick-off meeting to discuss the project “Capacity Building for Recycling-Based Economy (RBE) in APEC”, which is expected to be completed by December 2004.	
APEC FOOD SYSTEM		
That APEC Leaders renounce the use of all food embargoes within APEC.	<p>APEC Leaders agreed in Los Cabos and reiterated in Bangkok that one of the objectives of the WTO negotiations should be the abolition of unjustifiable export prohibitions and restrictions. In Bangkok, Leaders agreed to “Work towards the abolition of all forms of agricultural export subsidies, unjustifiable export prohibitions and restrictions, and commit ourselves to work in the negotiating group on rules in accordance with the Doha mandate.”</p> <p>In Pucon, Trade Ministers instructed the APEC Geneva Caucus to intensify its efforts to support key areas of the WTO July package. Recognizing that agricultural market access is lagging behind export subsidies and domestic support, they further instructed that special attention be given to finding a way forward.</p>	
That Agriculture Ministers become directly involved in the implementation of the APEC Food System.	The ATCWG decided to not to hold a High Level Meeting of Agricultural Officials at this time.	Economies will report progress implementing the APEC Food System in a separate chapter of their 2004 Individual Action Plans.

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<p>That (as recommended in 2000) each member economy carry out a self-assessment of all the impediments it faces in increasing its capacity to import and export food products.</p> <p>That APEC convene its first ever Agriculture Ministers meeting to discuss the self-assessments and steps to be taken to implement the APEC Food System.</p>		