**Eligibility Criteria & Guidelines for accessing the ASF Digital Innovation Sub-fund**

This paper sets out the governance arrangements and eligibility criteria for the APEC Support Fund Sub-fund for facilitating growth of the digital economy (the Digital Innovation Sub-fund).

**Scope and fund priorities**

The Digital Innovation Sub-fund supports APEC’s strategic objective of supporting inclusive, integrated and sustainable growth. It aims to provide ongoing support for APEC economies to improve the growth of the digital economy in the Asia-Pacific region. The Sub-Fund will support new and ongoing initiatives related to the digital economy.

Operating within any APEC fora, any economy may submit Concept Notes (CNs) which meet the scope and eligibility criteria of the Digital Innovation Sub-fund. While it is operational, the APEC E-Commerce Steering Group (ECSG) shall undertake the duties accorded to a Responsible APEC Forum as set-out in the Guidebook on APEC Projects with respect of the Sub-fund. However, once the Digital Economy Steering Group (DESG) is operational, it will assume this role as Responsible APEC Forum.

**Criteria for accessing the Digital Innovation Sub-fund**

To be eligible for the Digital Innovation Sub-fund, CNs must:

a) must demonstrate that the project will support capacity building needs for APEC developing economies; and

b) align with APEC’s digital economy priorities as identified by the [Internet and Digital Economy Roadmap](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=2ahUKEwj7pITqrfjdAhVWMt4KHTNAAI4QFjAAegQICRAC&url=https%3A%2F%2Fwww.apec.org%2F-%2Fmedia%2FFiles%2FGroups%2FECSG%2F17_csom_006.pdf&usg=AOvVaw1jw0C5EFIfR1D1KbhjcOO6) (the Roadmap) and the [Cross-Border E-Commerce Facilitation Framework](https://apec.org/Meeting-Papers/Annual-Ministerial-Meetings/2017/2017_amm/Annex-A) (the Framework). Specifically, the project must contribute to one or more of the following from either the Roadmap and/or the Framework:

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| --- |
| Roadmap – Key areas of focus: |
| * Development of digital infrastructure * Promotion of Interoperability * Achievement of universal broadband access * Development of holistic government policy frameworks for the Internet and Digital Economy * Promoting coherence and cooperation of regulatory approaches affecting the Internet and Digital Economy * Promoting innovation and adoption of enabling technologies and services * Enhancing trust and security in the use of ICTs * Facilitating the free flow of information and data for the development of the Internet and Digital Economy, while respecting applicable domestic laws and regulations * Improvement of baseline Internet and Digital Economy measurements * Enhancing inclusiveness of Internet and Digital Economy * Facilitation of E-commerce and Advancing Cooperation on Digital Trade |
| Framework – Objectives: |
| * Creating a favorable regulatory eco-system for e-commerce to promote predictability, transparency, security, fair competition and consistency * Promoting development of Information and Communication Technology infrastructure for facilitating cross-border e-commerce and digital trade * Encouraging and facilitating greater participation of businesses in global commerce, in particular MSMEs * Enhancing cooperation between public and  private sectors, including  on consumer protection * Contributing to trade and investment facilitation in the region, supporting the achievement of the Bogor Goals and post 2020 vision |

In developing CNs, economies should also:

* detail how the proposed initiative is relevant to women, and how it will include and benefit women (refer to APEC’s Gender Inclusion Guidelines (refer to <https://www.apec.org/Publications/2017/11/APEC-Gender-Inclusion-Guidelines>) and the Policy Partnership on Women and the Economy’s five pillars impacting women’s economic participation (refer to <https://www.apec.org/Groups/SOM-Steering-Committee-on-Economic-and-Technical-Cooperation/Working-Groups/Policy-Partnership-on-Women-and-the-Economy>).
* use an evidence-based mode of implementation, using internationally-recognised data where available.
* ensure participation and/or planning input from a broad range of stakeholders, including the private sector and/or civil society.
* account for, relevant work, both completed and underway across APEC and in other fora that can contribute to the project.
* where possible, develop implementation timelines that are greater than 12 months.

**Procedures to access the Digital Innovation Sub-fund**

All CNs seeking access to the Digital Innovation Sub-fund must be endorsed by the proposing forum and have at least two co-sponsors. CNs must then be submitted to the APEC Project Management Unit by the advertised Final Submission Deadline that applies to the Project Session in question. CNs will then be provided to ECSG or newly created DESG, which will consider the CNs against the Digital Innovation Sub-fund eligibility criteria and decide whether it is eligible to access the sub-fund. Eligibility does not guarantee funding.

CNs that are deemed eligible will be scored by ECSG or newly created DESG using the APEC Scoring Template. Consistent with the Guidebook on APEC Projects, the Secretariat will then calculate which CNs can be funded, based on order of scores (highest to lowest), and in consideration of the total amount that is available under the Digital Innovation Sub-fund, for the APEC Project Session in question. In line with the rules that apply to all APEC project funds, if a CN is found to be ineligible, the CN may not proceed any further in the APEC Project Session in question, either under the Digital Innovation Sub-fund, or any other APEC project fund (including the ASF General Fund).

CNs will be considered eligible for the Digital Innovation Sub-fund unless there is a dissenting view raised by one or more members. Steering Group members with dissenting views must provide their reasoning based on the eligibility criteria in writing to the APEC Secretariat. The APEC Secretariat will share the reasoning with the proposing economy so that the CN may be improved, as required, for re-submission in a subsequent project session. If there is a dissenting view, the CN will be considered ineligible for the Sub fund.

**Administration of the digital Sub-fund**

The APEC Secretariat will be responsible for the administration of the Digital Innovation Sub-fund. It will be subject to the procedures and timelines governing the APEC Support Fund, as set out in the Guidebook on APEC Projects and the APEC website:

<https://www.apec.org/Projects/Applying%20for%20Funds.aspx>.