**Guidelines and Eligibility Criteria**

**ASF Sub-Fund on Free Trade Area of the Asia Pacific and Global Value Chains**

**(FTAAP and GVCs)**

The FTAAP & GVCs Sub-Fund is overseen by the Committee on Trade and Investment (CTI). Any interested economies, from any APEC fora, may apply this sub-fund by submitting project Concept Notes which fall within the scope of the sub-fund. Nevertheless, CTI’s endorsement in consideration of the eligibility criteria below, will be the determining factor as to whether a project is eligible to access the sub-fund.

A single project applying for the FTAAP & GVCs Sub-Fund is subject to a cap of USD150,000. All projects funded through the APEC Support Fund and its Sub-funds must be capacity building projects that primarily benefit developing economies.

**Eligibility Criteria for the Sub-Fund**

Drawing on the direction set in *the Beijing Roadmap for APEC’s Contribution to the Realization of the FTAAP* and *APEC Strategic Blueprint for Promoting Global Value Chains (GVCs) Development and Cooperation* endorsed at the AELM in 2014 (Annex A and B of the 2014 Leaders’ Declaration), the proposed criteria are intended to be in line with the initiatives and guidelines specified in the aforementioned documents.

Therefore, to be considered as eligible for the FTAAP & GVCs Sub-Fund, the project must:

a) Contribute to the realization of FTAAP by supporting at least one of the following 4 initiatives which are considered as potential building blocks of the FTAAP:

* Carrying out the collective strategic study on issues related to the realization of the FTAAP;
* Increasing transparency of existing and recently concluded RTAs/FTAs by advancing work under the APEC Information Sharing Mechanism on RTAs/FTAs;
* Continuing the capacity building activities in pursuit of the FTAAP under the Action Plan Framework of the 2nd Capacity Building Needs Initiative (CBNI);
* Accelerating “at the border” trade liberalization and facilitation efforts, improving the business environment “behind the border”, and enhancing regional connectivity “across the border”; and/or

b) Promote GVC development and cooperation according to one or more of the following 10 guidelines:

* Addressing trade and investment issues that impact GVCs;
* Cooperating on improving statistics related to GVC;
* Realizing the critical role of trade in services within GVC;
* Enabling developing economies to better participate in GVCs;
* Assisting SMEs to benefit from GVCs;
* Improving the investment climate for GVCs development;
* Adopting effective trade facilitation measures;
* Enhancing resiliency of GVCs;
* Encouraging public-private partnerships for GVCs; and
* Strengthening collaboration with other stakeholders on GVCs.

Project Concept Notes applying for the FTAAP &GVCs Sub-Fund will be checked against these criteria for their eligibility.

**Process for Applying for the Sub-Fund**

1. Submit your Concept Note to the Program Director for your group by the ‘internal deadline’ that is advertised on the APEC website. Your Concept Note must indicate which sub-fund you are applying for at the relevant place on the template. Your Concept Note must address the eligibility criteria for the sub- fund (see above). Your Program Director will help to facilitate endorsement of your Concept Note by your group, and ensure that the Concept Note meets APEC requirements.
2. Following endorsement of your Concept Note by your group, and after the Final Submission Deadline for all Concept Notes as advertised on the APEC website, your Concept Note will be provided to CTI, who will consider your Concept Note against the eligibility criteria for the sub-fund and decide whether it is eligible to access the sub-fund.
3. Concept Notes will be considered eligible for the sub-fund unless there is a dissenting view raised by one or more members. If there is a dissenting view, the Concept Note will be considered ineligible for the sub- fund. Following the rules that apply to all APEC Concept Notes, if a Concept Note is found to be ineligible, the Concept Note may not proceed any further in the APEC Project Session in question, either under the FTAAP & GVC Sub-Fund, or any other APEC project fund (including the ASF General fund).
4. Committee members who have a dissenting view are encouraged to provide their reasoning. Any responses from Committee members that are provided late will not be included in the process. Any reasoning that is provided on why your Concept Note is ineligible will be shared with you. Committee members will not be identified individually with the decisions they make on eligibility.
5. Concept Notes that have been considered eligible for the sub-fund will then be scored by CTI using the APEC Scoring Template. Eligibility does not guarantee funding. Consistent with the process described in the Guidebook on APEC Projects, the Secretariat will calculate which Concept Notes can be funded based on order of scores (highest to lowest), and in consideration of the total amount that is available under the FTAAP & GVC Sub-Fund, for the APEC Project Session in question.