



Asia-Pacific
Economic Cooperation

Advancing Free Trade
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APEC Senior Officials' Report on
**Economic and Technical
Cooperation 2015**



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Economic Cooperation**

2015 Senior Officials' Report on Economic and Technical Cooperation

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

November 2015

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Letter from the SCE Chair

I am very pleased to submit to you 2015 APEC Senior Officials' Report on Economic and Technical Cooperation.

2015 was a very fruitful and focused year for the SOM Steering Committee on ECOTECH (SCE) as well as for all the SCE fora. The SCE members and the delegations of SCE fora forum worked together under this year's theme "Building Inclusive Economies, Building A Better World" and the new medium-term priorities established last year. Many fora reported their initiatives and projects on regional integration, human capital, SMEs and sustainability/resilience, which are four host year priorities and also fall under eight ECOTECH priorities.

The SCE fora and SCE itself worked with the other fora within and outside of APEC to produce more effective and coordinated outcome throughout the whole year. The agreement on the APEC Capacity Building Policy was only possible with the help of BMC. SCE fora's strengthened collaboration with the other fora delivered more substantive results.

SCE also made every effort to facilitate SCE fora's endeavors through prompt decisions and guidance. The SCE members were alerted and were able to make decisions intersessionally on important issues. SCE's meetings were arranged and managed efficiently to focus more on substantive items.

This report serves you as a summary of the activities of SCE and SCE fora. The outcome of all the meetings and the projects are well recorded in the APEC's meeting document and project databases.

There are still a lot of tasks to do in the coming years. Translating Capacity Building Policy into action is just one of them.

In this regards, I look forward to working closely with the incoming SCE Chair to move forward with ECOTECH agenda.

Sincerely yours,

A handwritten signature in black ink, appearing to be 'R Salazar', written in a cursive style.

Mr. Raúl Salazar
Chair, SOM Steering Committee on ECOTECH

Executive Summary

In 2015, SOM Committee on Economic and Technical Cooperation (SCE) conducted its business through three meetings in the margins of SOMs and intersessional deliberations under the Chairmanship of Mr. Raúl Salazar, APEC Senior Official from Peru. As in 2014, the first SCE meeting was preceded by the Tenth Annual SCE-COW meeting and an informal Chairs and Lead Shepherds' meeting, which were very useful for promoting cross-fora collaboration.

The most important achievement was the adoption of APEC Capacity Building Policy. Under the mandate by the SOM 2014, SCE started its deliberations at the SCE-COW and concluded its discussions by adopting the Policy paper at the third SCE meeting. The Policy will guide APEC fora's and economies' capacity building initiatives. SCE worked very closely not only in conducting discussions on the Policy per se, but also in developing steps to translate it into more concrete details. A small group under BMC will be set up and work with SCE on this.

SCE continued to promote cross-fora collaboration among the different working groups and task forces as well as even with CTI sub fora. SCE-COW and Fora Chairs and Lead Shepherds' Meeting for 2015 were held successfully with a good attendance by the fora. It provided an opportunity for the fora to share plans for potential cross-fora collaborations. SCE Report on Synergies within ECOTECH Agenda, submitted in accordance with the decision by SOM in 2013, triggered lively discussions among the SCE members on how to improve collaboration. SCE made important decisions on its cross-cutting initiatives like extending the mandate of Travel Facilitation Initiative until 2017, and approving the updated Terms of Reference of Mainstreaming Ocean-related Issues Initiatives. It agreed to establish another cross-cutting initiative by adopting the Terms of Reference of Group of Friends on Disability Issues.

SCE's agenda for 2015 dealt with various issues and situations of the fora. SCE reviewed and approved annual workplans and longer term Strategic Plans. It recommended the updated Terms of References of some SCE fora for SOM's final decision, and implemented independent assessments. These are critical roles that SCE undertake to facilitate a fully-functioning fora. Some fora expressed their concerns over lack of funding for their projects. Others look forward to more active guidance from SCE on strategic directions and fora management issues.

Six members contributed to APEC Support Fund in 2015. A total of 103 projects by the SCE fora, including 54 self-funded ones, were commenced or implemented during the reporting period. These projects were intended to pursue such ECOTECH medium-term priorities as harnessing technology, developing human capital, human security, regional economic integration, SMEs, and sustainable growths. Detailed analysis can be found in Section 3.

Various activities by SCE fora are summarized by ECOTECH medium-term priorities in Section 4. SCE fora reported their activities on all eight priorities. This summary is prepared based on SCE Fora Reports by each forum and other updates available. Key achievements of the SCE fora for 2015 are listed in Section 5.

Recommendations

The following recommendations are proposed to the 2015 APEC Ministerial Meeting (AMM):

1. Endorse the 2015 Senior Officials' Report on Economic and Technical Cooperation;

2. Welcome the adoption of APEC Capacity Building Policy;
3. Welcome the achievements of the Working Groups and Task Forces, and welcome the ongoing improvements that have been achieved through the Program of Independent Assessment of all SCE fora; and
4. Welcome the 2015 contributions to the APEC Support Fund from Australia, China, Japan, New Zealand, Russia and Chinese Taipei.

1. Introduction

In 1998, the SOM Sub-Committee on Economic and Technical Cooperation was established with the mandate to “assist SOM in improving the management and coordination of ECOTECH activities among APEC fora”. The Sub-Committee was later elevated to the SOM Committee on Economic and Technical Cooperation (ESC) in 2002. In 2006, as part of the APEC reform process, the ESC was transformed into the SOM Steering Committee on ECOTECH (SCE) with a mandate to strengthen the prioritization and effective implementation of ECOTECH activities by various APEC fora. In 2009, SOM agreed to further strengthen SCE’s policy guidance role as recommended by SCE’s internal review. In 2014, SCE adopted capacity building guidelines to guide the capacity building activities in APEC.

For 2015, SCE was chaired by Mr. Raúl Salazar, APEC Senior Official from Peru. The Vice Chair of SCE was Ms. Laura Quiambao-Del Rosario APEC Senior Official from the Philippines.

The Committee met on three occasions during the year to:

- a. discuss and develop the APEC Capacity Building Policy and follow-up procedures to implement it;
- b. explore ways on how SCE and SCE fora can facilitate a number of possible cross-fora collaboration initiatives; and
- c. continue to work on SCE’s priorities including the approval of strategic plans, the review of fora annual work planning and the conduct of independent assessments.

The annual SCE-COW meeting for 2015 was held in Clark, the Philippines on 4 February 2015. It was attended by representatives of all 21 APEC economies and convenors or their representatives of 13 SCE fora and 2 observers. As in the previous year, it was preceded by an informal Meeting of Fora Chairs and Lead shepherds, which was chaired by the Executive Director of the APEC Secretariat. The SCE-COW meeting discussed how to strengthen ECOTECH, including through the development of an APEC Capacity Building Policy. It also approved a number of workplans of Working Groups and Task Forces for 2015.

The first SCE meeting was held in Clark, the Philippines on 5 February 2015, following the SCE-COW. The meeting commenced discussion of a capacity building policy that would provide clearer direction and guidance on the conduct of capacity building activities in APEC. It approved its own 2015 workplan as well as the extension of TFI Steering Council’s mandate until 2017.

The second SCE meeting of 2015 took place in Boracay, the Philippines on 19 May in the margins of the SOM2 meetings. The SCE Members exchanged views and ideas on the draft Capacity Building Policy paper submitted by the SCE Chair and agreed on a process to develop it further jointly with BMC. The SCE also endorsed the APEC Secretariat’s recommendations on cross-fora collaboration. It also made a number of decisions to facilitate SCE fora’s work, including endorsement of ATCWG’s Strategic Plan as well as outstanding annual workplans of SCE fora, recommendation of the updated ToR of the PPWE, endorsement of a self-funded project proposal of Mid-Term Assessment of TFI, and recommendation to establish the Group of Friends on Disability Issues.

The APEC Capacity Building Policy was adopted by the third meeting of SCE, which was held in Cebu, the Philippines on 4 September 2015. The SOM subsequently endorsed this document, as well as the procedures to establish a small BMC group to follow up. The third SCE meeting approved the revised workplan of Mainstreaming Ocean Related Issues (MOI), and recommended approval of the revised ToR of MOI and a new ToR of Group of Friends on Disability Issues to the SOM, under the cross-cutting agenda items. It also endorsed the 2015 SCE Fora Reports. Endorsement of the independent assessment on SMEWG, decision to conduct the next year's independent assessments on TELWG, ACTWG, ATCWG/HLPDAB and PPWE, approval of the Strategic Plans of EGILAT and PPSTI and recommendation of the revised ToRs of TWG and HWG were among the major outcomes of the meeting.

This report also includes a summary of activities undertaken by SCE fora supporting the existing ECOTECH priorities based on the 2015 SCE Fora Report and other updates available. A brief overview on ECOTECH project funding has been also provided.

2. 2015 Highlights and Priorities

2.1 APEC Capacity Building Policy

a. Background

The third meeting of SCE in 2014, held in Beijing, China on 17 August 2014, adopted the APEC Guidelines on Conducting Capacity Building and agreed to develop APEC capacity building policy. The third meeting of SOM 2014 noted that such capacity building policy would potentially cover : a) defining capacity building and the types of activities that are most effective in the APEC context; b) encouraging development of longer-term or multi-year capacity building programs; c) linking existing capacity building initiatives and ECOTECH Medium-term Priorities; d) encouraging capacity building that is focused on priorities identified through a planning process; e) developing a system to evaluate APEC's capacity building effectiveness; and f) how to leverage technology to improve capacity building implementation and evaluation.

SCE started its deliberations at the annual SCE-COW meeting as well as at its own first meeting in Clark, the Philippines in February 2015, based on a discussion paper by the APEC Secretariat. The APEC Secretariat further facilitated to the consolidation of intersessional comments from the economies, which were then shared with the SCE Chair. The SCE Chair presented the first draft paper ("Policy on APEC's Capacity Building through Economic and Technical Cooperation") in advance of the second meeting of SCE in Boracay, the Philippines in May 2015. Following the discussion at this meeting and in accordance with the procedures agreed at the meeting, the SCE Chair produced a revised draft and shared it with the BMC for discussion.

Inter-sessional comments from some BMC members were incorporated into the second revision, which was circulated among the BMC and SCE members for their preparation of the upcoming BMC and SCE meetings in Cebu, the Philippines. BMC conducted in-depth discussions on the paper. Its proposed revisions, agreed upon at its meeting on 2 September 2015, were reflected in the third revision of the paper by the SCE Chair, which was adopted by SCE at its third meeting on 4 September 2015. The paper was subsequently endorsed by the SOM on 6 September 2015. The SCE and SOM also endorsed the proposed procedure by the BMC Chair to implement certain aspects of this policy paper.

b. Summary

The agreed APEC Capacity Building Policy, called, "Policy on APEC's Capacity Building through Economic and Technical Cooperation", has nine Sections, three annexes and nine end notes.

It lists major historical documents in the area of capacity building policy of APEC and sets out the definition and functions of the capacity building in APEC. It also clarifies that the APEC capacity building will benefit the peoples of the Member Economies, in particular developing ones, and the stakeholders include government officials, business and consumers in APEC economies. It reiterates four overarching goals of ECOTECH from 1996 Framework document and two objectives.

The Policy provides that a "Capacity Building Survey", which will be conducted every five years, will feed into a review process of ECOTECH Medium-Term Priorities. It makes clear that APEC fora's planning should be in line with these Medium-Term Priorities, while capacity building projects could target short term objectives, which are proposed to operationalize the commitments from the Ministers and Leaders or to implement the Host Economy priorities.

Fifteen operational principles have been incorporated to guide APEC's capacity building activities: long-term; needs/opportunities driven; internal and regional replicability; consistency; transparency; innovation; iterative; inclusiveness; enabling; cost-effectiveness; result-based; evaluation; continuity and sustainability; collaborative; and aligned.

It asks the relevant Committees of APEC to ensure that their approval procedures of APEC funded projects i) effectively encourage a holistic approach, ii) promote such modalities as those conducive to sustainable and cost-effective outcomes, iii) invite and incorporate multi-disciplinary inputs and analysis, iv) incorporate a broader perspective from an early stage of planning, and v) ensure transparency and cost-efficiency through simple process and minimization of duplication.

The Policy clearly stipulates that APEC shall consider ways to encourage all Member Economies to contribute to financing ECOTECH in order for it to be allocated predictable, secure and sufficient funding.

It also reiterates the quality management, implementation, completion and reporting guidelines of APEC projects.

The APEC Capacity Building Policy will be evaluated at an interval of 5 years and specifics for such evaluation will be developed one year prior to its initiation.

c. Next Steps

At the SCE 3 meeting on 4 September 2015, the Chair of BMC proposed the following steps as a way to implement this Capacity Building Policy and translate the policies into action:

- a. the BMC will establish a dedicated small working group to explore options to implement certain aspects of the SCE capacity building policy, relevant to BMC;
- b. this small working group will be set up immediately after the final endorsement of the Capacity Building Policy, with a view to holding its first meeting in the margins of SOM1 in Peru next year, with the participation of interested SCE members; and,
- c. subject to the progress and outcome of its discussion, the BMC small working group will recommend to BMC on the appropriate timing to hold a joint session with SCE, if needed, for the implementation of the SCE capacity building policy.

SCE welcomed this proposal while some members underlined the need to review the financing mechanism of APEC funded projects and the procedures for project approval through this process.

This procedural proposal was endorsed by SCE and subsequently by SOM.

2.2 Cross-fora collaboration

a. SCE-COW and Fora Chairs and Lead Shepherds' Meeting

The SOM3 in 2013 approved an initiative to restructure the SCE-COW meeting supported by the introduction of a meeting of fora chairs and lead shepherds preceding it. The first meeting to implement this was held on 25 February 2014 in Ningbo, China.

The second meeting of Fora Chairs and Lead Shepherds was convened on 4 February 2015 and chaired by Dr Alan Bollard, the Executive Director of the APEC Secretariat. It enjoyed a good level of attendance by convenors or representatives of fora convenors. The meeting provided a constructive opportunity to exchange information on potential collaboration areas or initiatives.

This informal meeting was followed by a full-fledged SCE-COW on the same day, where convenors presented their priority areas in their annual workplans. The SCE-COW also conducted a policy discussion on how to improve capacity building in accordance with the decision by SOM3 in 2013 to allow for more focus on policy discussion and less routine reporting.

b. SCE Report on Synergies within ECOTECH Agenda

Another initiative to facilitate SCE's deliberations on cross-fora collaboration is "SCE Report on Synergies within ECOTECH Agenda". In accordance with the decision by SOM3 in 2013, the Secretariat has been tasked to undertake a strategic assessment of synergies within the ECOTECH agenda after SOM1 and provide recommendations to SCE2 about gaps that may require SCE's attention or direction. The first report was submitted to the SCE2 in 2014.

Dr Alan Bollard presented the second report for 2015 to SCE2 in Boracay. The APEC Secretariat analyzed the workplans of sixteen SCE fora and identified more than sixty areas of possible cross-fora collaboration. It also noted that 2015 Priorities did attract much interest from the fora in their cross-fora collaboration efforts. A gap analysis by checking cross-references for possible cooperation areas identified by the fora produced specific recommendations for each forum. A need for earlier planning in cross-fora cooperation was also underlined.

SCE2 endorsed the recommendations by the Secretariat. These are: i) to share with the SCE fora this analysis by the Secretariat; ii) to urge them to check for the feasibility of such collaboration and explore ways to cooperate on the topics identified by the gap analysis; iii) to encourage them to take note of the suggestions by the Secretariat for possible cross-fora collaboration topics and partners; and, iv) to recommend them to promote further cross-fora collaboration from the very initial stage of APEC project development.

Many members at the SCE2 shared their ideas to promote further cross-fora collaboration, including encouraging cross-referencing in Strategic Plans, clear identification of such cross-fora initiatives as MOI and TFI, additional premium for those cross-fora project proposals, streamlining governance of fora on reporting, early engagements of other fora in designing projects, more active role by the Secretariat Program Directors, better coordination among the Economies' focal points, further exploration of cross-fora collaboration topics by sub-fora, and invitation of convenors of other fora to enhance cooperation among the fora.

c. SCE's Cross-Fora Initiatives on Specific Topics

Travel Facilitation Initiative Steering Council

This Steering Council assists in coordinating of, and reporting on, the work being undertaken within APEC towards the Travel Facilitation Initiative. The United States currently coordinates, and facilitates the operation of, the TFI Steering Council. All fora involved nominated their United States members to represent them at the Steering Council. Three SCE fora, CTWG, TWG and TPTWG, are actively involved in conjunction with two CTI fora, SCCP and BMG. The TFI focuses on six areas: airport partnership; APEC business travel card; trusted traveler; facilitation of air passenger security screening; advanced passenger information; and checked baggage facilitation. The TFI Steering Council provides an update report to the CSOM meeting annually.

The TFI originally had had a mandate to operate until the end of 2015, which was extended by the decision at SCE1 until 2017. A self-funded project by the U.S. to conduct Mid-term Assessment of TFI was endorsed at the SCE2. Dr Francesca Cook-Hagen, the consultant for this project, presented her preliminary finding to the SCE3.

Mainstreaming Ocean Related Issues

Mainstreaming Ocean Related Issues (MOI) Steering Council was established by SOM in 2014 to support the MOI initiative endorsed at the 2013 Leaders' Meeting. The initiative will pursue three broad areas of focus: 1) strengthening food security and food safety, 2) maintaining healthy oceans and protecting the marine environment, and 3) connecting APEC Economies through the ocean. Senior Officials, via SCE, would oversee the implementation of the initiative.

MOI met twice in 2015, in the margins of SOM1 and SOM3 respectively. SCE3 and SOM3 endorsed its updated annual workplan and updated Terms of Reference to incorporate more oceans-related activities of the sub-fora in its program and add HRDWG and EPWG to the existing list of OFWG, TPTWG, PPFs, EWG, TWG and SCSC. MOI's mandate currently ends in 2016.

Group of Friends on Disability Issues

SCE2 and SOM2 agreed to convene the APEC Group of Friends on Disability Issues (GOFD) as proposed by China by accepting a concept note. GOFD met in Cebu, the Philippines on 3 September 2015. In this meeting, GOFD agreed on its Terms of Reference to be submitted for SCE and SOM's endorsement. SCE3 and SOM3 approved it as proposed by GOFD.

GOFD aims to provide a mechanism to advance the participation of persons with disabilities in the APEC economies and to achieve disability-inclusive development through coordination. It will serve as a resource through information sharing for cooperation among APEC economies and across APEC working groups. The Terms of Reference provides for an annual meeting, preferably alongside with HRDWG and before SOM3.

2.3 Fora Administration

a. Making Recommendation to SOM on the Terms of References of SCE Fora

In accordance with its Terms of Reference, SCE has the mandate to "review the role and operation of Working Groups and Task Forces with a view to making recommendations to the SOM on establishing, merging, disbanding or reorienting" them.

In 2015, SCE made a number of recommendations to SOM to endorse the revised Terms of References or even to approve a new one. They include the revisions to the existing ToR of PPWE on its meeting arrangement, that of MOI to include new members, those of both TWG and HWG for an overall update of its strategic direction and management arrangements and a new ToR for GOFD.

b. Realigning Strategic Plans

The SCE-COW, which was held in Moscow, Russia on 16 February 2012, decided to require all ECOTECH fora to develop a strategic plan prior to CSOM 2013. During 2014, SCE assisted fora strategic planning process to ensure APEC's ECOTECH work is as focused as possible on the highest priority areas as determined by Leaders and Ministers and all sixteen fora produced their strategic plans.

SCE1 in Clark decided to form a review group to engage with fora that are reviewing their strategic plans to ensure that all plans are sufficiently focused on outcomes and include measurable targets. It was noted that six groups' strategic plans (ATCWG, HWG, MTF, OFWG, TELWG and TWG) are due to expire in 2015 and those of EPWG, HRDWG, PPSTI, SMEWG and TPTWG in 2016.

SCE2 endorsed or confirmed the strategic plans of TELWG (2016-2020), ATCWG (2017) and TWG (2015-2019). SCE3 also reviewed and endorsed the updated and extended strategic plans of EGILAT for the period until 2017 and the new plan of PPSTI for the period of 2016-2025.

c. Approving Annual Workplans

The Terms of Reference of SCE, as revised in 2012, mandates SCE to “assess and direct realignment of individual work plans of Working Groups and SOM Special Task Groups with the APEC-wide medium-term ECOTECH priorities and annual objectives as outlined in the ECOTECH framework” and stipulates that “to this purpose, all Working Groups and SOM Special Task Groups should submit their strategic and annual work plans to the SCE no later than three weeks prior to SOM I for consideration at the SCE-COW.”

A total of twelve SCE Fora (ACTWG, ATCWG, CTWG, EWG, HWG, HRDWG, OFWG, SMEWG, PPSTI, TELWG, TPTWG and PPWE) submitted their annual workplans to the SCE-COW in Clark, the Philippines. The report by the Executive Director of the APEC Secretariat confirmed that all workplans submitted identified links between their work and broader APEC goals and objectives even in general terms and there was a good effort to identify areas for collaboration. All twelve workplans were approved by SCE-COW.

SCE2 approved the remaining four workplans of EPWG, EGILAT, MTF and TWG and also the revised plans of PPWE and TELWG.

d. Conducting Independent Assessments

In accordance with Recommendation 12 of the Fora Review endorsed by SOM and the Ministers in 2006 and the Implementation Plan by the APEC Secretariat submitted to SCE2 in 2007, SCE has been conducting independent assessments. Independent consultants have been selected through an open procurement process.

Four groups (MTF, HWG, HRDWG and TWG) were subject to independent assessments in 2014. These groups were requested to report back to SCE on their progress in implementing the recommendations. MTF submitted its responses to SCE3. The reports of the other groups are still pending.

In 2015, four consultants were awarded contracts to conduct independent assessment on OFWG, EPWG, SMEWG and PPSTI. They attended the meetings of those fora and submitted their reports to SCE. The fora were given an opportunity to comment on the draft report prepared by the assessors. The reports and recommendations of all these reports were endorsed by SCE and were forwarded to those fora for their implementation.

SCE3 selected TELWG, ATCWG/HLPDAB, ACTWG and PPWE for next year's independent assessments. Considering ATCWG and HLPDAB's close association in their agenda and meeting arrangements, a single assessment project will cover both groups.

e. Other Matters

SCE1 revised Fora Report template to reflect the updated ECOTECH Medium-term Priorities, which was agreed in 2014. All sixteen fora submitted their reports to SCE3, which was an

improvement considering that SCE3 in 2014 received thirteen final and two draft reports. Some fora drew SCE's attention to their concerns that their projects were not approved for funding from APEC. It was also noted that SCE fora are looking forward to more active guidance from SCE on various matters, including mandate extension, strategic directions and fora managements.

SCE1 and SCE2 exchanged information regarding the hosting of ministerial meetings for 2015 and 2016, which would facilitate hosts' planning.

2.4 APEC Support Fund

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

Contributions to the ASF from 1 January to 30 September 2015 were made or committed by six economies, including Australia; China; Japan; New Zealand; Russia; and Chinese Taipei.

Australia provided a contribution to the ASF General Fund of USD 1,221,721, which was part of the AUD 14.9 million provided in the years 2008-2016 under the Memorandum of Understanding (MOU) with the APEC Secretariat. It also provided an additional contribution to the ANSSR Sub-Fund amounting to USD 1,530,000 and another contribution of USD 915,573 to establish a new Mining Sub-Fund in 2015.

China expressed in SOM2, 2015 its commitment to contribute USD 2.5 million to the ASF General Fund in 5 years starting in 2015. It also committed to provide contributions to establish three new ASF sub-funds from 2015 onwards, including (1) Free Trade Area of the Asia-Pacific and Global Value Chains (FTAAP & GVCs) Sub-Fund of USD 3 million in 5 years; (2) Innovative Development, Economic Reform and Growth (IERG) Sub-Fund of USD 2 million in 5 years; and (3) Connectivity Sub-Fund of USD 1.5 million in 5 years. In addition, a contribution to the existing Supply Chain Connectivity Sub-Fund amounting to USD 500,000 for 2015 was also committed by China.

Russia made a contribution to the ASF General Fund of USD1 million, which was part of the USD 3 million provided in 3 years between 2015 and 2017 under the MOU signed with the APEC Secretariat.

During 2015, voluntary contributions to ASF have also been made by Japan amounting to USD 921,936 designated for the Energy Efficiency Sub-Fund; by Chinese Taipei amounting to USD 300,000 for the ASF General Fund and USD 300,000 for the Human Security Sub-Fund; and by New Zealand amounting to USD 33,240 for the Supply Chain Connectivity Sub-Fund.

3. APEC Projects by SCE Fora

During the project approval session 2 of 2014 and session 1 of 2015, a total of 103 projects are recorded as being implemented. APEC committed to fund a total of 49 projects with a value of USD 6,339,205 proposed by the SCE fora. Out of the 49 projects, two projects received funding from the TILF Special Account, eight projects were funded by the GPA and 39 projects by the ASF. 54 projects self-funded by member economies were commenced during the period¹. The total value of the projects, including self-funded projects, stands at USD 20,850.411. In addition, there are also five SCE fora multi-year projects underway.

As 13 projects from the CTI and 10 projects from EC received funding from the ASF, a total of 62 projects were approved for funding under ASF, which is an increase compared to 43 from the last reporting period. However, it should be noted that an increased funding availability in Energy Efficiency Sub-Fund through the transfer of certain funds from the reserve to this year's account made a significant contribution to this increase. The circumstances surrounding the availability of project funding are discussed in greater detail in the Budget and Management Committee annual report.

The following tables show the projects by the SCE fora during the reporting period by different breakdowns and different measures.

Some of the ECOTECH Medium-term priorities (inclusive growth and structural reform) are not recorded as the related areas for the projects in implementation. However, it should be noted that some groups such as SMEWG and PPWE reported more than one priority relevant to their projects and such priorities as inclusive growth and structural reform were mentioned in such multiple listing. As the new ECOTECH priorities do not match exactly with the previous term's set, the last year's table was provided separately from this year's analysis for your reference.

Table 1 SCE Fora Projects by Funding Source

Groups	ASF	GPA	TILF	Self-Funded	Total
ACTWG					-
ATCWG	1			2	3
CTWG				1	1
EGILAT				1	1
EPWG	3				3
EWG	21			10	31
HRDWG	2	1	1	7	11
HWG				5	5
MTF					-
OFWG	1			3	4
PPSTI	1			15	16
PPWE				1	1
SCE				1	1

¹ As for self-funded projects, this analysis included only those projects of which the initiation dates are later than August 2014.

SMEWG	3	5		5	13
TELWG	3			1	4
TPTWG	2	1	1	2	6
TWG	2	1			3
Total	39	8	2	54	103

Table 2 SCE Fora Projects by ECOTECH Priorities

Groups	Harnessing Technologies	Human Capital	Human Security	Regional Economic Integration	SMEs	Sustainable Growth	Grand Total
ACTWG							-
ATCWG			3				3
CTWG			1				1
EGILAT						1	1
EPWG			3				3
EWG						31	31
HRDWG		11					11
HWG			5				5
MTF							-
OFWG						4	4
PPSTI	16						16
PPWE		1					1
SCE				1			1
SMEWG					13		13
TELWG	1	1	1	1			4
TPTWG		1		4		1	6
TWG			1	2			3
Total	17	14	14	8	13	37	103

Table 3 SCE Fora Projects by 2010 ECOTECH Priorities

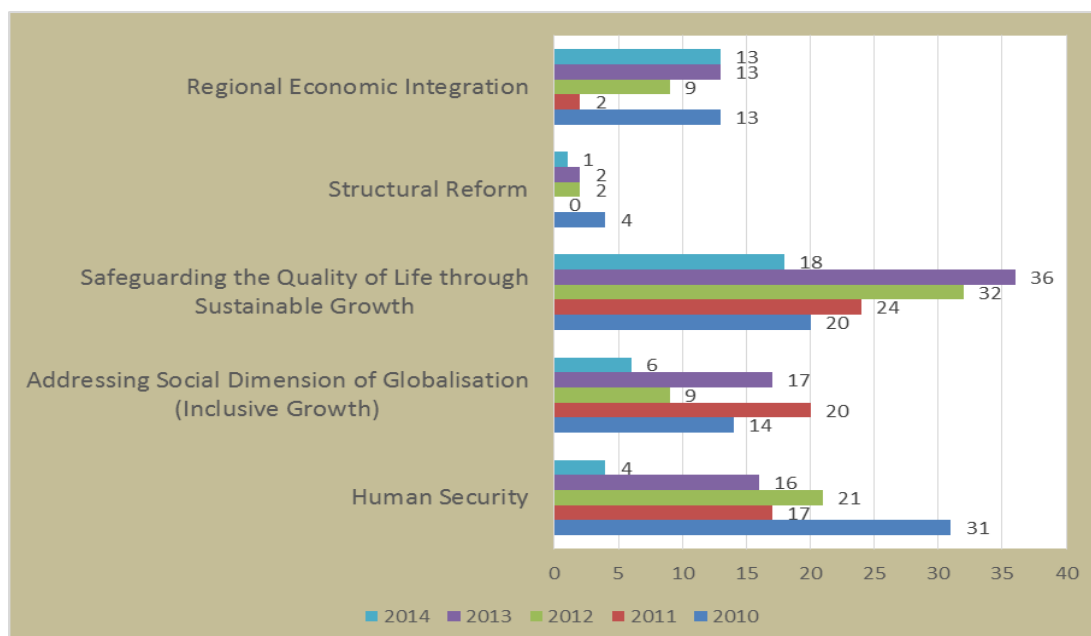


Table 4 SCE Fora Projects by APEC Funding Value (USD)

Groups	ASF	GPA	TILF	Grand Total
ACTWG				-
ATCWG	119,864			119,864
CTWG				-
EGILAT				-
EPWG	276,567			276,567
EWG	3,673,808			3,673,808
HRDWG	145,764	59,115	50,000	254,879
HWG				-
MTF				-
OFWG	50,000			50,000
PPSTI	108,779			108,779
PPWE				-
SCE				-
SMEWG	372,020	619,823		991,843
TELWG	161,800			161,800
TPTWG	174,800	112,901	82,429	370,130
TWG	271,535	60,000		331,535
Total	5,354,937	851,839	132,429	6,339,205

The following figures show the shares of each ECOTECH Priorities excluding inclusive growth and structural reform, in APEC funding amount and in total project values, respectively. One of the factors for the overwhelming proportion of APEC funding on sustainable growth is the significant share of projects funded by Energy Efficiency Account.

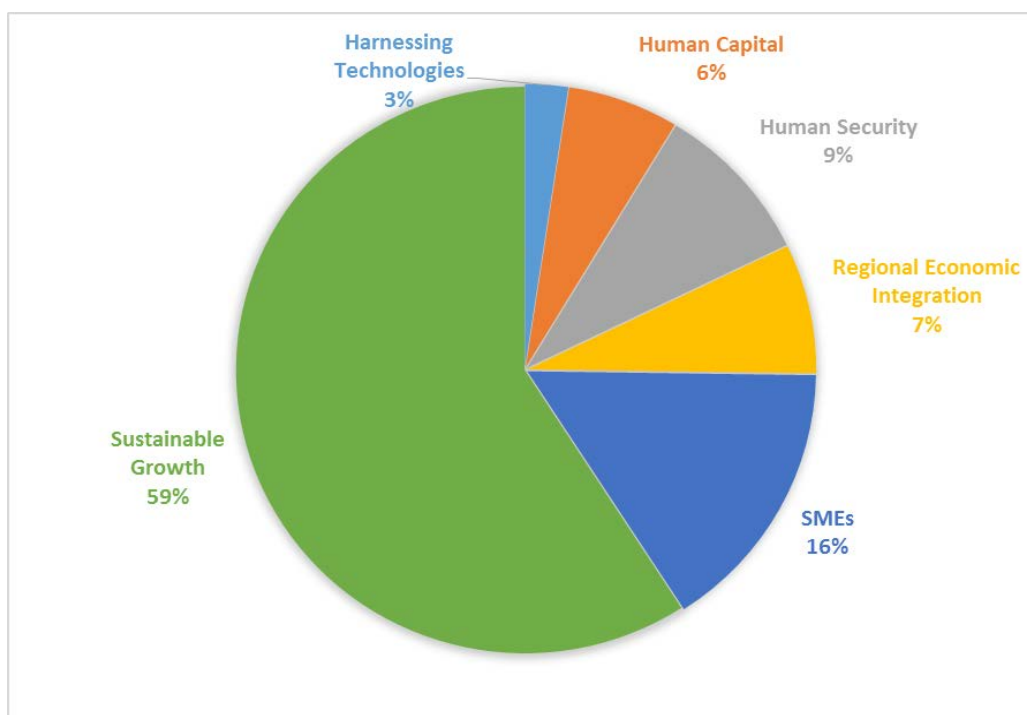
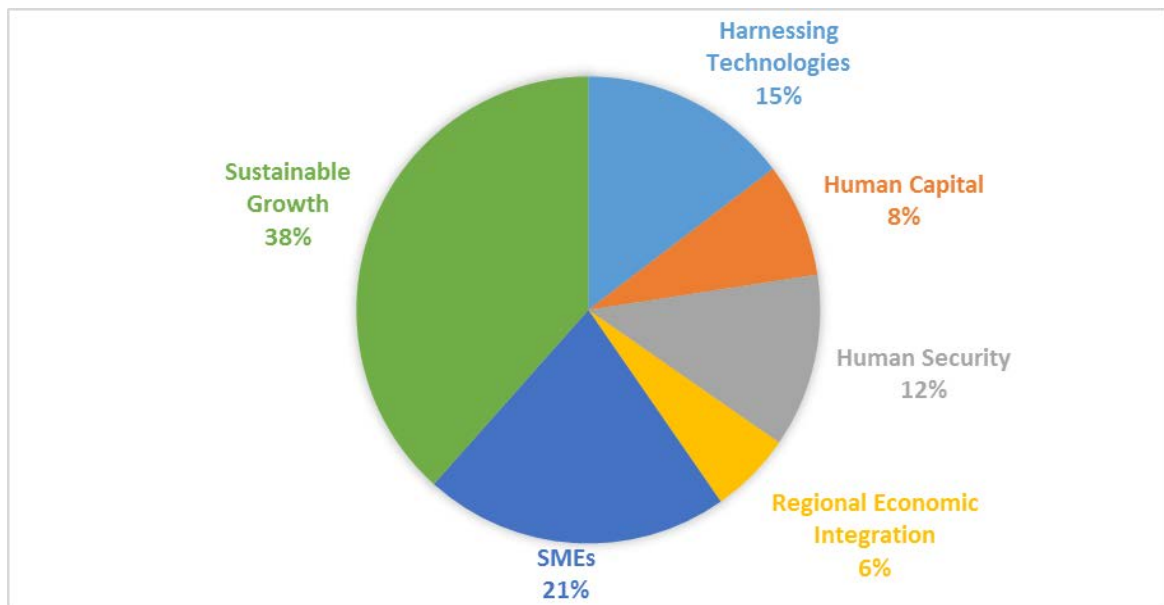
Figure 1 APEC Funding by ECOTECH Priorities

Figure 2 Value of Projects by ECOTECH Priorities**a. Funding criteria for all APEC projects**

All applications for APEC project funding are assessed against a set of funding criteria designed to ensure alignment with APEC Leaders' and Ministers' instructions, and providing a common basis for making funding decisions.

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

The 2015 funding criteria are attached as Annex 9.

4. Implementation of the Medium-term ECOTECH Priorities by SCE Fora

A new set of ECOTECH Medium-term Priorities were established by SCE and SOM in 2014. These new priorities guide the APEC fora and APEC economies in conducting their ECOTECH activities. They have four cross-cutting priorities and four workstream priorities.

Since the last reporting period, the following SCE fora undertook various activities in all eight priorities:

Cross-cutting priorities

1. *Developing Human Capital through Capacity Building*: ATCWG, EPWG, HRDWG, OFWG, PPSTI, PPWE, TELWG, TWG, EWG and SMEWG
2. *Developing and Strengthening the Dynamism of SMEs*: EPWG, HRDWG, PPSTI, TWG, EWG and SMEWG
3. *Harnessing Technologies for the Future and Supporting Innovation* : EPWG, PPSTI, PPWE, TELWG, EWG, SMEWG and TPTWG
4. *Inclusive Growth – Addressing the Social Dimension of Globalization, Health, Gender* : HRDWG, OFWG, PPSTI, PPWE, TWG, SMEWG, HWG and TPTWG

Workstream priorities

5. *Regional Economic Integration*: ACTWG, ATCWG, HRDWG, PPSTI, TELWG, TWG, EWG, SMEWG, MTF and TPTWG
6. *Structural Reform*: ACTWG, TWG and SMEWG
7. *Safeguarding the Quality of Life through Sustainable Growth*: ATCWG, EPWG, OFWG, PPSTI, EWG, SMEWG, EGILAT, MTF, TPTWG
8. *Human Security*: ATCWG, CTWG, EPWG, OFWG, PPSTI, TELWG, TWG, EWG and TPTWG

This section briefly summarizes SCE fora's work by priorities as reported by the fora. For further details and additional information, it is advised to refer to the SCE Fora Report to SCE3.

4.1 Developing Human Capital through Capacity Building

EPWG has been working on capacity building for emergency responders, officials and practitioners by organizing training workshops.

EWG implemented a number of training workshops and produced many training publications including those in the areas of nearly net zero energy building, low carbon model town development, renewable energy, vehicle fuel efficiency and carbon capture and storage.

HRDWG held High Level Policy Dialogue on Human Capacity Building in Port Moresby, Papua New Guinea in May 2015. It also undertook a workshop on enhancing labour mobility in the APEC region in Boracay, the Philippines in May 2015. It is implementing a project “Expand Cooperation among the APEC Economies throughout Language Education Stage II”.

OFWG implemented the Phase I of the project “Preparedness, Response and Assessment of Oil Spill in the APEC Region”.

PPSTI is implementing three projects, Smart City Policy and Enterprise Section, Training and Nurturing Young Scientists in the Asia Pacific Area, and Development of Methodology and Analysis of STI Cooperation in APEC. It also held Innovation Policy Sharing Seminar in the margins of PPSTI 5.

PPWE either implemented or is implementing a number of project for developing human capital specifically on women issues, including Roundtable discussion on the Gender Responsive Economic Action for the transformation of Women (GREAT Women Project) in the ICT Platform; Assisting Women-owned SMEs’ Access to Global Markets; Innovation for Women and Economic Development-Facilitating Women’s Livelihood Development and Resilience with ICTs; the Individual Action Plan for the Enhancement of the Ratio of Women’s Representation in Leadership; Women’s Entrepreneurship in APEC (WE-APEC) network Workshop; and Good Practices of Women’s Entrepreneurship in the Process of Disaster Reconstruction.

Many initiatives or projects of SMEWG have strong human capital development component. They include APEC Accelerator Network (AAN) Initiative; Start-up APEC Conferences; Improving Natural Disaster Resilience of APEC SMEs to Facilitate Trade and Investment; Facilitating SME Trade through Better Understanding of Non-Tariff Measures (NMTs) in the Asia Pacific Region; Supply Chain Capacity Building for SMEs: Supply Chain Management, Cold Chain Storage and Technical Regulations; APEC SME Business Matching and Internship Consortium for Global Value Chain Integration; Assisting Women-Owned SMEs Access the Global Market; and Business Ethics Capacity Building for SMEs in the Medical Devices, Construction and Bio-Pharmaceutical Sectors.

TELWG held a workshop on Development of a Safe and Secure ICT Use Environment and Cybersecurity Framework workshop in May 2015.

TWG is preparing a project on developing the tourism workforce of the future through labour and skills development, certification and mobility in the APEC region.

4.2 Developing and Strengthening the Dynamism of SMEs

EPWG worked with SMEWG on a number of occasions including the project on Improving Natural Disaster Resilience of APEC SMEs to Facilitate Trade and Investment, a workshop during SOM1 in 2015 on how to revive economic activities and development after Typhoon Haiyan, a training-the-trainers workshop in July 2015, and a workshop on sustainable and resilient APEC Community at the margins of the SMEMM-22 in September 2015.

EWG implemented a project “Capacity Building for Installers and System Designers for Solar PV Rooftop Installation, which many from SMEs participated in.

HRDWG is implementing a project “Strategic Human Resources Management for Successful Foreign Investment in APEC”.

PPSTI held Innovation Policy Sharing Seminar in the margins of PPSTI 5.

SMEWG worked on various areas this year through many projects and initiatives. Among those are APEC Accelerator Network (AAN) Initiative; Start-up APEC Conferences; New Era of Growth for APEC SMEs through Online-to-Offline (O2O) Business Models; Supply Chain Capacity Building for SMEs; APEC SME Business Matching and Internship Consortium for Global Value Chain Integration; SME Technology Entrepreneurship Conference; and Harmonisation of Standards for the movement of data across APEC economies.

TWG endorsed a draft research concept on tourism in the region, MSMEs and inclusive growth.

4.3 Harnessing Technologies for the Future and Supporting Innovation

EPWG supported projects related to adopting innovative technology for better emergency preparedness.

Many EWG's projects have strong technology focus and aim to improve the quality of life by investigating better technology in the areas of energy efficiency, carbon capture and renewable energy.

PPSTI implemented a number of projects and initiatives, including Workshop on Development of Bioenergy Crops as Renewable Energy Sources for APEC Economies and Innovation Policy Sharing Seminar. It is also implementing several other projects such as Internet of Vehicles (Phase 2); Green Video Festival; Smart City Policy and Enterprise Section; APEC Workshop on Strategies to Address Non-communicable Diseases through Science, Technology and Innovation (Nutrigenomics Approach); Workshop on Commercialization and Popularization of Research and Market based Innovations through Policy Translation; the 9th APEC Cooperation for Earthquake Simulation (ACES) International Workshop; and, APEC Climate Symposium.

PPWE completed the project APEC Women's Business and Smart Technology Seminar - Empowering APEC Women's Economic Performance using Smart Technology.

Many of SMEWG's initiatives and projects are promoting technologies and innovation as critical tools for SME's business development or as new opportunity areas for SMEs. Supply Chain Capacity Building for SMEs, SME Technology Entrepreneurship Conference, and Promoting Innovation Seminar are some examples of such endeavours.

TELWG held a number of new technology workshops in May 2015, which are Getting Connected (TV White Space), Internet of Things (IOT) development for the promotion of information economy, Over The Top (OTT) Service and Regulatory Roundtable on "OPEN DATA".

TPTWG implemented two projects "Promoting Public-Private Partnership (PPP) to Develop Dry Ports and Logistics Parks in Order to Enhance APEC's Supply Chain Connectivity" and "Air Traffic Management Emissions Reduction Project".

4.4 Inclusive Growth

HWG held a workshop "Using Health Technology Assessment for Universal Health Coverage" in the margins of SOM3 2015 and a training workshop on public risk communication and rumors surveillance in April 2015.

HRDWG together with PPWE and HWG implemented a project “Healthy Women, Healthy Economics” in Manila, the Philippines in August 2015.

OFWG endorsed OFWG Food Security Action Plan, which was shared with PPFS.

PPSTI is implementing a project “Smart City Policy and Enterprise Section”.

PPWE implemented a Project “Healthy Women, Healthy Economics”, under which a workshop was held in August 2015.

SMEWG took on initiatives or projects to help new start-ups or women’s participation in economies, which include APEC Accelerator Network, Start-up APEC Conferences and Assisting Women-Owned SMEs Access in the Global Market.

TWG endorsed a draft research concept on tourism in the region, MSMEs and inclusive growth.

TPTWG established a Women in Transportation Task Force and agreed to hold a Women in Transportation workshop as part of each TPTWG meeting.

4.5 Regional Economic Integration

ACTWG focused its commitments in addressing the hurdles to starting a business, getting credit, dealing with permits, enforcing contracts and trading across borders, and facilitated by deeper cooperation in areas like structural reform and fighting corruption.

ATCWG held the Conference on Enhancing Global Value Chains in Asia-Pacific in Tokyo, Japan on 19-20 June 2014. It also held a seminar on “Strengthening APEC Public-Private Partnership to Reduce Fruit and Vegetable Food Losses in the Supply Chain” on 15 September 2014 in Beijing during the APEC Food Security Week.

EWG coordinated APEC Members’ efforts to update APEC Energy Standards Information System, which contributes to regional harmonisation of standards and conformance procedures.

HRDWG is implementing a project “Strengthening Mobility and Promoting Regional Integration of Professional Engineers in APEC Economies”.

MTF held a workshop and public-private dialogue “Enhancing the Trade and Investment Environment for Mining through the APEC Mining Sub-Fund” in August 2015.

PPSTI is implementing such projects as Phase 2 of Internet of Vehicles and Development of Methodology and Analysis of STI Cooperation.

SMEWG have been making tremendous efforts to facilitate SME’s participation in global market through a number of initiatives and projects, including Supply Chain Capacity Building, Assisting Women-Owned SMEs’ Access the Global Market, Facilitating SME Trade through Better Understanding of NTMs in the Asia Pacific Region, and Harmonisation of Standards for the movement of data across APEC economies.

TELWG workshops in May 2015 are intended to contribute to regional economic integration. Those workshops are Getting Connected (TV White Space), Internet of Things (IOT) development for the promotion of information economy, Over The Top (OTT) Service and Regulatory Roundtable on “OPEN DATA”.

TWG are preparing two projects, which are Develop Air Connectivity in the APEC Region and Traveler-Friendly Airports.

TPTWG reported progress on developing a connectivity map for the APEC region and developing a quality transport vision, encompassing convenience, efficiency, safety, security and sustainability as priorities.

4.6 Structural Reform

ACTWG implemented its workplan focusing on the fostering of SME participation in the regional and global economy.

SMEWG's project on Harmonisation of Standards for the movement of data across APEC economies seeks to develop an engagement platform for National Standard Bodies, SME reps, governments and regulators across APEC.

TWG held a workshop on an Assessment of the Role of Taxation in Promoting Travel and Tourism Growth in the APEC Region.

4.7 Safeguarding the Quality of Life through Sustainable Growth

ATCWG hosted "Scientific workshop on measurement and mitigation of greenhouse gases in livestock system for green production and environment of APEC members" in Thailand on 2-4 December 2014.

EGILAT has taken a number of actions, including progress on Timber Legality Information Sharing Template as well as APEC Policy Guidelines on Identifying the Scope of Illegal and Associated Trade, Training Workshop on Timber Legality Targeting Awareness Raising and Capacity Building, collaboration with ACTWG and SCCP and implementation of the project on Assessment of the Progress towards the APEC 2020 Forest Cover Goal.

EPWG promoted conservation and more sustainable management of agriculture and natural resources.

Many EWG projects have focused on seeking a more liveable environment through measures like low-carbon cities, energy efficiency, green transport, electric vehicles, smart grids, renewable energy, lean utilization of coal, natural gas, unconventional gas, and even marine current energy and nuclear energy among others. EWG reported 18 publications and 15 workshops for the period from August 2014 to July 2015.

MTF established Guidelines for Mining Sub-fund, which will be applicable from the project approval session 2 of 2015.

OFWG implemented two projects, "Preparedness, Response and Assessment of Oil Spill in the APEC Region, Phase I" and "Workshop on the Impacts of Climate Change on Oceans and Fisheries Resources". It also endorsed OFWG Food Security Action Plan and worked on an initiative "Virtual Working Group on Marine Debris". The 3rd Blue Economy Forum was also implemented.

PPSTI awarded its 2015 ASPIRE Prize to a Korean scientist. It implemented 9th APEC Cooperation for Earthquake Simulation (ACES) International Workshop. A number of PPSTI's projects are being implemented, including Green Video Festival, APEC Workshop on Strategies to

Address Non-communicable Diseases through Science, Technology and Innovation (Nutrigenomics Approach), Building Regional Ocean and Land Observation Systems to Safeguard APEC Resources and Communities, and APEC Climate Symposium.

SMEWG held Policy Dialogue for SME Business Continuity Planning (BCP) Forum and Workshop, Train-the-Trainer workshops on SME BCP, and a workshop on Sustainable and Resilient APEC Community. It also published Guidebook on SMEs BCP and APEC SME Disaster Policy Resilient Policy Framework.

TPTWG reported progress on best practice in transportation infrastructure investment, financing and operations, particularly with regard to public private partnerships.

4.8 Human Security

ATCWG implemented a project “Assessments of Climate Change Impacts and Mapping of Vulnerability to Food Insecurity under Climate Change to Strengthen Household Food Security with Livelihoods’ Adaptation Approaches”.

CTWG increased cooperation among APEC member economies to address the dramatic evolution in the nature of terrorist threats and the growth of violent extremism, and to promote the security and resilience of businesses and communities, particularly regarding Secure Finance focused on ‘Countering the Financing of Terrorism with New Payment Systems’ and Secure Travel on ‘Countering Foreign Terrorist Fighters Travels through introduction and better implementation of Advance Passenger Information and Passenger Name Record (API/PNR)’.

EPWG undertook a number of activities, including the Ninth APEC Senior Disaster Management Officials Forum (9th SDMOF), the Workshop on “Community Based Disaster Risk Management” and the Workshop on “Application of Big Data and Open Data to Emergency Preparedness”.

EWG has been leading the Energy Security Initiative, which facilitates APEC economies to address short and long term energy security challenges and build resiliency into their energy systems in a sustainable manner in APEC. It is also implementing projects related to water-energy nexus and cyber-energy nexus. Moreover, it has launched the new APEC Initiative for Enhancing the Quality of Electric Power, under which a guideline for enhancing the quality of electric power infrastructure in the Asia-Pacific region will be formulated.

OFWG implemented “Preparedness, Response and Assessment of Oil Spill in the APEC Region, Phase I”. It also worked on an initiative “Virtual Working Group on Marine Debris”.

PPSTI implemented 9th APEC Cooperation for Earthquake Simulation (ACES) International Workshop and is implementing Building Regional Ocean and Land Observation Systems to Safeguard APEC Resources and Communities.

TELWG held a workshop on ICT for Disaster Risk Reduction and Management in May 2015.

TWG implemented a workshop on Developing Smart Traveller Programmes to Facilitate International Travel in the APEC Region.

TPTWG has been working safe and seamless passenger flow through Aviation Safety/Security and Land Transport Expert Groups.

5. Key Achievements of the SCE Fora

Fora Achievements and Deliverables for 2015

Fora	Illustrative Expected Deliverables for 2015
ACTWG	<ul style="list-style-type: none"> • Workshops on i) The Role of Stakeholders in Fighting Corruption, ii) Designing Best Models on Prosecuting Corruption and Money Laundering Cases • APEC Pathfinder Dialogue II on Combatting Corruption and Illicit Trade • APEC - OECD “Roundtable on Combatting Corruption Related to Trafficking in Persons” • ACT-NET II Meeting • 2nd Joint EGILAT-ACTWG Meeting
ATCWG	<ul style="list-style-type: none"> • Strengthening Public-Private Partnership to Reduce Food Losses in the Supply Chain • High Level Public-Private Forum on Cold Chain to Strengthen Agriculture and Food’s Value Chain • APEC Food Security and Training Workshop • Development and Extension (RDE) Program on Climate Change among APEC Member Economies
CTWG	<ul style="list-style-type: none"> • CTWG capacity building workshops on i) Secure Finance Workshop on Countering the Financing of Terrorism with New Payment Systems, ii) Secure Travel Workshop on Countering Foreign Terrorist Fighter Travel • Encouraging member economies to submit updated Counter Terrorism Action Plans (CTAPs) • Considering and implementing, where appropriate, the recommendations of the Independent Assessor’s reports • Reporting to SOM and Ministers on implementing the APEC Counter-Terrorism and Secure Trade Strategy
EGILAT	<ul style="list-style-type: none"> • Development in EGILAT Timber Legality Guidance Template and APEC Policy Guidelines on Identifying the Scope of Illegal Logging and Associated Trade • Holding information sharing session between members and relevant international organizations • Identification of capacity building needs and resources • Increased cooperation and information sharing in the areas of law enforcement and customs procedures, e.g. holding joint meetings with ACTWG and SCCP to enhance cross-fora collaboration in combating illegal logging and associated trade • Finalizing a report on the Assessment of the Progress towards the APEC 2020 Forest Cover Goal to be submitted to AELM in November.
EPWG	<ul style="list-style-type: none"> • Workshop of Application of Big Data and Open Data for Emergency Preparedness • APEC workshop on Community Based Disaster Risk Management • The Ninth APEC Senior Disaster Management Officials Forum. Adoption of the “APEC Disaster Risk Reduction Framework”

Fora	Illustrative Expected Deliverables for 2015
EWG	<ul style="list-style-type: none"> • APEC Global Supply Chain Resilience Workshop – Phase 3 • Peer Reviews of Inefficient Fossil Fuel Subsidies • Energy Smart Communities Initiative Knowledge Sharing Platform • Collaboration regarding Clean Coal Technologies • Addressing Impediments to Financing Renewable Energy • Peer Review on Low Carbon Energy Policies (PRLCE) • Promoting Solar Photovoltaic Best Practices • Collaboration on Vehicle Fuel Efficiency Labelling Schemes • Harmonized Test Methods for Refrigerators • Exploring the Cybersecurity-Energy Nexus • Exploring the Energy-Water Nexus • Low Carbon Model Town (LCMT) • Peer Review on Energy Efficiency (PREE) • Oil and Gas Security Initiative (OGSI)
HRDWG	<ul style="list-style-type: none"> • Endorsement of revised ToR • Preparation for the 6th HRD Ministerial Meeting (2016) • High Level Policy Dialogue on Human Capacity Building (HLPD-HCB): Port Moresby Joint Statement. • The 1st High Level Policy Dialogue on Science and Technology in higher Education (HLPD-STHE): Joint Statement. (Jointly with PPSTI) • Follow up on employment, labour mobility, mobility of professionals and skills, labour market policies, social protection policies, capacity building for skills development and vocational training, and education (higher education and Cross border education)
HWG	<ul style="list-style-type: none"> • Update of the Terms of Reference • Drafting of the Healthy Asia Pacific Roadmap • Development of the guidelines for engagement between the HWG and the private sector • Development of a health emergency response working manual for health hotline
MTF	<ul style="list-style-type: none"> • Enhancing the Trade and Investment Environment for Mining (Workshop and Public-Private Dialogue) • Guidelines for the new Mining Sub-fund
OFWG	<ul style="list-style-type: none"> • Food Security Action Plan • Workshop on the Climate Change Impact on Oceans and Fisheries Resources • Roundtable Meeting on the Business/Private Sector Involvement in Marine Environment Sustainability • Advance implementation of Phase 1 of the APEC Blue Economy Model Program Initiative
PPSTI	<ul style="list-style-type: none"> • Innovation Policy Sharing Seminar • Human capacity building in policy development and best practice sharing,

Fora	Illustrative Expected Deliverables for 2015
	<p>including through Green Video Festival, APEC Cooperation for Earthquake Simulation Workshop, ASPIRE, APEC S&T Mentoring Center for the Gifted in Science</p> <ul style="list-style-type: none"> • S&T knowledge sharing, including through APEC Smart City Forum, Renewable Energy and Climate Change Metrology and Technology Challenges Workshop, Development of Methodology and Analysis of STI Cooperation in the APEC Region, Use of Weather and Climate Information for Efficient Disaster Management, APEC Typhoon Symposium, promotion of innovative and high value-added recycling production technologies, APEC ART 2015 and co-establishment of an Online Service Platform for Collaborative Innovation of SMEs in APEC Member Economies. • High Level Policy Dialogue on Science and Technology in Higher Education • PPSTI Strategic Plan 2016 - 2025
PPWE	<ul style="list-style-type: none"> • Revision of ToR to hold 2 PPWE meetings annually • Update the Guide on gender criteria for APEC Project Proposals • Strategic Plan for 2015-2018 • APEC Women and the Economy Dashboard • APEC Healthy Women, Healthy Economies Policy Toolkit • Online Platform of the women's entrepreneurship in APEC (WE-APEC) • High Level Policy Dialogue on women and the Economy: Statement • Public Private Dialogue on Women and the Economy (PPDWE) • Development of projects/initiatives to achieve gender equality and advance women's economic empowerment agenda • Partnership with other APEC Working Groups to incorporate gender equality and women's empowerment.
SMEWG	<ul style="list-style-type: none"> • Three workshops under the MYP Improving Natural Disaster Resilience of APEC SMEs to Facilitate Trade and Investment; publish the APEC SME Disaster Policy Resilient Policy Framework • APEC Public - Private Dialogue on Facilitating SMEs Goods and Services Providers and Exporters to Better Integrate into Regional and International Markets • APEC SME Business Matching and Internship Consortium for Global Value Chain Integration • Two workshops on Facilitating SME Trade through Better Understanding of Non-Tariff Measures in the Asia Pacific Region • Workshop on Supply Chain Capacity Building for SME: Supply Chain Management, Cold Chain Storage and Technical Regulations • Two events under the APEC Accelerator Network (AAN) for Early-Stage Investment: AAN Forums I and II • SME Technology Entrepreneurship Conference (SlingshotMNL2015) • 2nd Business Ethics for SME Forum • APEC SME Finance Forum • Harmonisation of Standards for the Movement of Data across APEC Economies: Issue Paper on APEC Harmonisation of Standards (HOST) for Data and

Fora	Illustrative Expected Deliverables for 2015
	Information Flows.
TELWG	<ul style="list-style-type: none"> • TEL Strategic Action Plan 2016-2020 • Amendments to (i) Guidelines for Market Surveillance and (ii) A Guide for Industry to APEC TEL Mutual Recognition Arrangement • Implementation of various workshops and roundtables on Internet of Things, TV White Space, Over The Top Service, CSIRT indicators, ICT for Disaster Risk Reduction and Management, Regulatory Roundtable on Internet of Things, and Industry Roundtable on Open Data • APII IPv6 R&D Test Bed Network Project • APEC e-Government Research Centre • Report on ICT Applications for People with Special Needs • Cyber Security Awareness Activity • Development of a Safe and Secure ICT use environment
TWG	<ul style="list-style-type: none"> • Assessment of the Role of Taxation in Promoting Travel and Tourism Growth in the APEC • Reports of improving air connectivity • Guidelines on Developing Smart Traveller Programmes to Facilitate International Travel in the APEC Region • State of APEC Tourism Report
TPTWG	<ul style="list-style-type: none"> • Launch of APEC Green Port Awarding System • Workshop on APEC Gateway Ports Connectivity • Cooperation Program of Clean Energy Shipping with LNG-Fuelled Ships Project • International Ship and Port Facility Security (ISPS) Code Implementation Assistance Program • Training Course on Common Principles to Shipping Policy • Global Supply Chain Resilience (Phase 3) • Women in Transportation Initiative

6. Recommendations

Recommendations

The following recommendations are proposed to the 2015 APEC Ministerial Meeting (AMM):

1. Endorse the 2015 Senior Officials' Report on Economic and Technical Cooperation;
2. Welcome the adoption of APEC Capacity Building Policy;
3. Welcome the achievements of the Working Groups and Task Forces and welcome the ongoing improvements that have been achieved through the Program of Independent Assessment of all SCE fora; and
4. Welcome the 2015 contributions to the APEC Support Fund from Australia, China, Japan, New Zealand, Russia and Chinese Taipei.



Asia-Pacific
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Annexes

SOM Steering Committee on Economic and Technical Cooperation 2015 Work Plan

1. Proposed Work for 2015 in Response to Leaders'/ Ministers'/SOM Decisions and SCE Priorities.

- Provide policy recommendations that are related to ECOTECH groups, to SOM;
- Establish an APEC capacity building policy;
- Coordinate and supervise all ECOTECH-related Working Groups and Taskforces;
- Provide policy guidance on the ECOTECH agenda in the development of fora strategic plans;
- Conduct Independent Assessments of APEC fora and monitor the implementation by fora of previous reviews' recommendations;
- Subject to the ranking procedure, approve and rank all ECOTECH-related project proposals ahead of presentation to the Budget Management Committee (BMC);
- Prepare annual SCE Fora Report and SOM Report on ECOTECH to Ministers

2. Strengthening coordination among and across Fora

- Promote joint-meetings and capacity building across APEC fora;
- Supervise or coordinate cross-cutting initiatives assigned to SCE:
 - the Travel Facilitation Initiative;
 - the Mainstreaming Ocean-Related Issues Coordination Initiative
- Identify further cooperation in cross-cutting issues in APEC to help deliver the goals and aims of the APEC Leaders Declaration and Ministerial Statements, including through the preparation of a fora collaboration report at SCE2;
- Encourage all ECOTECH-related Working Groups and Taskforces to identify and reflect cross-cutting issues in annual work plans.

3. Expected Outcomes/Deliverables for 2015

- Preparation of an APEC capacity building policy;
- Successful implementation of the Independent Assessments of the fora scheduled for completion this year, specifically
 - Small and Medium Enterprises Working Group (SMEWG)
 - Ocean and Fisheries Working Group (OFWG)
 - Policy Partnership on Science, Technology and Innovation (PPSTI)
 - Emergency Preparedness Working Group (EPWG)
- Commencement of new independent assessments for 2016;
- 2015 SCE Fora Report;
- Submission of the annual SOM Report on ECOTECH to Ministers at AMM 2015.

(Draft) Policy on APEC's Capacity Building through Economic and Technical Cooperation

I. KEY APEC'S POLICY GUIDELINES ON ECONOMIC AND TECHNICAL COOPERATION - CAPACITY BUILDING

The following Leaders' and Ministerial declarations constitute the foundations for technical cooperation and capacity building in APEC:

- The Bogor Declaration, paragraph 8.¹
- The Osaka Action Agenda Part II.²
- The Subic Declaration, paragraph 15.³
- The 1996 Framework for Strengthening Economic Cooperation and Development.⁴

In addition, there are three more documents approved at SOM level that enhance the framework for ECOTECH and capacity building in APEC:

- The Framework to guide ECOTECH activities (2010), and
- The Capacity Building Guidelines (2014),
- ECOTECH Medium-term Priorities.

II. CAPACITY BUILDING WITHIN APEC

Economic and technical cooperation is delivered in APEC mainly through capacity building programs and activities. Capacity building is a responsibility of APEC and all its fora and sub-fora, and it often deals with many emerging cross-cutting issues involving more than one forum in APEC.⁵

In APEC, capacity building can be broadly considered as a process to enable member economies -particularly developing economies- to obtain, share, strengthen, maintain and develop knowledge, abilities, skills and technical know-how, through relevant individuals and institutions, in order to improve their policies and regulations or their institutional structures or processes, so as to engage more fully in and benefit from trade and investment liberalization and facilitation, whilst reducing economic disparities within APEC, thus helping them to effectively meet the APEC's goals.

From an operational point of view, APEC's capacity building can be considered as a means for reaching APEC long term goals and objectives, medium term and strategic plans, as well as to implement mandates adopted at ministerial and Leader's meetings as well as the Medium-term Priorities and the agenda priorities agreed annually at the initiative of the Host Economy.

Capacity building in APEC shall take into account the unique position of APEC as the premier economic policy dialogue forum in the Asia-Pacific region, by recognizing both the potentials as well as the nature of its institutional position. At the same time, capacity building in APEC shall consider the expertise and capacities of other relevant regional and international institutions and complement these capacities with APEC's unique institutional value-added.

III. APEC CAPACITY BUILDING STAKEHOLDERS

Capacity building across all APEC fora and sub-fora should ultimately benefit the peoples of the Member Economies, in particular developing ones. The stakeholders of such capacity building activities and initiatives of APEC include government officials, business, academia and consumers in APEC economies.

IV. ECOTECH - CAPACITY BUILDING LONG TERM GOALS AND OBJECTIVES

ECOTECH comprises programs and activities carried out across all APEC's committees and sub-fora with four overarching goals, as established by the 1996 Framework:

- to attain sustainable growth and equitable development in the Asia-Pacific region;
- to reduce economic disparities among APEC economies;
- to improve the economic and social well-being of the people ; and
- to deepen the spirit of community in the Asia Pacific.

and two specific objectives:

- to build APEC member economies' capacity in the areas relevant to achieve the above long term goals; and
- to help Members to participate more fully in the regional economy as well as in the trade and investment liberalization and facilitation process

V. ECOTECH MEDIUM TERM PRIORITIES ⁶

A "Capacity Building Survey" for APEC fora and economies should be conducted by each fora every 5 years. While the results of this survey could provide a useful indicator of projected economic and technical cooperation priorities over a five-year period, the relevance of these priorities should be assessed in the light of present-day developments.

The results of the survey will be consulted with the CTI, EC, and SFOM. The SCE will be responsible for reviewing the results and, if necessary, recommending to CSOM a new or revised APEC-wide Medium Term Capacity Building Priorities, including both, cross cutting and work stream issues, and CSOM will be responsible for approving any modifications. These priorities shall be in place for 5 years⁷

The scope of APEC fora and sub fora planning documents should fall within the stated APEC-wide medium term strategic priorities for capacity building, unless an urgent and unforeseen need or opportunity is identified at any stage and approved as an additional priority at the level of a Senior Officials Meeting or higher.

VI. APEC FORA STRATEGIC AND WORKING PLANS

APEC's fora and sub fora shall conduct their activities, including development of APEC-funded projects, on the basis of their planning documents.

In addition to long term goals and strategic medium term priorities, APEC capacity building projects could also target short term specific objectives achievable through capacity building as long as they are proposed to operationalize commitments issued by the latest Ministerial or Leaders declarations or the current Host Economy priorities approved by SOM1.

VII. APEC CAPACITY BUILDING OPERATIONAL PRINCIPLES

Consistent with the Guiding Principles as provided for by the 1996 Framework, any APEC's capacity building activities, including the APEC Capacity Building Programme, will pursue the following operational principles:

- Long-term: capacity building should be a permanent pillar of APEC and target a combination of long, medium term and short term APEC goals, priorities and objectives.
- Needs / opportunities driven: capacity building projects should target APEC members' and APEC's fora needs and opportunities, giving priority to targeted capacity building programs and interventions where they are most needed.
- Internal and regional replicability: the beneficiaries of APEC projects should be able to further replicate and /or disseminate their acquired skills within their economies and to other regional actors, including members of the public, private and academic sectors.

- Consistency: the capacity building projects should be internally consistent and methodologically solid, and should benefit from the input and analysis of relevant technical and sectorial specialists.
- Transparency: information such as targeted outcomes; the process to achieve the outcome and the risks involved should be shared.
- Innovation: capacity building projects should not be redundant. Instead, APEC encourages sharing proven best practices or the implementation and new approaches to solving existing problems in the region.
- Iterative: capacity building projects, especially multi-year projects, should explicitly build on the best practices and lessons learned from previously approved projects, and seek to reinforce capacities of targeted institutions and / or individuals,
- Inclusiveness: projects should not exclude beneficiaries because of their gender, ethnicity, age, sexual orientation, disability or poverty.
- Enabling: capacity building in APEC should have a real impact on individuals, institutions and economies, to assist them to participate more fully in the regional economy and the trade and investment liberalization and facilitation process
- Cost-effectiveness: projects should be formulated bearing in mind that their projected benefits should always exceed their costs.
- Results-based: projects should be defined in terms of their expected results (short, medium and long-term outcomes), with measureable performance indicators.
- Evaluation: the evaluation should address the questions of relevance, performance and cost-effectiveness.
- Continuity and sustainability: capacity building should fulfill the needs and opportunities of members in a catalytic way, so as to facilitate each member's efforts and lead member economies to own the institutional / individual capacity acquired for long term impact.
- Collaborative: capacity building projects should, where appropriate, build on and complement the work of other relevant regional and global institutions
- Aligned: capacity building projects should be aligned with key APEC Leaders' and Ministerial declarations, key APEC Policy Guidelines on Economic and Technical Cooperation, its long-term goals and objectives, ECOTECH Medium Term Priorities, Fora Strategic and Working Plans, the Host Economy's Priorities, specific objectives to operationalize APEC commitments and take into consideration other related / relevant regional and global efforts.

VIII. APPROVAL OF APEC-FUNDED PROJECTS

APEC-Funded Projects play a pivotal role in achieving APEC's long term goals of capacity building. To this end and considering limited resources available, the entire process of preparation, submission, selection, approval, implementation and evaluation should be focused on and aligned with the capacity building goals and principles of APEC.

The relevant Committees should also ensure that the approval procedures of APEC Funded Projects:

- Effectively encourage a holistic approach, including giving priority to projects engaging multiple APEC fora or drawing on expertise from other organizations;
- Promote certain modalities of projects, which are more conducive to sustainable and cost-effective outcomes, including such methodologies as training the trainers in specific areas, self-funding availability and involvement of the business sector or APEC Study Centers;
- Invite and incorporate multi-disciplinary inputs and analysis, including perspectives from sectoral experts, civil society and the business sector;
- Incorporate a broader and substantive perspective across many issues on APEC's agenda from an early stage of planning; and,
- Ensure transparency and cost-efficiency of the process by keeping the procedures and the selection criteria as simple and specific as possible, minimizing duplication of work, while considering the need to serve the comprehensive set of the APEC goals.

IX. FINANCING FOR APEC FUNDED CAPACITY BUILDING PROJECTS

ECOTECH as one of the three pillars of APEC, together with trade and investment liberalization and facilitation and as a vehicle for reinforcing these other pillars, should be allocated predictable, secure and sufficient financing.⁸

In order to achieve this, APEC shall consider ways to encourage all Member Economies to contribute to financing ECOTECH activities so as not to be too dependent on financial remnants of the Secretariat Account or tied-funding in ASF Sub-funds.

Additional contributions – in the form of voluntary funds or in-kind contributions - shall be welcome for the GPA or ASF and also for enhancing particular capacity building priorities.⁹ Self-funding, co-funding and other forms of collaboration will also be encouraged.

X. QUALITY MANAGEMENT, IMPLEMENTATION AND COMPLETION OF APEC CAPACITY BUILDING PROJECTS

The APEC Secretariat shall ensure the quality of project proposals by applying the quality assessment processes that are set out in the Guidebook on APEC Projects. The BMC shall ensure that agreed quality assessment processes have been completed, and that projects are of satisfactory quality, before it approves funding.

As set out in the Guidebook on APEC Projects, standard projects shall be implemented by the end of the next year after they were approved. Approved multiyear projects should state their annual phasing and completion date and be allocated funding on a yearly basis for each phase. Extensions shall be approved in accordance with the Guidebook on APEC Projects. Any request for extension beyond one year shall be substantiated and proposed to BMC for approval.

The Guidebook on APEC Projects and the APEC Guidelines on Conducting Capacity Building with the amendments necessitated by this Capacity Building Policy will continue to apply for all phases of the project cycle.

XI. APEC'S CAPACITY BUILDING EVALUATION

As set out in the Guidebook on APEC projects, project overseers shall submit monitoring reports every 6 months during the live cycle of the project and a completion report using the forms, tools and guidance approved by BMC to this end. Reports shall be shared through the AIMP Projects Database.

The APEC Capacity Building Policy will be evaluated on 5-year intervals for, *inter alia*, its relevance, performance and cost-effectiveness. Specific terms of reference and funding proposals for this evaluation will be developed by SCE and presented to BMC for consideration one year prior to the initiation of this evaluation.

Annex:

1. APEC Capacity Building Guidelines
2. ECOTECH Medium Term Priorities
3. Guidebook on APEC Projects

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¹ In 1994, APEC Leaders, issued the Bogor Declaration, which states:

“Our objective to intensify development cooperation among the community of Asia-Pacific economies will enable us to develop more effectively the human and natural resources of the Asia-Pacific region so as to attain sustainable growth and equitable development of APEC economies, while reducing economic disparities among them, and improving the economic and social well-being of our people. Such efforts will also facilitate the growth of trade and investment in the Asia-Pacific region.

Cooperative programs in this area cover expanded human resource development (such as education and training and especially improving management and technical skills), the development of APEC study centers, cooperation in science and technology (including technology transfer), measures aimed at promoting small and medium scale enterprises and steps to improve economic infrastructure, such as energy, transportation, information, telecommunications and tourism, with the aim of contributing to sustainable development.”

² In 1995, APEC Leaders brought forward the Osaka Action Agenda, which states that “APEC economies will pursue economic and technical co-operation in order to attain sustainable growth and equitable development in the Asia-Pacific region, while reducing economic disparities among APEC economies and improving economic and social well-being. Such efforts will also facilitate the growth of trade and investment in the region.

APEC economies will conduct economic and technical cooperation on the basis of the principles of mutual respect and equality, mutual benefit and assistance, constructive and genuine partnership and consensus building. APEC economies shall make voluntary contributions commensurate with their capabilities and the benefits of the co-operation shall be shared broadly.

In pursuing economic and technical cooperation, APEC economies will develop an environment favorable to the effective operation of market mechanisms and integrate into the co-operation process the business/private sector as well as involve wherever possible other pertinent institutions.”

³ In 1996, APEC Leaders recognized “...that our vision of community can be strengthened only if our efforts benefit all citizens. As an essential complement to our trade and investment liberalization agenda, economic and technical cooperation helps APEC members to participate more fully in and benefit from an open global trading environment, thus ensuring that liberalized trade contributes to sustainable growth and equitable development and to a reduction in economic disparities.”

⁴ This framework, agreed by the AMM in 1996, establishes the following goals of economic and technical cooperation and development in APEC:

- to attain sustainable growth and equitable development in the Asia-Pacific region;
- to reduce economic disparities among APEC economies;
- to improve the economic and social well-being of the people; and
- to deepen the spirit of community in the Asia Pacific.

⁵ In 2014, the AMM adopted the APEC Strategic Plan on Capacity Building to Promote Trade and Investment, which proposes actions and acknowledges that it is critical for the CTI, in coordination with the SCE and BMC, to develop a strategic plan which would identify economies’ capacity building needs in the context of ambitious trade and investment commitments by Leaders and Ministers, and address these identified capacity-building needs in a more systematic and focused manner.

⁶ In 2003, following the call of the Leaders and Ministers to improve the focus on APEC’s economic and technical cooperation and capacity building objectives, a short list of four priority areas was approved to serve as guidelines for future APEC –wide ECOTECH agendas. In 2006, ten ECOTECH priorities to guide SCE’s work were set, based on the Manila Declaration’s six long-term APEC ECOTECH priority themes and the four medium-term APEC-wide ECOTECH priorities approved in 2003. In 2009, SCE adopted a document on “Strengthening Economic and Technical Cooperation in APEC - Framework to Guide ECOTECH activities” and a Stocktake of Capacity Building Activities” for sub fora and economies was conducted to examine the capacity building needs of APEC fora and developing economies. Considering all the result of the surveys, SCE recommend four priority areas for future ECOTECH activities in APEC whilst it noted that many stakeholders recognized human capital development as an important foundation for the economic and social development of the APEC region, thus, recommended that ECOTECH activities should focus on this matter. SCE also recommended to pursue the possibility of securing enough budgets for ECOTECH activities in APEC, including the possibility of creating a new fund for promoting human

resource development in APEC. Building on that, in 2010, a document on “Strengthening Economic and Technical Cooperation in APEC – SCE Framework” was adopted by the SOM, which introduced a uniform set of criteria for all project funding and identified five areas as medium-term APEC -wide ECOTECH priorities.

⁷ In 2014 SCE and SOM approved a set of revised cross-cutting and work stream APEC- wide ECOTECH Medium-term priorities for 2015-2019, which are:

Cross-cutting priorities

1. Developing human capital through capacity building;
2. Developing and strengthening the dynamism of SMEs;
3. Harnessing technologies for the future and supporting innovation;
4. Inclusive growth - addressing the social dimension of globalisation, health, gender;

Work stream priorities

5. Regional economic integration;
6. Structural reform;
7. Safeguarding the quality of life through sustainable growth; and
8. Human security.

⁸ Historically, general funding for APEC projects reached a peak of USD 11 million in 2009.

⁹ Such as the capacity building plans on supply chain performance, the REI CBNI Action Plan Framework.

SCE Report on Synergies within the ECOTECH Agenda

Background

1. The SCE has tasked “the Secretariat to undertake a strategic assessment of synergies within the ECOTECH agenda after SOM1 and provide recommendations to SCE2 about gaps that may require SCE attention or direction” (point 7 of “SCE Report on Improving ECOTECH in APEC (2013/SOM3/030)).
2. The first report by the APEC Secretariat (2014/SOM2/SCE/004) was submitted to the SCE2 last year. Based on its analysis of those annual workplans that had been made available at SCE-COW 2014, it put forward a number of proposed recommendations for SCE to make to the SCE fora. Following its adoption, the SCE Chair wrote to the convenors of each forum to relay the SCE’s recommendations.

Review of the annual workplans of the SCE fora and other coordination activities.

3. The APEC Secretariat analysed twelve workplans endorsed by the SCE-COW on 4 February 2015, which are the workplans of SMEWG, CTWG, HWG, OFWG, ATCWG, ACTWG, HRDWG, TELWG, EWG, PPSTI, PPWE and TPTWG. EGILAT, EPWG, TWG and MTF also shared the Secretariat their workplans which they plan to submit to the SCE for approval with for this exercise. The Secretariat included these four workplans in its review, assuming that their general intention to work with the other fora will be confirmed at the SCE2. The outcome of such analysis is found in the attached table “Identified Areas for Cross-fora Collaboration based on Workplans of 2015”.
4. The Secretariat found the following:
 - 4.1. The SCE fora identified more than sixty areas of possible cross-fora collaboration, which may demonstrate the fora’s high level of awareness on cross-fora collaboration.
 - 4.2. It should be also noted that such SCE fora as SMEWG, HRDWG and EPWG, leading the various activities relevant to the Priorities of 2015 (Regional Integration, SME, Human Capital Development and Sustainability/Resiliency), either have identified many cross-fora topics or have been referred to as possible partners by the other fora.
 - 4.3. It is not certain whether every intended cooperation initiative has been matched with another intention by the referred-to fora. Furthermore, mandates or main workstreams of such other fora may not cover the identified areas.
 - 4.4. The Secretariat has also suggested some additional areas for possible cooperation with other fora. These suggestions are meant to facilitate the fora’s discussion on these topics. It is up to the fora’s decision whether to proceed with such collaboration.
 - 4.5. A review of the concept notes which were submitted for the Session 1 of 2015 under the SCE’s purview has shown that there may be certain projects which could be developed in cooperation with other relevant fora.
5. The Travel Facilitation Initiative (TFI) and Mainstreaming Oceans-Related Issues Initiative have been clearly identified as cross-fora coordination initiatives by the sub-fora on the relevant topics. The SCE1 agreed to extend the mandate of the TFI Steering Council until 2017. The MOI Steering Council had its first meeting on 3 February 2015.
6. The Secretariat found that the meeting of SCE Fora Chairs and Lead Shepherds, held on 4 February 2015, was helpful for the sub-fora’s convenors to identify possible areas for collaboration at an early part of the year.

Recommendations

7. The Secretariat recommends the SCE :
 - 7.1. To share with its sub-fora this analysis by the Secretariat, including the attached table;

- 7.2. To urge its sub-fora to check for the feasibility of such collaboration and explore ways to cooperate on the topics where synergies could be created through cross-fora collaboration, including those initiatives planned by other fora which identify the former as their partners;
- 7.3. To encourage its sub-fora to take note of the suggestions by the Secretariat for possible cross-fora collaboration topics and partners; and,
- 7.4. To recommend its sub-fora to promote further cross-fora collaboration from the very initial stage of APEC project development.

Attachment: Identified Areas for Cross-fora Collaboration based on Workplans of 2015.

Areas for Cross- fora Collaboration based on Workplans of 2015

Fora	Areas for Collaboration	Intended partners reflected in the Sub-fora's Work Plan	Possible Partners as suggested by the Secretariat
SMEWG	SMEs' participation in Global Supply chain and global value chains	CTI, SCSC, HWG, LSIF, ABAC	ATCWG
	Improving natural disaster resilience of SMEs APEC Train-the-Trainer Workshop on Promoting SME Business Continuity Plans	EPWG	
	E-commerce	ECSG	
	Financing	FMP	
	Business environment, including business ethics and anti-corruption 2 nd Business Ethics for SME Forum	ACTWG, EC, HWG, LSIF, TPTWG	
	Synergy between SCSC and SMEWG	SCSC	
	Regulatory Reform – Case Studies on Improving the Business Environment for SMEs/Competition Law, Regulation and SMEs in APEC (by EC)	EC	
	APEC SME Business Matching and Internship Consortium for Global Value Chain Integration Facilitating SME Trade through Better Understanding of NTM in the Asia-Pacific Region	CTI	
OFWG	Sustainable fisheries products and sustainable aquaculture products	PPFS, HWG, ABAC, CTI	
	Best management practices about the sustainable development and protection of the marine environment	HRDWG	
	Preparedness, response and assessment of oil spills in the APEC region Assessing the economic value of green infrastructure in coastal ecosystems to disaster risk reduction response and coastal resilience		EPWG
	High Level Policy Dialogue on Food Security and Blue Economy	PPFS	
HWG	<i>No specific areas are identified</i>	LSIF, ATCWG, EPWG, TWG, HRDWG, SMEWG, SCSC	

Fora	Areas for Collaboration	Intended partners reflected in the Sub-fora's Work Plan	Possible Partners as suggested by the Secretariat
	Building capacity in health hotline response to public health emergencies and emerging public health issues		EPWG
	Enhancing Women's Economic Participation through Better Health	PPWE	
CTWG	Securing supply chains(including APEC Trade Recovery Program/ AEO by SCCP and regional awareness of food defence)	TPTWG, SCCP	
	Securing travel(including APEC Consolidated Counter Terrorism and Secure Trade Strategy and a Border Capabilities Model by BMG)	TPTWG, TWG, BMG, SCCP, TFI	
	APEC Cyber Security Strategy	TEL	
ATCWG	High Level Public-Private Forum on Cold Chain		TPTWG, SMEWG
	Agricultural biotechnology	HLPDAB	
	Food security and food safety	PPFS, SCSC(FSCF)	
	Agricultural public-private partnerships	ABAC, PPFS, SCSC(FSCF PTIN)	
	Avian influenza	HWG	
	<i>No specific areas are identified (Other issues related to broad sense of agriculture)</i>	OFWG, EPWG, EWG, CTI(MAG, SCSC, IPEG), PPWE	
ACTWG	<i>No specific areas are identified</i>	<i>No specific partners are identified</i>	
HRDWG	Cross-border education	GOS	
	APEC Virtual Academic Mobility Card	BMG	
	<i>No specific activities are identified</i>	SMEWG	
	<i>No specific activities are identified</i>	EPWG	
	<i>No specific activities are identified</i>	PPWE	
	<i>No specific activities are identified</i>	ATCWG	

Fora	Areas for Collaboration	Intended partners reflected in the Sub-fora's Work Plan	Possible Partners as suggested by the Secretariat
	<i>No specific activities are identified</i>	EC	
	<i>No specific activities are identified</i>	CTI	
TELWG	Emergency notification and information advisories to general public during disasters	EPWG	
	Promoting safe, efficient, low-cost and inclusive internet financial services	SMEWG	
	Promote the Internet Economy by identifying indicators for APEC's information society and improve understanding among economies of policies that promote economic benefits from the information economy	CTI(ECSG)	
	Promote confidence and trust in electronic environments globally by encouraging secure cross border flows of information, including electronic documents	CTI(ECSG)	CTI(SCCP)
	Continue efforts to expand and strengthen the Asia-Pacific Information Infrastructure and to build confidence and security in the use of ICT	CTI(ECSG)	
EWG	Developing an action plan for electric vehicles and an APEC electric vehicle interoperability center, coordination on standard and conformance and identifying barriers to energy-related trade and investment	TPTWG, AD, SCSC, ABAC	
	Cyber security – Energy Nexus		TELWG
	Oil and Gas Security Initiative		EPWG, TPTWG, MTF
MTF	Chemical's Dialogue-led Risk Assessment Training on Metals and Metal Compounds		CD
	Group on Services Symposium on Mining and Energy		GOS
PPSTI	APEC Cooperation for Earthquake Simulation	EPWG	
	Workshop on Intelligent Transportation Internet of Vehicles	TELWG, TPTWG, AD	EWG
	APEC Typhoon Symposium Use of Weather and Climate Information for Efficient Disaster Management		EPWG

Fora	Areas for Collaboration	Intended partners reflected in the Sub-fora's Work Plan	Possible Partners as suggested by the Secretariat
	APEC Smart City Innovation & Technology Cooperation Forum		EWG
	High Level Policy Dialogue on Science and Technology in Higher Education	HRDWG	
	ASPIRE Prize 2015 – focus on Disaster Risk Reduction	EPWG	
PPWE	Enhancing Women's Economic Participation through Better Health Healthy Women, Healthy Economies	HWG, HRDWG	SMEWG
	Empowering Women through ICT for Inclusive Growth	SMEWG, TELWG	
	Women's Entrepreneurship in APEC Initiative		SMEWG
TPTWG	Transport systems for low-carbon communities, fuel efficient transport, alternative fuels for transport	EWG	
	APEC Trade Recovery Program	CTWG	
	Travel Facilitation	TWG, CTWG, SCCP, BMG	
	Greater involvement of women in the transportation sector	PPWE	
	Supply chain resilience workshop	EPWG	SMEWG
	Practical safety measures for motorcycle and scooter users	AD, HWG	
	Road safety and vehicle standard harmonisation	AD	
EGILAT	A second joint meeting on law enforcement issues relating to combating illegal logging and associated trade A second joint meeting to combat illegal logging and associated trade	ACTWG	
	SME best practice standard/code of conduct for forest management and timber processing	SMEWG	
	A joint meeting on customs procedures relating to combating illegal logging and associated trade	SCCP	
EPWG	APEC Policy Dialog for SME Business Continuity Plan Improving Natural Disaster Resilience of APEC SMEs	SMEWG	

Fora	Areas for Collaboration	Intended partners reflected in the Sub-fora's Work Plan	Possible Partners as suggested by the Secretariat
	Supply Chain Risk and Hazard Mapping Workshop Improving Supply Chain Resilience for the Philippines	TPTWG	
	Economic Valuation of Coastal Ecosystems for Improving Disaster Risk Reduction and Response and Coastal Resilience	OFWG	
	Cooperation program on creating a single concept of systems, providing customized disaster management based on modern ICT	TELWG	
	Mainstreaming Oceans-related Issues	MOI Steering Council	
	Emergency Response Travel Facilitation	BMG, SCCP	
TWG	APEC Skills Mapping Project/Tourism Skills Development	HRDWG	
	Development of Micro, Small and Medium Tourism	SMEWG	
	Travel Facilitation	TFI Steering Council	

* HRDWG's Workplan may be updated providing further details of cross-fora collaboration.

2015 Fora Report to SCE: Summary of the Recommendations from Fora

- It is recommended that SCE note progress in the implementation of working groups/task forces' 2015 work plans and outcomes of meetings since the last report.
- It is also recommended that SCE allow the fora to update their fora reports even after the SCE3 but no later than two months in advance of the CSOM.
- Specific recommendations from working groups/task forces, other than as above, are summarized as follows:

ATCWG recommends SCE:

- To take note of the ATCWG Strategic Plan and implementation of the 2014 Work Plan.

EGILAT recommends SCE to note :

- Despite making every effort on its part, EGILAT has not received any APEC project funding since its establishment. This is of concern to members, particularly given the intention expressed by APEC ministers in 2011 that EGILAT “build capacity” among APEC members.

EPWG recommends SCE to take note of the following recommendations of the independent assessor :

- To update the *Strategic Planning – Process Guide for Working Groups* which was presented at SCE-COW in February 2012, for endorsement and issuance in early 2016;
- To align its annual work planning and reporting cycles by either moving both to a financial year basis; or retaining a calendar year basis but with deliverables and outcomes identified in two distinct 6-month blocks and work plans submitted for information only;
- To actively encourage the institutionalization of a more rigorous approach to evaluating APEC-funded projects, in line with the recommendations in the *Long-Term Evaluation of APEC Projects Final Report*; and,
- To request the APEC Secretariat to develop guidelines on ‘managing forum operations’ which would complement existing guidance on project management, publications and websites.

EWG recommends SCE:

- To note EWG progress since last report; and,
- To note that EWG seeks to be closely consulted on Urbanization FoTC matters related to energy.

HWG recommends SCE:

- To note that more guidance on the HWG priorities to allocate responsibility for specific health topics is necessary ; and,
- To note that 2015 High Level Meeting on Health and the Economy was proposed to be held on August 30 in Cebu.

OFWG recommends SCE:

- To note that the OFWG is concerned that despite Rank 1 project status it did not get a single project funded at Session 1 2015;
- To note that the OFWG has recently commenced drafting of its next Strategic Plan with a view to endorsement this year. The recommendations of the completed 2015 SCE-mandated Independent Assessment will be considered in this process; and,
- To note that OFWG endorsed the OFWG Food Security Action Plan as an input to the overall PPFS-led process on food security.

PPSTI recommends SCE:

- To note that the PPSTI endorsed its next 10-year Strategic Plan (2016-2025) and a PPSTI Policy Statement, The latter is intended be presented to AMM later in 2015;
- To note that PPSTI is actively seeking to re-engage with ABAC, including through the ABAC-led APEC Innovation Agenda;
- To note that PPSTI will give full consideration to the recently undertaken SCE-mandated Independent Assessment once the recommendations are known; and,
- To note that the PPSTI considers there is a need to undertake structural reforms in managing and funding APEC projects, based on its experience at Session 1 2015 where 16 PPSTI projects were submitted with only 1 funded, and that was funded from the ASF Science and Technology Sub-Fund which is now closed.

SMEWG recommends SCE:

- To recognise the effort and achievements of the SMEWG in promoting SMEs development of and in building capacities for member economies in this regards, and, in particular, to commend on tangible contributions and outcomes in improving SMEs' internationalisation and resilience, start-up acceleration, business ethics and financing SMEs;
- To note the finding of the Independent Assessment and the necessity to extend the SMEWG's mandate;
- To support the closer cooperation between the SMEWG and other APEC fora, in particular the FMP in the area of financing;
- To encourage the involvement of the private sector as the major direct beneficiaries in SMEWG's activities; and,
- To recommend the SOM to endorse the "Digital Economy Action Plan for MSMEs" (Annex1 of SMEWG's report).

TELWG recommends SCE to note that:

- TEL's past and current activities, in particular, TEL's Work Plan 2015 and the TEL Strategic Action Plan 2016-2020. The Strategic Action Plan is accompanied by an annex outlining specific actions and possible initiatives that the TEL WG will undertake to fulfil on the TEL Strategic Action Plan 2016-2020; and,
- The activities of TEL are consistent and aligned with APEC priorities. First, the creation of an environment that drives innovation and growth through exchanges of policy and regulation, promoting ICT connectivity, and ensuring a secure and trusted ICT environment with the increasing interoperability and trans-border cooperation. Second, lowering

barriers to economic participation by promoting deployment and access to networks, and leveraging on ICT to build better and safer communities. Third, ICT to help mitigate non-technical shocks, such as natural disasters. Fourth, the use of ICT, to promote the resilient growth of inclusive socially responsible economy.

TWG recommends SCE:

- To note that the report from the Project “An Assessment of the Role of Taxation in Promoting Travel and Tourism Growth in the APEC Region” could be communicated to the Finance Ministers’ Process and relevant APEC bodies;
- To note the progress of the project to help improve air connectivity in the region as a cross-cutting work which will have relevance to other APEC groups, such as the TPTWG; and,
- To note the initiative on an annual APEC tourism report, which TWG seeks to be brought to the Ministers’/Leaders’ attention.

TPTWG recommends SCE:

- To take note of the TPTWG Strategic Plan and the long-term TPTWG Strategic Plan 2013-2016 development;
 - To note the work of the Task Force on Women in Transportation; and,
 - To note the participation of TPTWG in the development of the APEC Framework on Connectivity, Travel Facilitation Initiative, Connectivity Blueprint and Quality Transport Vision.
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**INDEPENDENT ASSESSMENT OF THE
EMERGENCY PREPARENESS WORKING GROUP (EPWG)**

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EPWG	Proposed timeline to implement the recommendation by SCE	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO SCE				
<p>Recommendation to SCE1 Provide more specific guidance than is currently contained within the <i>Strategic Planning – Process Guide for Working Groups</i> which was presented at SCE-COW in February 2012 (e.g. a populated Prioritized Implementation Schedule and how it would link with a desired work plan template).</p>	<p><u>APEC Secretariat</u>: An overall review exercise involving strategic planning expert was conducted in 2014 and review group is to be formed as necessary.</p>	<p>Take note of the continued specific guidance</p>	<p>On-going</p>	<p>YES</p>
<p>Recommendation to SCE2 Take into account the challenges of meeting work plan deadlines and comparing planned and actual deliverables in the letter to Lead Shepherds/Chairs which initiates the annual work planning process.</p>	<p><u>APEC Secretariat</u>: 2015 SCE-COW in Clarke, the Philippines, discussed timing issue of workplan submission and noted the challenges.</p>	<p>Take note of the challenges and work closely with the incoming host with a view to addressing such challenges</p>	<p>On-going</p>	<p>YES</p>
<p>Recommendation to SCE3 Consolidate the guidance that it has issued to fora, either at SCE meetings or inter-sessionally, into a single document or webpage to assist forum Chairs/Lead Shepherds and delegates from member economies in developing the practices</p>		<p>Consider providing guidance for convenors in managing fora</p>	<p>2016</p>	<p>YES</p>

and procedures needed to conduct their operations more efficiently and effectively.				
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Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or EPWG	Proposed timeline to implement the recommendation by EPWG	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO EPWG				
Recommendation to EPWG 1. Establish a process for the timely review and updating of the 2013-2016 Strategic Plan to: (a) report on implementation progress; (b) provide useful guidance for the preparation of the 2016 Work Plan; and (c) lay the groundwork for its transformation into an effective plan for the 2017-2020 period.	<u>EPWG Response:</u> Agreement - EPWG will deliver output at end of 2015 to summarize the KPIs achieved in 2015 by all member economies.	As per the recommendation.	2015/2016	YES
Recommendation to EPWG 2. Formally recognize the annual work plan as its primary work instrument and, in doing so, establish a process to ensure that its development and progress reporting meets the expectations of EPWG member economies and the SCE.		As per the recommendation.	Ongoing	YES
Recommendation to EPWG 3. Review the rating criteria for Concept Notes to ensure compliance with APEC requirements and encourage the inter-sessional rating of Concept Notes so as to enable endorsement of a priority list at EPWG meetings.		As per the recommendation.	Implemented	YES

<p>Recommendation to EPWG 4. Include the staggering of co-chair terms and gender/geographical diversity in its updated TOR.</p>	<p><u>EPWG Response:</u> selection guidelines to be modified.</p>	<p>As per the recommendation.</p>	<p>Ongoing</p>	<p>YES</p>
<p>Recommendation to EPWG 5. Review options for providing assistance to the co-chairs and include the chosen option in its updated TOR.</p>		<p>As per the recommendation.</p>	<p>2016</p>	<p>YES</p>
<p>Recommendation to EPWG 6. Shape meeting agendas and proceedings to be more specific about the type of representation by member economies and include in its updated TOR.</p>	<p><u>EPWG Response:</u> Conditional agreement – future discussion item when updating TOR.</p>	<p>As per the recommendation.</p>	<p>When there is a need to update its ToR</p>	<p>YES (Conditional)</p>
<p>Recommendation to EPWG 7. Update its agenda planning protocols so that (a) the purpose and desired outcomes are identified for each agenda item; (b) new items can only be introduced under exceptional circumstances after the agenda has been approved at the start of the meeting; and (c) the posting of purely informational items to the ACS before meetings is strongly encouraged.</p>	<p><u>EPWG Response:</u> Conditional agreement – “under the guidance of APEC practices”.</p>	<p>As per the recommendation.</p>	<p>Ongoing</p>	<p>YES (Conditional)</p>
<p>Recommendation to EPWG 8. Align its annual and inter-sessional reporting mechanisms more closely with its work plan deliverables.</p>	<p><u>EPWG Response:</u> Agreement subject to “uncertainty exception” – accommodate in current work plan to the extent possible. <u>APEC Secretariat:</u> This should be in consistence with the reporting requirement by the SCE.</p>	<p>Work with the SCE more closely</p>	<p>Ongoing</p>	<p>YES (Conditional)</p>

<p>Recommendation to EPWG 9. Take the necessary actions to complete the optimization of its satellite website as recommended in the previous Assessment and in accordance with the <i>APEC Website Guidelines (September 2013)</i>; and determine the extent to which greater use of the ACS can be made as an efficient way of circulating inter-sessional work and pre-meeting materials, and being a repository for meeting information that is not released to the Meeting Document Database.</p>	<p><u>EPWG Responses:</u> Partial agreement – “review if necessary according to future capacity building purposes”. <u>APEC Secretariat:</u> Upgraded ACS will be deployed in a progressive manner and there is a need to check with the CPAU of the APEC Secretariat on any matters relevant to any satellite website hosting.</p>	As per the recommendation and based on the consultation with the CPAU and ITU of the APEC Secretariat	2015-2016	YES (Conditional)
<p>Recommendation to EPWG 10. Collaborate with the CPAU in developing an outreach strategy for its publications and determining which ones should be available as CD-ROMs or printed versions.</p>	<p><u>EPWG Responses:</u> Conditional agreement – review on a case-by-case basis.</p>	As per the recommendation and responses by EPWG	Ongoing	YES (Conditional)
<p>Recommendation to EPWG 11. Develop a review and approval process for Completion Reports submitted for APEC-funded projects that achieves compliance with the requirements specified in the <i>Guidebook on APEC Projects</i>.</p>	<p><u>EPWG Responses:</u> Conditional agreement – “website resources available”. <u>APEC Secretariat Responses:</u> This can be done consistently with the Guidebook.</p>	As per the recommendation	2016	YES (Conditional)
<p>Recommendation to EPWG 12. Include the main and agreed roles and responsibilities of the co-chairs, member economies and the PD-EPWG in its updated TOR.</p>	<p><u>EPWG Response:</u> Conditional agreement – EPWG-8 agenda item.</p>	As per the recommendation	2015-2016	YES (Conditional)
<p>Recommendation to EPWG 13. Review its relationship with the SDMOF and including in its updated TOR and</p>	<p><u>EPWG Response:</u> Conditional agreement – fully incorporate into the existing EPWG management framework.</p>	As per the recommendation	2016	YES (Conditional)

<p>relevant planning and priority setting activities.</p>				
<p>Recommendation to EPWG 14. Hold a policy dialogue aimed at identifying opportunities to engage with the business and private sectors as an integral component of its mission to identify gaps in disaster risk reduction and foster partnerships to protect business and communities from disruption.</p>	<p><u>EPWG Response:</u> Partial agreement - diversify cross-fora collaboration and outreach through joint statements, workshops, multi-year projects posted to EPWG satellite website.</p>	<p>As per the recommendation</p>	<p>2016</p>	<p>YES (Conditional)</p>
<p>Recommendation to EPWG 15. Establish a process at its next meeting for identifying improvements to EPWG operations based on a pragmatic evaluation of the suggestions and recommendations identified throughout this report.</p>	<p><u>EPWG Response:</u> Agreement – actions to be proposed after EPWG-8</p>	<p>As per the recommendation</p>	<p>2016</p>	<p>YES</p>

**INDEPENDENT ASSESSMENT OF THE
OCEANS AND FISHERIES WORKING GROUP (OFWG)**

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or OFWG	Proposed timeline to implement the recommendation by SCE	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO SCE				
<p>Recommendation to SCE 1. Consider and provide feedback to the OFWG on strategic direction – within the context of the 4th APEC Ocean-Related Ministerial Meeting Joint Statement 2014 (the Xiamen Declaration), the extent to which the OFWG should give greater priority to economic development and trade in oceans and fisheries products and services.</p>	<p><u>APEC Secretariat</u>: An overall review exercise involving strategic planning expert was conducted in 2014 and review group is to be formed as necessary. Strategic direction in a specific area can be recommended from the working group level with more expertise.</p>	<p>Take note of the continued specific guidance</p>	<p>On-going</p>	<p>YES (Conditional)</p>
<p>Recommendation to SCE 2. Consider and provide feedback to the OFWG on project proposals – the extent to which OFWG project proposals may be better formulated and positioned so as to increase their chances of approval.</p>	<p><u>APEC Secretariat</u>: PMU is conducting its project training as necessary and SCE adopted its Capacity Building Policy and would continue to work with BMC on how to meet the challenges from increased requests for APEC project funding.</p>	<p>OFWG may want to consider inviting PMU for a project training session and watch the process at the SCE and BMC</p>	<p>2016</p>	<p>YES (Conditional)</p>

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or OFWG	Proposed timeline to implement the recommendation by OFWG	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO OFWG				
Recommendation to OFWG 1. The OFWG should be maintained as a separate subfora of the SCE and its Terms of Reference updated.	<u>APEC Secretariat</u> : Please refer to the specifics in the full report. Updated ToR should be submitted to SCE.	Consider an option of updating the ToR	2016	
Recommendation to OFWG 2. The OFWG should establish a new strategic plan for the period 2016-2020 in order to identify and prioritise its work.		As per recommendation	2015-2016	
Recommendation to OFWG 3. APEC member economies should reconfirm their delegations and participation in the work of OFWG, especially during the upcoming period when the new strategic plan will be developed and approved.	<u>APEC Secretariat</u> : Composition of delegation is decision by each economy.	OFWG may raise Members' awareness on the importance of maintaining consistency of discussions through more continued engagement from the delegations.	Ongoing	

**INDEPENDENT ASSESSMENT OF THE
SMALL AND MEDIUM-SIZED ENTERPRISES WORKING GROUP (SMEWG)**

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or SMEWG	Proposed timeline to implement the recommendation by SMEWG	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO SMEWG				
Recommendation to SMEWG 1. In the next strategic plan, consideration should be given to “tightening” the scope by focussing more on the three priority areas identified in the current strategy.		As per the recommendation.	When updating its Strategic Plan	
Recommendation to SMEWG 2. The SMEWG Strategic Plan should be used to provide greater guidance for the activities that are carried out.		As per the recommendation.	Ongoing	
Recommendation to SMEWG 3. Greater number of projects should be sponsored which focus on best practice policy amongst APEC economies.	<u>APEC Secretariat</u> : Funding APEC projects are decided in accordance with the procedures as set forth in the Project Guidebook.	SMEWG may want to give priority scores to such projects prior to its submission to SCE.	Ongoing	
Recommendation to SMEWG 4. The format and process of reporting at the SMEWG meetings on “best practice” should shift to a more genuine dialogue process.		As per the recommendation.	Ongoing	
Recommendation to SMEWG 5. The impact of workshops should be improved through the use of a range of technologies wherever possible.		As per the recommendation.	Ongoing	

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or SMEWG	Proposed timeline to implement the recommendation by SMEWG	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO SMEWG				
Recommendation to SMEWG 6. As part of the project design and implementation, consideration should be given to having as one output an APEC publication and/or a depository of the material on a suitable website.		As per the recommendation.	Ongoing	
Recommendation to SMEWG 7. For publications considered likely to have great appeal to MSMEs, consideration should be given to translation into other languages besides English.		As per the recommendation.	Ongoing	
Recommendation to SMEWG 8. The Guidebook on APEC Projects should provide a more detailed description and guidance on how to measure outputs.	<u>APEC Secretariat</u> : PMU should be alerted on this. PMU is already offering training sessions at SOM cluster meetings.	As per the recommendation.	2015/2016	
Recommendation to SMEWG 9. For measuring results the Guidebook on APEC Projects should break down outputs into several subcategories	<u>APEC Secretariat</u> : PMU should be alerted on this.	As per the recommendation.	2015/2016	

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or SMEWG	Proposed timeline to implement the recommendation by SMEWG	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO SMEWG				
Recommendation to SMEWG 10. To measure more accurately the impact of projects carried out, on a regular basis an independent assessment should be done of one or more projects.	<u>APEC Secretariat</u> : additional funding may be necessary, which is not provided by APEC.	Take note of the importance of impact evaluation.	2016	
Recommendation to SMEWG 11. It is recommended, where appropriate, that the Policy Partnership on Women and the Economy (PPWE) is consulted on SMEWG project proposals.		As per the recommendation	Ongoing	
Recommendation to SMEWG 12. The cross cutting thematic issues of GVC and cross cutting issues such as gender and youth, should be used to capture synergies between different fora.		As per the recommendation.	Ongoing	
Recommendation to SMEWG 13. Greater dialogue should be established with the private sector		As per the recommendation.	Ongoing	
Recommendation to SMEWG 14. Consideration should be given to helping less developed economies who wish to participate more through the implementation of projects and activities		As per the recommendation.	Ongoing	

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or SMEWG	Proposed timeline to implement the recommendation by SMEWG	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO SMEWG				
<p>Recommendation to SMEWG 15. Consideration should be given to adjusting the SMEWG ToR to include the possibility of economies declining to chair after they have postponed their responsibility for a year.</p>		As per the recommendation	2016	
<p>Recommendation to SMEWG 16. The current KPIs should be reviewed.</p>		As per the recommendation.		

**NDEPENDENT ASSESSMENT OF THE
POLICY PARTNERSHIP ON SCIENCE, TECHNOLOGY AND INNOVATION (PPSTI)**

Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or PPSTI	Proposed timeline to implement the recommendation by SCE	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO SCE				
<p>Recommendation to SCE SCE needs to consider:</p> <ul style="list-style-type: none"> - additional resourcing requirements (if any) for the proposed Expert Advisory Group (Recommendation 2); - whether a common project reporting framework (Recommendation 8) is better developed by SCE and promulgated to all workings groups and policy partnerships (and updated regularly as APEC priorities develop); and - whether the review of PPSTI's Centers should be extended to review Centers sponsored by other Working Groups (but excluding APEC Study Centers). <p>Some of the recommendations will put an additional load on the secretariat. SCE may need to consider Secretariat resourcing, particularly in the light of</p>	<p><u>APEC Secretariat:</u></p> <ul style="list-style-type: none"> - Establishing such a group does not normally entail additional resourcing which requires SCE's involvement; - APEC funded projects are required to submit reports as in the agreed templates from BMC and the fora are requested to submit their reports including the projects annually on their achievements implementing their mandates; - and - Additional resourcing for the Secretariat could be considered by BMC. 	<p>Take note of the suggestions by the assessor as well as the comments by the Secretariat.</p>	<p>On-going</p>	<p>YES</p>

additional responsibilities placed on the program director during 2015.				
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Recommendations by Independent Assessor	Comments from member economies and/or APEC Secretariat	Suggested Action to be taken by SCE or PPSTI	Proposed timeline to implement the recommendation by PPSTI	Agreement on the suggested action (Yes/No)
RECOMMENDATIONS TO PPSTI				
Recommendation to PPSTI 1. PPSTI's Terms of Reference should remain unchanged; however overall PPSTI should place greater emphasis on innovation and innovation policy in its deliberations and sponsored activities.		As per the recommendation.	Ongoing	
Recommendation to PPSTI 2. PPSTI should establish an Expert Advisory Committee made up of experts in industry engagement, innovation and commercialisation policy to assist it to expand its focus beyond S&T and towards innovation and closer involvement of industry including SMEs.		As per the recommendation.	Ongoing	
Recommendation to PPSTI 3. PPSTI's Strategic Plan 2016-2025, should be re-cast to group activities under the ToR rather than sub-groups, with the annual work plan activities also re-cast under the same headings and focussed on short-term targets.	<u>APEC Secretariat:</u> Should PPSTI agree to revise the Strategic Plan, the proposed revision should be submitted the SCE.	As per the recommendation, noting the comments by the Secretariat.	2016	

<p>Recommendation to PPSTI 4. PPSTI, with advice from its Advisory Committee, and drawing on outputs of multi-lateral fora such as the OECD, should agree on definitions of the key terms in its Terms of Reference, including but not limited to “innovation”, “commercialization” and “market-driven” to assist member economies to expand their understanding of innovation policy and focus project proposals appropriately.</p>	<p><u>APEC Secretariat</u>: Should the PPSTI agree to revise the ToR, the proposed revision should be submitted the SCE and SOM.</p>	<p>As per the recommendation, noting the comments by the Secretariat.</p>	<p>2016</p>	
<p>Recommendation to PPSTI 5. PPSTI should take a proactive approach to identification of new projects and activities, to ensure that they cover all of its Terms of Reference and are appropriately aligned with Leaders’ Statements, the relevant Tasking Statement, ECOTECH Priorities and associated targets include targets for involvement of women and SMEs.</p>		<p>As per the recommendation.</p>	<p>Ongoing</p>	
<p>Recommendation to PPSTI 6. In general, PPSTI as a whole should take a more pro-active role in identifying key priority areas so that proposals which enable PPSTI to address all of its Terms of Reference are sought. This means moving away from its current (passive) practice of receiving proposals from individual economies. In order to enhance short-term balance, PPSTI should, in 2016, call for proposals on projects and activities that meet the ToR targets of developing market-based innovation policy (including projects to identify</p>		<p>As per the recommendation.</p>	<p>2016 Onwards</p>	

<p>successful models of seed and venture capital funds, business incubation and acceleration) and market-driven dissemination of technology (and associated legal and regulatory frameworks). Levels of SME engagement should be specified as part of project proposals.</p>				
<p>Recommendation to PPSTI 7. PPSTI should develop its own additional internal procedures for assessing and ranking project proposals against its ToR, with short term preference to be given to those which fill current gaps against the ToR and provide opportunities for appropriate cross-fora and multi-economy collaboration and third party engagement. Only those high-scoring proposals endorsed by PPSTI should be eligible to be self-funded as “APEC PPSTI projects”, should an application for APEC central funding fail.</p>		<p>As per the recommendation.</p>	<p>2016 Onwards</p>	
<p>Recommendation to PPSTI 8. Progress reports for each funded or self-funded PPSTI project should contain clear outcomes against one or more PPSTI ToR AND statements against how the project has met the goals of Leaders’ Statements, ECOTECH Priorities and is contributing to women’s and SME development.</p>		<p>As per the recommendation.</p>	<p>2016 Onwards</p>	

<p>Recommendation to PPSTI 9. Project reports should include a section on translation of project outputs into long-term outcomes for participating economies.</p>		As per the recommendation	2016 Onwards	
<p>Recommendation to PPSTI 10. PPSTI should initiate a formal review of its sponsored Centers, to identify where and how these are contributing to PPSTI's terms of reference, what opportunities there may be to expand their scope to cover more than one term of reference and how they can contribute to broader APEC goals. Where Centers are not meeting PPSTI's objectives, and are not able to change their focus to meet these objectives, PPSTI/APEC endorsement of Centers should cease.</p>		As per the recommendation	2016 Onwards	
<p>Recommendation to PPSTI 11. Any PPSTI-endorsed APEC Center should be asked to report at least annually to PPSTI, outlining how its activities have contributed to PPSTI's goals and the wider goals of APEC.</p>		As per the recommendation	2016 Onwards	
<p>Recommendation to PPSTI 12. PPSTI's three sub-groups need to be clearly aligned with PPSTI's ToR so that there are no gaps in activities. The names of the sub-groups should be changed to more closely align with the ToR and project proposals (which may address more than one ToR) should clearly identify which sub-forum is to provide overarching supervision. Each sub-forum should follow similar reporting guidelines</p>		As per the recommendation	2016 and ongoing	

so that their activities can be compared and contrasted across the board, and the sub-group sessions need to ensure that policy issues are being discussed.				
<p>Recommendation to PPSTI 13.</p> <p>PPSTI should consider running sub-forum meetings in plenary, with the existing Chairs of sub-groups managing proceedings, to enable smaller delegations to attend all sub-group sessions. Plenary sessions need to include discussion of substantive issues (meeting of ToR, gaps, mechanisms to address new APEC directives and policy issues) rather than just reporting on activities..</p>		As per the recommendation	Ongoing	
<p>Recommendation to PPSTI 14.</p> <p>Material on the PPSTI APEC web page needs to be kept current, with outcomes of the most recent meeting updated within 2 months after each meeting, and links through to (at least) executive summaries of past meetings.</p>	The Secretariat takes careful note of this suggestion.	As per the recommendation	Ongoing	
<p>Recommendation to PPSTI 15.</p> <p>PPSTI should seek opportunities for existing projects to collaborate with other APEC fora, either through ongoing involvement or one-off events (e.g. involvement in Symposia)..</p>		As per the recommendation	Ongoing	

<p>Recommendation to PPSTI 16. PPSTI should proactively identify opportunities to work with and be relevant to ABAC through reference to ABAC's current agenda, including considering a joint meeting with ABAC (preferably in the next 12 months) as part of its forward program.</p>		<p>As per the recommendation</p>	<p>Ongoing</p>	
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FUNDING CRITERIA FOR ALL APEC-FUNDED PROJECTS IN 2015

In assessing APEC-funded projects in 2015, priority should be given – pursuant to instructions from Leaders and Ministers – to funding capacity-building activities, with special emphasis on developing economies, in accordance with the following rankings. These criteria will be used for ranking all of APEC’s funded projects.

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

This includes projects related to:

- Supporting the Multilateral Trading System and the Bogor Goals
- Activities outlined in the Beijing Roadmap for APEC's Contribution to the Realization of the FTAAP
- Building an open economy in the Asia-Pacific featuring innovative development, interconnected growth, and shared interests
- Trade Facilitation and Liberalization
- SME Development, including access to regional and global markets
- Services Trade and Investment Facilitation and Liberalization
- Activities outlined in Global Value Chains (GVCs) Blueprint
- Supply Chain Connectivity, including Cooperation Network on Green Supply Chain, Model E-Port Network, Cross-border E-commerce Innovation and Development, Customs 3M (Mutual Recognition of Control, Mutual Assistance of Enforcement and Mutual Sharing of Information) Strategic Framework through infrastructure development and logistics cooperation
- Structural Reform, including overcoming the MIT and implementation of ANSSR
- Connectivity, including the implementation of the APEC Connectivity Blueprint on enhancing physical, institutional and people-to-people connectivity
- Investment Facilitation and Liberalization
- Facilitation of trade and investment to support the LNG market in the APEC region, including by relaxing destination clauses
- Infrastructure Development and Investment, including through PPP
- Environmental Goods and Services, including trade and investment
- Next Generation Trade and Investment Issues
- Ease of Doing Business
- Standards, conformity assessment, technical regulations, regulatory cooperation, and regulatory coherence, including good regulatory practices
- Protection and enforcement of intellectual property rights, including trade secrets
- Internet Economy, including the implementation of APEC Initiative of Cooperation to Promote Internet Economy
- Information technology and digital economy, including e-commerce and ICT infrastructure
- Ocean-related issues for economic growth, including Blue Economy, conservation and sustainable development of marine and coastal resources, particularly fisheries
- Travel facilitation for enhancing mobility
- Human capital development, including activities outlined in Strategic Plan on Capacity Building to Promote Trade and Investment Agenda, education and capacity building, as well as cross-border education cooperation

- Building sustainable and resilient communities

- Food safety and security, including implementation of the Food Security Roadmap Towards 2020
- Emergency preparedness and disaster management, including activities relating to the efficient movement of capital, goods, services and people

Rank 2: Projects that directly support the APEC Leaders' Growth Strategy
<p>This includes projects related to:</p> <p><i>Balanced Growth</i></p> <ul style="list-style-type: none">○ Macro-economic policy coordination and information sharing○ Financial markets (including financial regulatory systems and capital market development), financial inclusion and ensuring long-term fiscal sustainability <p><i>Inclusive Growth</i></p> <ul style="list-style-type: none">○ Women and the Economy○ Activities/issues related to addressing the social dimension of globalization, including health and gender <p><i>Sustainable Growth</i></p> <ul style="list-style-type: none">○ Energy efficiency, energy security and energy resiliency including the development of low carbon technology and alternative energy sources○ Urbanization to growth, including smart city and live-friendly cooperation○ Conservation, sustainable management, and rehabilitation of forest resources; combatting illegal logging and associated trade○ Sustainable development in mining○ Activities/issues related to safeguarding the quality of life through sustainable growth <p><i>Secure Growth</i></p> <ul style="list-style-type: none">○ Human security○ Health and health systems, including the implementation of the Healthy Asia-Pacific 2020○ Counter terrorism○ Anti-corruption, good governance and transparency, including anti-money laundering activities <p><i>Innovative Growth</i></p> <ul style="list-style-type: none">○ Innovation policy and research cooperation, including harnessing new technologies for the future, and for green jobs and industries that promote green growth○ Agricultural biotechnologies, including promotion of sustainable agricultural development○ Science and technology and ICT approaches in disaster preparedness, risk reduction, response and post-disaster recovery and cooperation in search and rescue
Rank 3: Projects that are linked to other priorities identified by Leaders and Ministers but are less closely linked to regional economic integration via free and open trade and investment
<p>This includes projects related to:</p> <ul style="list-style-type: none">○ Youth cooperation○ Other related-issues/activities that cannot be directly linked to Rank 1 and Rank 2 projects

NOTES

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

Prioritisation within a rank: In the event that there are more project proposals than available funding for initiatives within a particular rank, projects will be prioritized in accordance to the degree to which they

contribute to its rank's objective (and therefore to the APEC's further objective of the furtherance of the goal of economic integration via free and open trade and investment).

ABBREVIATIONS AND ACRONYMS

ABAC APEC Business Advisory Council

ACTWG Anti-Corruption and Transparency Working Group

ACT-NET Anti-Corruption Authorities & Law Enforcement Agencies

AMM APEC Ministerial Meeting

APEC Asia-Pacific Economic Cooperation

ASEAN Association of Southeast Asian Nations

ASF APEC Support Fund

ATCWG Agricultural Technical Cooperation Working Group

BCP business continuity plans

BMC Budget Management Committee

BMG Business Mobility Group (a sub-fora of CTI)

CEEDS Cooperative Energy Efficiency Design for Sustainability

COW Committee of the Whole

CSOM Concluding Senior Officials' Meeting

CTI Committee on Trade and Investment

CTWG Counter-Terrorism Working Group

EC Economic Committee

ECOTECH Economic and Technical Cooperation

EPWG Emergency Preparedness Working Group

ESI Energy Security Initiative

EWG Energy Working Group

FMP Finance Ministers Process

FOTC Friends of the Chair

GOFD Group of Friends on Disability Issues

HLPDAB High Level Policy Dialogue on Agricultural Biotechnology

HWG Health Working Group

ICT Information and Communications Technology

IPD Innovation Policy Dialogues

ISTWG Industrial Science and Technology Working Group

ITD Innovation Technology Dialogues

LCMT Low Carbon Model Town

LEDS Low Emission Development Strategies

MOU Memorandum of Understanding

MRA Mutual Recognition Arrangement

MRA-CA MRA for Conformity Assessment

MRM Ministers Responsible for Mining

MTF Mining Task Force

NGO Non-Governmental Organizations

OA Operational Account

OECD Organization for Economic Cooperation and Development

OFWG Ocean and Fisheries Working Group

PMU Project Management Unit (*under APEC Secretariat*)

PPFS Policy Partnership on Food Security

PPSTI Policy Partnership on Science, Technology and Innovation

PPWE Policy Partnership on Women and the Economy

QAF Quality Assessment Framework

REI Regional Economic Integration

SCCP Sub-Committee on Customs Procedures (a sub-fora of CTI)

SCE Steering Committee on Economic and Technical Cooperation

SCSC Sub-committee on standards and Conformance (a sub-fora of CTI)

SMEWG Small and Medium Enterprises Working Group

SOM Senior Officials' Meeting

TATF Technical Assistance and Training Facility

TELWG Telecommunications and Information Working Group

TILF Trade and Investment Liberalisation Fund

ToR Terms of Reference

TPTWG Transportation Working Group

TWG Tourism Working Group

US-ATAARI US-APEC Technical Assistance to Advance Regional Integration



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