**APEC AUTOMOTIVE DIALOGUE**

2016 -2017 Work Plan

The Automotive Dialogue (AD) was established in 1998 as part of the Early Voluntary Sectoral Liberalization (EVSL) process to act as a forum for private sector automotive industry representatives and appropriate government officials who are involved in developing trade and trade-related regulatory policy within APEC member economies to discuss a broad range of issues that affect auto trade in accordance with the Ministerial mandate.

Based on these discussions, the AD will develop recommendations to facilitate trade in the automotive sector and enhance the competitiveness and sustainable development of the industry in the region. Some APEC Member Economies may choose to move more quickly than others in terms of implementing recommendations as is consistent with APEC’s flexible, voluntary and consensus oriented approach to trade facilitation and economic and technical cooperation.

Following the theme for 2016 of “Quality Growth and Human Development”, with its four focus areas – (1) advancing the regional economic integration and growth agenda, (2) fostering the regional food market, (3) towards the modernization of MSMEs in the Asia-Pacific and (4) investing in human capital Development – the AD will continue to focus on the promoting SME participation in the automotive global value chains, organizing workshops and conducting projects to support the concept.

For 2016-2017, the APEC AD proposes to continue with the promotion of SME empowerment and participation in the GVC, and undertake the following work:

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|  | **Title** | **Description and Proposed Actions** | **Lead Economy** | **2016** | **2017** | **Status/Remarks** |
| 1 | APEC AD Meeting | The AD is held biannually, when possible. The meeting is scheduled to be held in Singapore, following Item 4.2.4 of the AD Terms of Reference (TOR). |  | 24th: 25-27 May  25th: 19-21 September (TBC) | To be confirmed with Vietnam | Done |
| 2 | APEC AD Workshop | The AD holds workshops designed within the AD meetings to engage member economies in cooperative efforts to foster the growth and development of the regional auto industry.  For 2016, the AD proposes the continuation of the 2015 APEC AD efforts of fostering integration of auto SMEs into the global value chains. |  | 25th: 19-21 September (TBC) | To be confirmed with Vietnam | To be organized within AD 25 |

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| 3 | GSAS Follow Through Activity\*  -Development capacity building action plan for SMEs | The Malaysian-led GVC/SME Automotive Sector (GSAS) Survey Project, was conducted last 2015, with the survey circulated among Economies within APEC Region from the period of April till June 2015. The project aimed to identify specific challenges faced by SMEs in integrating into global value chain and provide recommendations to overcome the challenges.  The survey identified that most of SMEs in the region (higher than 50%) faced various Tariff Barrier (TB) and Non-Tariff Barriers (NTB) including as Standards, Regulations, and Product Labelling, which participation in the global value chain difficult.  The project recommended that apart from coming out with complete report on the list of NTBs and their solutions, a capacity building activity be carried out to enhance the capability of SMEs in the APEC region to integrate into global value chain through APEC’s Regional Automotive Supplier Excellence Program, to be led by Malaysia. The program will be looking at enhancing the fundamental capabilities of SMEs including Process, Management, Cost, Marketing etc. | Malaysia and Philippines | Approval of Concept Note at CTI and AD levels: February-March  Project Proposal stage and preparation for the workshop: March-May  Organizing the workshop in Kuala Lumpur back-to-back with AD2, 2016 meeting: 19-21 September (TBC)  Reporting of the workshop outcomes to CTI3: August  Updating the progress to SOM and seeking endorsement from Leaders and Ministers: November | Identification and selection of SMEs to Participate in RASEP: TBC  Implement tailored TACB for Auto SMEs to Address Issues Identified by the RASEP Assessment: TBC | Project was not endorsed at CTI 1. To be endorsed by AD in time for Project Session 2 in 2016 |

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| 4 | APEC Electric Vehicle (EV) Roadmap Workshops | As tasked by the CTI, the EV Roadmap was drafted in cooperation with the Energy Working Group and Transportation Working Group. The aim of this Roadmap is to facilitate the adoption and implementation of international standards pertaining to electric vehicles. The Roadmap is already for implementation, following the 11 points identified to adopt and implement international EV standard:  1. Pursue technical coordination to support harmonized standards and regulatory approaches in the region for both electric vehicles and their parts, including interoperability between vehicles and their charging infrastructure  2. Undertake further regulatory cooperation and communication activities in APEC  3. Actively participate to the greatest extent possible in the UNECE WP.29 1998 Agreement process to promote the development of Global Technical Regulations on EVs  4. Actively participate to the greatest extent possible in EV international standards development and harmonization efforts;  5. Identify technical areas where alignment could be achieved to facilitate trade and investment and enable accelerated EV deployment;  6. Work towards adoption of aligned approaches to electric vehicle charging and communications,  7. Use international standards, where appropriate, as the basis for any new regulations pertaining to electric vehicles;  8. Draft in coordination with industry a list of priority international standards for promoting widespread usage of electric vehicles in the region;  9. Promote EV-specific first responder education and training efforts to ensure the safe and energy efficient operation of EVs;  10. Promote established best practices for the proper collection of used batteries to deter proliferation of toxic and hazardous wastes in developing countries.  11. Work to establish an APEC EV Interoperability and Research Center in cooperation with the established interoperability centers in the United States and Europe to further assist economies in promoting EV use, production, and trade, and to support greater global collaboration and partnerships among governments, industries, international fora, and developers of international standards.  As part of the Roadmap implementation, 4 workshops will be organized to address each of the APEC Actions and consolidate undertakings, capacity building, and next steps. The workshops shall be conducted from 2016 to 2017.   * Workshop 1 will discuss the background on EV operations in the APEC region and the on-going international efforts to create Global Technical Regulations on EVs, including an update on the UNECE WP 29 1998 Agreement * Workshop 2 will discuss the establishment of an APEC Interoperability Center * Workshop 3 will work on a list of priority standards for promoting widespread usage of electric vehicles in the region | US | Workshop 1: 19-21 September (TBC) | Workshop 2: CTI1  Workshop 3: CTI2 | Draft Program for Workshop 1 presented to AD 24 for further inputs and comments of AD members until mid-June 2016  Workshop 1 to be organized within AD 25 |

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| 5 | Impact of Government Policy Instrument in Promoting NEVs | The task aims to assess the effect of government policy in the development of NEVs and create a dynamic database of NEV policies in APEC economies, provide an assessment on policies on NEV development and develop a decision-assisting system for NEV policy. China has already submitted the monitoring report to the APEC Secretariat. | PRC | Research to be completed in October 2016 | |  | Ongoing |
| 6 | Compendium of Motor Vehicle-Related Taxes in APEC | The US-led automotive taxation research aims to promote regional industry growth. The compendium will include the different motor vehicle tax structures (Purchase, Possession, Use and Border), and incentives. This will be updated in a voluntary process. | US | For continuous updating | | | Updated study was presented to AD 24 for comments/inputs of AD members.  A revised summary with updates will be presented to CTI 3 in August. |
| 7 | Compendium of Automotive Business Regimes in APEC | The task aims at empowering APEC SMEs to penetrate the automotive GVCs, through updated trends and knowledge on the automotive markets in the APEC region. This is expected to be made available by the next year. This will be updated by the Philippines. | PH | For continuous updating | | | Initial draft of the compendium was presented to AD 24 for further inputs of the members. |
| 8 | Automotive Standards/Regulatory Coherence and Certification Process | The exchange of information on automotive safety/standards/regulations and certification processes developments in the WP29 APEC region and individual economies, including periodic workshops. | All members | Workshop: 19-21 September | None yet | | To be organized within AD 25 |