# HA NOI ACTION PLAN TO IMPLEMENT THE BUSAN ROADMAP TOWARDS THE BOGOR GOALS

Since its inception in 1989, APEC has been working to advance the Asia- Pacific economic dynamism and the sense of community. To this end, in 1994, APEC adopted the Bogor Goals of free and open trade and investment in the Asia-Pacific no later than 2010 for developed economies and 2020 for developing economies.

In 1995 the Osaka Action Agenda (OAA) was launched to provide a template for APEC work to achieve these goals. In 2005, APEC Leaders endorsed the Busan Roadmap highlighting important areas that APEC needs to accelerate progress in responding to the world's changing environment. The Hanoi Action Plan is intended to work out specific actions to help implement the Busan Roadmap.

This Action Plan comprised of five parts. The objectives and principles are described in Part 1 and Part 2. The actions to be implemented are identified in Part 3. Part 4 provides the implementation methods and Part 5 deals with review. A list of key deliverables to implement the Busan Roadmap is attached as an Annex to the Action Plan.

## I. Objectives

To implement the Busan Roadmap, the Action Plan focuses on the following objectives:

- to identify concrete actions in the areas mentioned in the Busan Roadmap in order to ensure meaningful progress towards the Bogor Goals;
  - to set timeframes for activities and programs (where possible),
- to specify capacity building measures in line with the overall ECOTECH agenda in order to assist the implementation of the identified actions.

#### **II. Principles**

While upholding the General Principles applied to the entire APEC liberalization and facilitation process stipulated under the Osaka Action Agenda 1995, the following 5 principles will be applied in the course of implementing this Action Plan to help further trade and investment liberalization and facilitation in the APEC region:

## (i) Strategic

Activities taken in the Action Plan will be of strategic, direct and substantive value, that effectively help member economies achieve the APEC vision and the Bogor Goals of free and open trade and investment in the Asia Pacific region.

## (ii) Multi-year

The Action Plan and its activities thereof will be scheduled on a multi-yearly basis to ensure continuity and consistency of different action areas towards the Bogor Goals. Where

necessary, the Action Plan will be updated and revised to respond, in a timely and effective manner, to new changes in regional and international trade and investment environment.

#### (iii) Action-oriented

Activities scheduled will be action-oriented to deliver concrete and tangible outcomes. With a view to facilitating this, programs, where appropriate, will be supported with capacity-building initiatives to ensure their effective implementation on the ground.

## (iv) Realistic

Activities will be designed and implemented in a practical and realistic manner, taking into account specific circumstances and diverse needs of member economies. Cooperation with the private sector is also encouraged in this regard.

#### (v) Time-bound

Each activity or program will be given an indicative timeframe, where possible, to track the implementation progress towards the Bogor Goals in line with the differentiated timelines for developed and developing economies.

#### III. The Action Plan

## 1. Support for the Multilateral Trading System

APEC represents roughly 50 percent of world trade and almost 60 percent of global GDP. It has consistently helped push forward the WTO negotiations. APEC, for instance, was a significant force in bringing the Uruguay Round negotiations to a conclusion, and has played a similarly positive role in advancing the Doha Round. Examples include: the APEC Ministerial Meetings and Leaders' Declaration in October 2003 which re-energised the Doha Round following the setback at Cancun; the strong 2004 Ministers Responsible for Trade statement in the lead-up to the July package, including an agreement that trade facilitation be launched as a negotiating item in the Doha Round; the 2004 APEC Ministerial Joint Statement identifying three new information technology products to forward to the WTO for consideration and possible tariff elimination in the context of a balanced outcome of negotiations; the 2005 inter-sessional Ministerial Statement on Services; the breakthrough agreement of APEC Ministers Responsible for Trade in June 2005 endorsing a Swiss formula for tariff reductions on non-agricultural goods; the November 2005 APEC Economic Leaders Statement on Doha Development Agenda (DDA), a strong political statement that urged, among other things, breaking the impasse on agricultural negotiations; and the June 2006 Statement on Doha Development Agenda by the Ministers Responsible for Trade, which emphasized that a strong result in agriculture and non-agriculture market access, among others, is a prerequisite for successful conclusion of the DDA and that committed the APEC economies to summon the political will to conclude the negotiations with an ambitious and balanced outcome.

APEC's impressive record in dealing with trade facilitation issues and tackling non-border barriers to trade and investment beyond the formal WTO agenda has resulted in elevating some of these issues into the global trade negotiations agenda. It has also fostered ideas and programs for the WTO such as the Information Technology Agreement.

APEC therefore remains firmly committed to restarting the multilateral trade negotiations and achieving a breakthrough to bring the negotiations to a successful conclusion which is so important for growth and development. The successful conclusion of the Doha Round would also help to achieve the Bogor Goals.

Elements	On-going Actions	Future Actions	Timeframe	Capacity-Building
Use the APEC Geneva Caucus to transmit APEC's work to WTO.	<ul> <li>Provide APEC inputs to the WTO work/negotiations mainly through information exchange and discussions</li> <li>Support the prompt conclusion of relevant APEC member's WTO accession</li> </ul>	<ul> <li>Accelerate efforts to support the advancement of the DDA including engaging in discussions on strengthening the multilateral trading system in related sectors</li> <li>Coordinate APEC common views on WTO issues discussed in Geneva</li> <li>Follow the progress of the Global OVOP in the context of the "Aid for Trade" initiative in WTO.</li> </ul>	2006-2010	• Support the Caucus to host APEC WTO capacity building workshop/ Seminars in Geneva
APEC WTO Capacity Building WG	Complete evaluation of APEC's past capacity building activities in order to improve the effectiveness of future activities to support economies' implementation of WTO agreements/obligations.      Enhancing understanding on WTO agreements	Strengthen the multilateral trading system (WTO) through training courses on different subjects related to WTO      Continue to promote common understanding on issues related to the Doha Round, including the negotiations and implementation of expected outcomes	2007-2010	<ul> <li>Training courses</li> <li>Hold a workshop on the use of software databases in support of trade negotiations</li> <li>Capacity building on trade policy consultations.</li> </ul>
Works of CTI Sub Committees	<ul> <li>Support the NAMA negotiations and raise awareness of sectoral discussions taking place in the WTO/NAMA</li> <li>Exchange of views on the Agreement on Duty-Free Treatment of Multi-Chip Integrated</li> </ul>	<ul> <li>Invite representatives of Auto Dialogue to meet with MAG to discuss market access activities</li> <li>Organize additional MAG workshops on issues related to WTO market access</li> </ul>		<ul> <li>Capacity-building         activities in         support of         market access</li> <li>Provide support         and technical         assistance to         APEC</li> </ul>

#### Circuits (MCPs)

- Discussions on WTO
   Information
   Technology Agreement to ensure that new generation of products receive ITA tariff treatment, considering the increased coverage of the ITA
- Workshops on customsrelated WTO agreements (eg TRIPS Agreement and Customs Valuation Agreement) in APEC member economies
- Monitor developments on government procurement in the WTO
- Undertake practical work and exchange information on services issues.

- Consider inviting ABAC representatives to participate in the MAG meetings
- Continue to review possible accessions to MCP agreement
- Continue discussion on how to preserve effectiveness of the ITA.
- MAG to hold a workshop on remanufactured goods
- Undertake activities aimed at a better understanding of the role of services in each economy.
- GOS to continue its work on examining the feasibility of an emergency safeguard mechanism (ESM) for services

- economies, including holding a workshop on the WTO rules negotiations in services
- Support to provide cooperation activities in the services sector that contributes towards building development and export capacity

## 2. Strengthen Collective and Individual Actions

The Individual Action Plans (IAPs) updated annually by each APEC member economy help realize the goal of free and open trade and investment in the APEC region by 2010 and 2020. In line with the concept of concerted unilateral liberalization, APEC member economies undertake these actions on a voluntary and non-binding basis. Collective Action Plans (CAPs) detail the collective actions of all APEC member economies in the 15 issue areas outlined in the Osaka Action Agenda. CAPs are used by APEC to outline actions and objectives to meet the free trade and investment goals, as well as to monitor and report on progress.

Through IAPs & CAPs, APEC has achieved great success in trade and investment liberalization and facilitation. According to the **Mid-term Stock-take of Progress towards the Bogor Goals**, average applied tariffs of APEC economies have been reduced significantly since APEC's inception, from 16.9 per cent in 1989 to 5.5 per cent in 2004. A range of non-tariff barriers including quotas, import and export levies and licensing and export subsidies have also been removed or converted into tariffs within the Asia-Pacific region.

APEC members recognized that IAPs and CAPs will remain APEC's unique contribution to promote free and open trade and investment in the Asia-Pacific region. APEC members agreed that the IAP Peer Review process needs to be more robust, forward-looking and policy relevant to provide better guidance to members on how to achieve the Bogor Goals. The next round of peer review, starting in 2007 will provide an important opportunity for assessing each member's progress and commitments in trade and investment liberalization and

facilitation. The results of the Peer Review should be utilized for refining the IAP templates in line with the changing environment. Effective reviews under this strengthened framework will enable APEC members to undertake an assessment of progress towards the Bogor Goals by 2010 for developed economies and 2020 for developing economies.

With a view to better contributing to the achievement of the Bogor Goals, CAPs need to be strengthened through adoption and effective implementation of new CAPs. An annual CAP mechanism should therefore be set up with a view to providing inputs for developing new CAPs. In this connection, sub-fora are encouraged to develop criteria to indicate progress for each CAP in the OAA. Member economies, especially developing ones, should also take into account their implementation capability as well as the APEC's changing priorities.

With regard to IAP and CAP mechanisms, emphasis should be laid down on capacity building. The plan also should be respectful to unique features of member economies.

Elements	Ongoing Actions	<b>Future Actions</b>	Timeframe	Capacity-building Needs
IAPs	• Submission of IAPs by member economies	Submission of IAPs by member economies	Annually	Experiences sharing on implementing IAPs
	• IAP Peer Review	IAP Peer Review	According to the existing agreed schedule	Lessons learnt from member economies' peer reviews
		Undertake an assessment of a progress towards the Bogor Goals	2010 for developed economies 2020 for developing economies	
		Review the IAP templates	2010-2011	Completed templates as samples
CAPs	<ul> <li>Review, and update where appropriate</li> </ul>	Review, and update where appropriate	Annually	Experiences sharing on implementing CAPs

#### **Schedule of Activities**

## 3. Promotion of High-Quality RTAs/FTAs

Regional trade agreements (RTAs) and free-trade agreements (FTAs) have contributed significantly to economic integration in the Asia-Pacific region. RTAs/FTAs have been an important driver of freer flows of goods, services, investment and people. Their contribution is likely to increase as existing agreements are gradually implemented and new ones negotiated. They may also encourage unilateral and multilateral liberalization by demonstrating the benefits available to liberalizing economies.

Over 20 RTAs/FTAs involving APEC members are now in force. At least many are in various stages of negotiations. The number of agreements, both in force and under negotiation, involving APEC members and non-members is even greater. The increase in RTAs/FTAs over recent years suggests that APEC economies see them as beneficial partly because in this way they can obtain benefits harder to achieve through the multilateral trading system. Nevertheless, the business community in particular has pointed out that the lack of consistency in FTA provisions across agreements may be adding to their transaction costs. Differences in preferential rules of origin are an example of reported complexities.

APEC economies are aware of the need to ensure that RTAs/FTAs do not add to the complexities of the international trading environment, and that they lead to genuine reductions in transaction costs. For this reason APEC has for several years had policy on RTAs/FTAs as one of its highest priorities with the aim of promoting high-quality, comprehensiveness, transparency and broad consistency in RTAs/FTAs as one of its highest priorities. In 2004, for example, APEC Ministers endorsed a set of best practices for RTAs/FTAs and in 2005 a set of model measures for trade facilitation in RTAs/FTAs.

Also in 2005 Ministers agreed that APEC would develop by 2008 comprehensive model measures on as many commonly accepted RTAs/FTAs chapter as possible. Model measures are indicative examples to provide members with useful reference in negotiating RTA/FTA chapter. They are neither mandatory nor exhaustive, but they are a guide, to the kind of provisions that might be included in an FTA, where appropriate. This work will contribute to the pursuit of high quality, transparency, broad consistency and comprehensiveness in RTAs/FTAs.

APEC has also undertaken a range of capacity-building activities with the following main objectives: (a) promoting broad consistency in agreements through the adoption of best practices, (b) demonstrating the benefits of high-quality FTAs/RTAs and (c) helping developing economies to participate effectively in FTA negotiations. These capacity-building activities have addressed both technical and policy issues, and many of them have benefited from the participation of business representatives.

APEC will take actions to grasp the opportunities for enhanced regional economic integration and increased economic growth offered by RTAs/FTAs. At the same time it has to stand ready to explore actions aimed at eliminating or reducing any adverse effects that may have been brought about by RTAs/FTAs. The completion of the work for model measures must remain one of its highest priorities. Recognizing that a Free Trade Area of the Asia-Pacific (FTAAP) may not be viable in the near term, it nevertheless should be actively considered a future goal for realizing regional economic integration and a complement to the ongoing multilateral liberalization efforts and the Bogor Goals. APEC will also continue its active program of policy dialogues, seminars, workshops and other capacity-building initiatives to ensure that member economies are aware of all viable policy options.

Elements	On-going Actions	Future Actions	Timeframe	Capacity-Building
APEC on-line FTAs/RTAs database	Maintain accuracy	<ul> <li>Updating database</li> <li>Link the database to business websites for information sharing</li> </ul>	As required	• Nil
Best Practices for RTAs/FTAs	Implementation	<ul> <li>Review the implementation of best practices</li> <li>Updating the best practices</li> </ul>	2009-2010	Workshops, etc.
Model measures for RTAs/FTAs	Some model measures to be completed in	• Further sets to be completed in 2007		Possible technical workshops

	2006			
Workshops and trade policy dialogues	Several organized in the SOM, the CTI and its sub-for a in 2006	<ul> <li>Program of dialogues and workshops in 2007</li> <li>Encouraged participation of Business</li> </ul>	As required	Addressed through these activities

#### 4. Busan Business Agenda

The Busan Business Agenda recognized that APEC economies would make efforts in the areas of trade and investment facilitation, transparency and behind-the-border regulations and administrative procedures to improve substantially the environment for business. The goal of the Busan Business Agenda is to reduce unnecessary barriers to business activity, address behind-the-border administrative burden and remove impediments to trade and investment. In carrying out these tasks, APEC will remain in close dialogue with ABAC and the business community to ensure the recognition of their perspectives.

The present Action Plan provides an opportunity to set out a comprehensive business facilitation program to achieve these objectives.

#### 4.1. Trade Facilitation

Trade facilitation simplifies, enhances security and lowers the cost of complying with rules and procedures both for governments and businesses. APEC in recent years has taken the leading role in trade facilitation, aiming at a more favourable business environment in the Asia-Pacific Region. The Shanghai Accord endorsed by APEC Leaders in 2001 has paved the way for the launch of the Trade Facilitation Action Plan (TFAP), which laid down the target of reducing five percent transaction cost by 2006 in Asia Pacific region. The outcomes of the Final Review of TFAP implementation conducted by APEC in 2006 have demonstrated that APEC has met the 2001 Shanghai target. APEC will keep this momentum by heading for the second phase of TFAP (TFAP 2) for a further reduction of five-percent transaction costs by 2010.

Elements	On-going Actions	Future Actions	Timeframe	Capacity-Building
Trade Facilitation	Implement Menu of Options for Voluntary Liberalization, Facilitation and Promotion of Economic and Technical Cooperation in Services Trade and Investment (MOO)	<ul> <li>TFAP 2: Enhance concrete actions and measures</li> <li>TFAP 2: Agree on a list of collective actions and pathfinders, leveraging on technology for trade facilitation</li> </ul>	SOM I 2007 SOM II 2007	Joint capacity     building projects     with private sector     and relevant     international     organizations such     as OECD,     UNCTAD, World     Bank etc.
	Review Non-binding     Principles on     Government     Procurement.	• TFAP 2: Finalize TFAP 2 for further 5% transaction costs reduction by	MRT 2007	

Elements	On-going Actions	<b>Future Actions</b>	Timeframe	Capacity-Building
		TFAP 2:     Implement TFAP 2 and report annually	2007-2010	
		TFAP 2: Prepare for final review	2009	
		TFAP 2: Conduct final review	2010	
		Single Window:		
		Develop a Strategic Plan for implementing single windows in respective APEC economies.	2010	
		Share information about ASEAN and other international single window developments		
Automotive Customs issues	Implement aspects of the Auto Dialogue Customs Best Practices paper	Consider to develop pathfinder initiative to facilitate implementation	2006-2007	Identify training needed to implement pathfinder

## **Customs Procedures**

The simplification and harmonization of customs procedures will expedite the flow of goods in the region. Given its importance to trade facilitation, APEC has attached great attention to streamlining customs activities in APEC region with a number of initiatives being implemented in this area, including customs computerization and modernization, risk management techniques, express consignment clearance, advanced classification ruling system etc... APEC remains committed to continuing its work for regional enhancement of harmonized, standardized and simplified customs procedures and a single window for customs with a view to better contributing to the goal of trade facilitation.

Element	On-going Actions	<b>Future Actions</b>	Timeframe	Capacity-building
Simplification and Harmonization	<ul> <li>Implement 2007 version of the Harmonized System (HS).</li> <li>Complete SCCP Customs Blueprint for publication.</li> <li>Implement a set of</li> </ul>	Endeavor to make customs forms available in English, if appropriate, in collaboration with SCCP and ECSG.      Work towards data		<ul> <li>Training on risk management, public ethics, accountability</li> <li>Training and sharing best practices on single window</li> </ul>

	agreed best practices for addressing valuation, expedited clearance, and periodic filings in the automotive sector	harmonization	<ul> <li>Training on data harmonization</li> <li>Technical assistance on identifying infrastructure needed for Single Window and data harmonization</li> </ul>
Strengthened Public and Private Partnership	Convene APEC     Customs-Business     Dialogue	Convene Annual     APEC Customs- Business Dialogues	
	Undertake a stock-take of SCCP members' customs-business partnership programs	Implementation of APEC Framework for Secure Trade	
	Update compendium of best practices on customs-business partnership.		

#### Standards and Conformance

APEC has an ongoing program of work in the standards and conformance area which aims to ensure that such measures do not inhibit, and where possible promote, trade. Current priorities are the alignment of domestic standards with international standards, promotion of good regulatory practices, encouraging mechanisms for international recognition of conformity assessment in regulated and voluntary sectors, promoting cooperation for technical infrastructure development and ensuring transparency of the standards and conformity assessment procedures of members.

APEC will continue to promote harmonization, mutual recognition and capacity-building in the standards and conformity assessment area in sectors of commercial interest to member economies. This will include encouraging dialogues between sector regulators to promote a mutual understanding of issues inhibiting trade in the sector and to undertake joint initiatives to reduce barriers to trade. APEC's Trade Facilitation Action Plan will include activities in the standards area that will contribute to the reduction of costs by 5 percent by 2010.

Elements	On-going Actions	Future Actions	Timeframe	Capacity-building
Standard Alignment and Mutual Recognition	Voluntary alignment works on the International Electrotechnical Commission (IEC) standards for electrical equipments      Implementation of the Globally Harmonized System of Classification and	Identification of potential areas for the voluntary alignment works      Promoting sector-based regulator-to-regulator interaction in the context of relevant sub-fora as appropriate      Meeting of heads of	2007	Capacity     building projects     on the alignment     of standards,     metrology and     regulatory     practices

	Labeling (GHS)      Organizing e-learning courses on the practical use of environmental product standards	national standards setting bodies in APEC economies subject to consensus on the objectives so as to maximize the benefits brought about by the meeting  • Promotion of the interaction with Business in SCSC's activities  • Continue to clarify effectiveness of MRAs including other existing mechanisms to facilitate the acceptance of conformity assessment results	
Sectoral Standardization and Regulations	APEC Food System and Food safety cooperation activities      Works on environment and chemical regulatory issues such as EU REACH, RoHS and other regulatory initiatives such as SAICM. In pharmaceutical area, participate as APEC representatives in International Conference on Harmonization – Global Cooperation Group      Implementation of SCSC/Trade Facilitation Task Force work plan      Enhance support for harmonizing life sciences regulations to international best practices and standards	<ul> <li>Continue to promote activities on Food Safety Cooperation Activities among APEC member economies</li> <li>Promoting works on harmonization and sectoral mutual recognitions, including pathfinder initiatives on EE MRA and Sectoral Food MRA</li> <li>SCSC members' greater participation in international standardization activities including ISO/TC 223 and IEC/TC 111</li> <li>Promotion of standards education in APEC region-work plan</li> <li>Continue to share information and raise awareness of product-related environmental regulations with a view to making recommendations for additional APEC action.</li> <li>Implement LSIF Strategic Plan recommendations on harmonization of regulations and/or procedures for</li> </ul>	Projects on food safety and HACCP cooperation program     Cooperation with SRBs Work plan implementation     Project on APEC Strategic Standards Education Program     Workshops on Certificate of Pharmaceutical Product, Good Clinical Practices, Quality by Design; consider additional workshop on GHTF

	medicines and medical devices	

## **Business Mobility**

Improving mobility for business people among member economies remains integral to APEC's goal of trade and investment facilitation. APEC seeks to build on its achievements to date in this area by continuing efforts to streamline procedures for short-term entry and temporary residence, in particular through the further enhancement of the APEC Business Travel Card scheme. Taking account of the increased need to improve travel security, APEC members will also continue technical cooperation in areas such as travel document security, including advancing the introduction of biometric e-passports, Advanced Passenger Information (API) systems, and the Regional Movement Alert System (RMAS) for lost, stolen and otherwise invalid passports

Elements	On-going Actions	<b>Future Actions</b>	Timeframe	Capacity-building
Reducing costs to business	Improving temporary business entry arrangements and transparency of related public information     Implementing the APEC Business Travel Card (ABTC) Scheme.	Encourage APEC wide application of ABTC Scheme      Continue to update BMG website to ensure it provides business people with clear, comprehensive and upto-date information on the ABTC Scheme, economies' temporary entry requirements and other BMG initiatives      Continue to implement its agreed standards for both professional service to ensure the integrity of immigration officials and processes, and for transparency      Review BMG Professional Service standards for currency	2007-2008	Technical assistance and training for operation of ABTC schemes.
Advanced techniques	Implement the Advance Passenger Information (API) Pathfinder Initiative      Adopt Biometric Machine Readable Travel Documents (e-passport) which meet international standards	<ul> <li>Encourage API/APP implementation through regular information exchange on implementation issues including financing options</li> <li>Compile online reference document on biometric passportstechnical and non-</li> </ul>	2007-2010	<ul> <li>Awareness of API financing options</li> <li>Dialogue on lessons learned, best practice and successful models for biometric MRTDs and related border systems.</li> </ul>

	technical issues and best practice models		

#### E-Commerce

E-commerce has helped accelerate the pace of economic & trade globalization by expanding business opportunities, reducing costs, increasing efficiency and facilitating greater participation of small business in global trade. APEC has made efforts in strengthening the use of e-commerce in the region through various activities and initiatives to assist member economies maximize the opportunities and efficiently meet the challenges of e-commerce. A comprehensive paperless trading environment that enables the electronic transmission of trade-related information across the APEC region is to be established by 2020.

#### **Schedule of Activities**

Elements	On-going Actions	<b>Future Actions</b>	Timeframe	Capacity-building
Strengthening the regulatory environment for e- commerce	Implementation of Blueprint for E- commerce and Privacy Framework	Promote trust and confidence through the cooperation with Global Trustmark Alliance (GTA) and ASEAN Trustmark Alliance (ATA)	2007-2008	<ul> <li>Training in e-commerce</li> <li>Enhance consumer and business awareness</li> </ul>
Best practices in conducting e-commerce	<ul> <li>Implement e-tender method for government procurement in member economies</li> <li>Offer services of problem mediation related to online transaction by e-commerce complaint handling center</li> </ul>	Establish the cooperation with potential partners to enhance e-commerce and e-trade services	2008	<ul> <li>Technical assistance for technological infrastructure improvement (internet, broad band etc.)</li> <li>Training on information security and information security management</li> </ul>

## 4.2. Private Sector Development

The private sector is an important engine for development and economic progress. Elements in the business environment such as the regulatory burden, legal and financial infrastructure, transparency, etc all have a powerful effect on the success of enterprises of all sizes, especially micro, small and medium enterprises (SMEs). Improving the business environment helps facilitate trade and investment and at the same time is a key strategy for development.

APEC Leaders inaugurated a Private Sector Development initiative in 2005 as a means to enhance the quality of business regulation and related administrative procedures in the APEC region. This objective is consistent with other elements of APEC work, including anticorruption and transparency. The focus of this activity will be a multi-year series of capacity-building activities targeting specific areas of business regulation where APEC economies are collectively underperforming relative to other areas of the world. These activities will benefit greatly from a close association with relevant international organisations, particularly the

World Bank, whose *Ease of Doing Business* indices provide a way to measure improvements in the business regulatory environment over time.

#### Schedule of Activities

Elements	On-going Actions	Future Actions	Timeframe	Capacity-Building
Ease of doing business	• Initiative endorsed by Leaders in 2005 aiming to improve the enabling environment for businesses (especially SMEs) in the region	<ul> <li>Actions on specific areas of business regulation where APEC is considered to be underperforming, seek to lift that performance and monitor progress with ongoing reference to the World Bank's "Ease of Doing Business" study</li> <li>Workshops on "Establishing a business" (2007); "Obtaining a business license" (2008) and Getting access to credit" (2009) and further workshops up to 2010</li> <li>Synergy among existing works of APEC sub fora and other relevant international organizations</li> </ul>	2007-2010	<ul> <li>A multi-year program of capacity building workshops based on updated findings from the World Bank's survey</li> <li>Awareness raising</li> <li>Training on use of indicators and data collection</li> <li>Global OVOP<one one="" product="" village=""> campaigns including OVOP semina.</one></li> </ul>

#### 4.3. Digital Economy and IPR

APEC is one of the world's most dynamic economic regions. Innovation and creativity have driven increased regional prosperity, and are essential for continuing this upward trend. Trade in counterfeit and pirated goods, and the use of the Internet for these purposes is endemic. It threatens innovation in our region, commercial competitiveness, especially for small businesses, and the health and safety of our citizens.

Ministers agreed in Santiago in November 2004 on recognizing the importance of improved protection and enforcement of intellectual property rights and the need to build on the APEC Comprehensive Strategy on Intellectual Property Rights (IPRs) in 2005, "including to reduce piracy, trade in counterfeit goods and online piracy, and increase cooperation and capacity building".

In 2005, Ministers Responsible for Trade endorsed "APEC Anti-Counterfeiting and Piracy Initiative". The APEC Ministerial Meeting and Leaders welcomed it and endorsed guidelines that call for further work to address IPRs protection and enforcement challenges.

Elements	On-going Actions	Future Actions	Timeframe	Capacity-Building
Anti-Counterfeit and Piracy	Implement existing three Model Guidelines for Anti-counterfeiting and Piracy      Develop additional Model Guidelines on Effective IPR Public Awareness Campaign and Model Guidelines on Keeping Supply Chains against Counterfeit and Pirated Goods      Cooperation and identify customs and law enforcement contacts from each economy      Advance proposal for government agencies to use legitimate software and other copyright materials	Continue to implement the existing model guidelines and develop new ones, where appropriate  Report on implementation of the APEC Effective Practices for Regulations Related to Optical Disc Production  Strengthen collaboration with the private sector and other stakeholder including ABAC		<ul> <li>Conduct training on combating counterfeit medicines and medical devices</li> <li>Capacity building for custom officers in preventing counterfeit goods</li> <li>Capacity building to relevant parties responsible for conducting public awareness campaign</li> <li>Workshop to exchange experience on the issue of supply chain intellectual property infringement and capacity building to relevant parties in the supply chain in order to secure supply chains against of counterfeit and pirated goods</li> </ul>
IPR Service Centers	Complete exchange of information on IPR enforcement points of contact and IPR websites  Establish a website in each economy to provide basic factual IPR-related information  IPR toolkits	Improve the operations of IPR Services Centers via sharing best practices      APEC consolidated Internet Portal on IPR Services in member economies	2006-2008	<ul> <li>Training and seminar on operation of IPR Services Center</li> <li>Promote private sector inputs for IPR protections and enforcement</li> </ul>
Promoting trade in Digital Economy	Establish Technology     Choice Principles     Pathfinder.	Share experiences in implementing technology choices principles		Workshops, seminars
Other IPR Initiatives	Strengthen IPR in SME through holding joint seminar between IPEG and SME, including	Share best practices in IPR protection and enforcement for SMEs	2007 – 2008	Educational training seminars and other events

women SMEs     Strengthen intellectual property protection for life sciences	Training workshops on anti- counterfeiting of pharmaceuticals and medical devices.		Two training workshops on LSIF anti- counterfeiting
The Auto Dialogue adopted Best Practices Paper on IPR issues in the automotive sector	Share experienced on the implementation of Best Practices Paper on IPR issues in the automotive sector	2007-2008	Workshop, seminars

#### 4.4. Investment

In the Busan Roadmap, APEC members noted that policy attention was increasingly shifting beyond border measures to behind-the-border market conditions in order to cope with a complex and integrated business environment and a changing trade and investment policy landscape. The Busan Business Agenda, more specifically, states that issues like investment facilitation are now important determinants of economic progress. APEC should have a clear-cut, specific and future vision regarding investment as a component of the Hanoi Action Plan, with the goal of promoting trade and investment liberalization and facilitation, in collaboration with ABAC and other business sector representatives. In addition APEC, through its Investment Experts Group (IEG), will develop an expanded work program targeting increased investment liberalization and facilitation as called for in the Busan Business Agenda. While implementing the expanded workplan, IEG should work in close cooperation with ABAC to ensure that the workplan will better respond to the interests of the business community.

Elements		On-going Actions		<b>Future Actions</b>	Timeframe	Capacity-Building
Study/ Analysis/ Information sharing	•	Enhancing Investment Liberalization and Facilitation in Economic Development in the Asia -Pacific Region (Stage 1 of Project) (2006) [Australia]	•	Reducing Barriers to Investment across APEC to Lift Growth and Lower Poverty (Stage 2 project) [Australia]	2007	Technical assistance to analytical research on impact of investment liberalization
	•	Joint APEC-UNCTAD research on Investor-State Dispute Settlement (ISDS) and regional seminar in Mexico City to discuss results of the	•	Survey on Investment Liberalization and Facilitation (2007) [Japan] Seminar on Investor- State Dispute	2007	• Capacity building on emerging investment issues
		research and other key substantive and procedural issues		Settlement focusing on different arbitration avenues [Australia]	2007	High Level     Policy Dialogue     on OECD     Policy
	•	Update List of Analytical Studies on Foreign Direct	•	Introduction of OECD	2006-2007	Framework for Investment

	Investment and Developments in International Investment Agreements.  Study of the Core Elements in Existing RTAs/FTAs and BITs	Policy Framework for Investment via seminar, research and a high level policy dialogue on the usefulness of the Framework for APEC		(Mar. 2007)
Guidelines/ Frameworks	<ul> <li>Promotion of Transparency Standards on Investment</li> <li>Policy dialogue, including with business</li> </ul>	Implement an agreed expanded work program to enhance investment liberalization and facilitation in APEC      Report of the Implementation of Menu of Options      Developing capacity building to promote implementation of the NBIPs		Capacity     building in     implementing     expanded work     program on     investment     liberalization     and facilitation
Investment Promotion	<ul> <li>Updating APEC Investment Guidebook</li> <li>Investment Forum (Nov 2006) [Vietnam]</li> </ul>	<ul> <li>Publication of the updated APEC Investment Guidebook</li> <li>Investment Forum</li> <li>Strengthening investment promotion and facilitation activities</li> </ul>	Early 2007	<ul> <li>Joint IEG-GOS         Workshop on         Investment and         Services (Apr.         2007)</li> <li>Capacity         Building for         Investment         Liberalization         and Facilitation         (2007-08)         [Japan]</li> </ul>
Collaboration with ABAC	<ul> <li>Policy Dialogue with ABAC (May 2006)</li> <li>Continue consulting with ABAC on the development of an expanded work program to facilitate investments in the region</li> </ul>	Symposium on Investment Liberalization and Facilitation (May, 2007) [Japan]      Collaboration between APEC and ABAC, through IEG and other relevant fora on ABAC's initiatives	2007	• Seminar for Promoting Public-Private Sector Dialogue (2007-08) [Japan]

## 4.5 Transparency and Anti-Corruption

APEC Leaders meeting in Santiago in 2004 agreed that corruption was one of the most serious threats to good governance and the proper development of economic systems in the APEC region, and globally. Based on the common recognition that fighting corruption is essential to the development of the APEC economies and for the benefit of their people, the APEC Anti-Corruption and Transparency (ACT) Taskforce was established in 2005 to

implement the Santiago Commitment to Fight Corruption and Ensure Transparency, and the APEC Anticorruption Course of Action on Fighting Corruption and Ensuring Transparency (COA) endorsed by the Leaders.

The ACT tries to help relevant APEC economies to take appropriate and effective actions to combat corruption, encouraging their effort towards the ratification of, or accession to, and implementation of the United Nations Convention Against Corruption (UNCAC).

Elements	On-going Actions	Future Actions	Timeframe	Capacity-Building
Implement APEC Transparency Standards	<ul> <li>Public-Private         Dialogue on Anti-         corruption and         ensuring         transparency in         business         transactions</li> <li>Plan to assess         economies'         performance in         implementing the         APEC Transparency         Standards</li> </ul>	Track implementation of APEC Transparency Standards	2006	Experience sharing
Implement APEC Course of Action on Fighting Corruption and Ensuring Transparency	Implement by relevant APEC economies the UN Convention against Corruption and other Initiatives related to Anticorruption and Transparency  Workshops on fighting corruption and ensuring transparency (February 2006 Hanoi, Manila)  Workshops on anticorruption measures for the development of SMEs (Hanoi) and on prosecuting corruption —denial of safe haven, asset recovery and extradition (Shanghai)  Promote collaborations among APEC Members to fight against corruption	Enhance the effectiveness of the implementation of APEC Anti-Corruption Commitments	2006	Determine methods of providing capacity building assistance to individual economies that would assist them to implement the APEC transparency standards into domestic laws, regulations, procedures and administrative rulings of general application      Foster public-private partnership      Capacity Building Framework      Capacity building for developing economies on combating corporate corruption and promoting governance

and ensure		
transparency		

#### 4.6 Secure Trade

Recognizing the important role of a secured and favourable business environment to economic development and growth, APEC member economies are endeavored to work together to secure trade in the Asia-Pacific. APEC launched the Initiative for Secure Trade in the APEC Region (STAR) in 2003, which aims at facilitating the flow of goods and people with the strengthening measures on air and maritime transport security. There is a need to have closer involvement of business community in the STAR process to ensure that both government and business community share the benefits of the process.

Elements	On-going Actions	Future Actions	Timeframe	Capacity-Building
Implement the APEC Framework for Secure Trade based on the WCO Framework of Standards to Secure and Facilitate Global Trade	Workshop on the APEC Framework for Secure Trade following the APEC Customs Business Dialogue in September 2006     Regional seminar to address identified gaps in the implementation of the APEC Framework for Secure Trade	Enhance Public and Private Partnership in implementing the APEC Framework for Secure Trade	Timerranic	Exchange best practices and harmonizing implementation of international standards for supply chain security and transport security.
Initiatives for promoting Secured Trade and safety	<ul> <li>Capacity building activities to assist economies in accelerating the introduction of biometric-enabled passports and other Machine Readable Travel Documents (MRTDs)</li> <li>Members contribute data to Interpol's International Criminal and Police organization (ICPO) database of lost and stolen travel documents on a best endeavors basis</li> <li>Discuss and undertake biomarker and cohort projects; and anticounterfeiting measures to safeguard</li> </ul>	<ul> <li>Continue Secure         Trade in the APEC         Region (STAR)         initiatives</li> <li>Expand the         multilateral         Regional Movement         Alert System         (RMAS) as a fully         operational system         to other interested         economies</li> <li>Accelerate the         introduction of         biometric-enabled         passports and other         Machine Readable         Travel Documents         (MRTDs) through         dialogue and         publication of best         practices and         options</li> </ul>		<ul> <li>Assistance for checking and upgrading security infrastructures</li> <li>Capacity building in the form of demonstration projects</li> <li>Dialogue on lessons learned, best practice and successful models for biometric MRTDs and related border systems</li> <li>Ongoing information exchange on border systems and implementation issues</li> </ul>

human health and		
security at LSIF and		
relevant fora		

#### 4.7 Structural Reform

Structural reform aims to enhance the efficiency of markets by adapting the rules and organizations, or institutions that guide behavior within the economy. A key goal of structural reform is stronger sustainable economic growth.

In 2005, the APEC leaders adopted APEC Work Plan on LAISR towards 2010 (LAISR 2010) to set out a roadmap for addressing structural reform issues within APEC, focusing on five priority areas (regulatory reform, competition policy, public sector management, strengthening economic and legal infrastructure and corporate governance) listed on Leaders' Agenda to Implement Structural Reform (LAISR).

Under LAISR 2010, the Economic Committee (EC) will undertake policy-oriented work each year up to 2010, cooperating with other APEC for involved in structural reform activities. An element of this will be EC's work in 2007 to identify priorities for structural reform in member economies. In 2010, the EC will conduct a stocktake on APEC's progress on structural reform, including an overview of how the work programs have contributed towards the achievement of the Bogor Goals.

Elements	On-going Actions	Future Actions	Timeframe	Capacity-Building
Regulatory reform	Voluntary self     assessment using the     APEC-OECD     Integrated Checklist     for Regulatory Reform	Monitor progress in utilization of integrated checklist on a voluntary basis.	2005-2007	Workshop on utilization of integrated checklist in 2007 to deepen understanding about actual utilization of integrated checklist and its effectiveness
Public sector governance and Corporate governance		Policy Dialogue and encouraging the adoption of best practice in corporate governance and strengthening the legal frameworks for corporations, including insolvency regulations	2006-2008	Research      Building capacity of staffs dealing with public sector governance and corporate governance
Competition policy	<ul> <li>Training Courses on Competition Policy</li> <li>Update the APEC Competition Policy and Law Database on the basis of information provided by member economies</li> </ul>	Further annual training courses on competition policy 2007-2009 [SELI]	2005-2007	Building capacity     of staffs dealing     with competition     issues as well as     competition     related agencies in     member     economies.

Strengthening economic and legal infrastructure	Work on a common/united format for reporting on members' respective up-dates and development of competition policy and/or laws as well as regulatory reform efforts.	Continue activities across APEC fora APEC's progress on structural reform      Develop a paper, in close coordination with the OECD, identifying sectors significant for economic growth, trade and investment where changes in regulatory framework affect the market	2005-2010	Seminar for Sharing     Experiences in APEC Economies on Strengthening the Economic Legal Infrastructure      Undertake a capacity Building Project on the International Alternative Dispute Resolution (ADR) Mechanisms
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#### 4.8 Pathfinder Initiatives

While intensifying actions in the above core elements set out in the Busan Roadmap, APEC will also encourage member economies to take Pathfinder initiatives in new areas that may contribute to the achievements of the Bogor Goals. APEC will also consider developing a Framework for Evaluating Pathfinders.

## 5. Strengthen Economic and Technical Cooperation (ECOTECH)

In the Busan Roadmap towards the Bogor Goals, APEC Leaders reaffirmed their commitment to advance economic and technical cooperation to promote equitable growth and shared prosperity in the region. They emphasized that economic and technical cooperation is not only important in itself, but is a cross-cutting issue relevant to advance trade and investment liberalization and facilitation.

The Leaders stressed the importance of ensuring that all citizens in the region will have the opportunity to share the benefits generated by trade liberalization and economic growth, and agreed to seek ways of confronting challenges and impediments to shared prosperity posed by socio-economic disparities in the region.

ECOTECH activities across all fora will be strengthened, coordinated and prioritized to promote sustainable growth and equitable development while assuring advancement towards free and open trade and investment in the region. Agreed priority areas are as follows:

- Developing human capital
- Developing stable and efficient markets through structural reform
- Strengthening economic infrastructure
- Facilitating technology flows and harnessing technologies for the future
- Safeguarding the quality of life through environmentally sound growth
- Developing and strengthening the dynamism of small and medium enterprises (SMEs)
- Integration into the Global Economy
- Human Security and Counter-terrorism Capacity Building
- Promoting the Development of Knowledge-Based Economies; and
- Addressing Social Dimension of Globalization.

Elements	On-going actions	Future Actions	Timeframe	Capacity- building
Identify policy criteria as a guideline for the evaluation and ranking of all ECOTECH related project proposals ahead of presentation to the Budget Management Committee (BMC)	Development of policy criteria by SCE	Final policy criteria submitted to the Secretariat and to relevant fora	2006	
Improve the quality of APEC's ECOTECH projects through effective implementation of the Quality Assessment, Monitoring and Evaluation Framework (AME)	<ul> <li>The Secretariat continues to monitor the implementation of the Frameworks</li> <li>Discuss the AME Frameworks</li> </ul>		Ongoing	
Collaboration with International Financial Institutions (IFIs)	<ul> <li>Collate contact points for all Fora to provide to the IFIs for ease in communication (APEC Secretariat).</li> <li>IFIs continue to participate in several fora activities, including the SMEWG.</li> <li>Hold discussions with the World Bank's GDLN concerning potential collaborative activities</li> </ul>	Organize Dialogues between APEC and IFIs on issues of mutual concern	2006	
Bridging the development gap		Further work to promote sustainable development, SME competitiveness, human resource development, knowledge based and information technology and private sector development	Ongoing	Seminars, training courses on training human resources
Coordinate and oversee activities related to sustainable development in working groups, committees, taskforces	Collect information on sustainable development in the SCE fora report	<ul> <li>The SCE Fora Report was submitted to SCEIII</li> <li>Raise awareness of</li> </ul>	Ongoing	

and networks	Key recommendations on sustainable development were endorsed at SCE III      Held a high level meeting on Sustainable Development in July 2006 (Chile)	environmental protection, and linkage between structural reform and sustainable development  • Ensure that other relevant multilateral fora are better informed on the outcomes of APEC's project that contribute to Sustainable Development		
Undertake outreach to the broader community	<ul> <li>Media releases on key ECOTECH activities are distributed by the Secretariat</li> <li>ABAC participated in SCE I and II</li> <li>Publish every year SOM Report on Ecotech</li> </ul>	Continue outreach activities on Ecotech	Ongoing	

## IV. Implementation

The implementation of activities underlined in the action plan will be done via the following channels:

- (i) Normal track: to update IAPs and CAPs to reflect the elements of the Action Plan for continual implementation and annual IAP reporting; to conduct the IAP Peer Review according to the 3 criteria: robust, inclusive and forward-looking.
- (ii) Fast track: to use Pathfinders to speed up implementation of certain elements of this Action Plan, especially those more related to trade and investment liberalization and facilitation; and evaluate them based on the Guidelines for Pathfinders Initiative adopted in 2004.
- (iii) Reporting: to mandate APEC for at o report on the implementation's progress of the Action Plan on an annual basis.
- (iv) Collaboration with ABAC: to review the progress of the implementation of this Action Plan and to take further actions if necessary to reach the Bogor Goals in consultation with ABAC and business community in general.
- (v) Engagement with IFIs to contribute to implement actions included in this Action Plan that are of their interests.
- (vi) Collaboration with APEC Study Centers and other international academia in reviewing the progress towards the Bogor Goals and the implementation of the

- Action Plan; and to request advice and suggestions from these stakeholders for additional activities and actions.
- (vii) Integration of Women in APEC's process: Member economies will aim to ensure that activities under this Action Plan take full account of APEC's Framework for the Integration of Women, especially in the areas of IPR, e-commerce, investment and private sector development.

#### V. Review

The Action Plan may be revised and improved as necessary in keeping with the 2010/2020 targets and the evolving trade and investment policy landscape within and outside APEC.

#### **ANNEX**

## KEY DELIVERABLES TO HELP IMPLEMENT THE BUSAN ROADMAP

This Annex is intended to highlight key deliverables undertaken by APEC economies towards implementing the Busan Roadmap.

#### TFAP:

- Final Review of the TFAP for realizing the Shanghai Accord target of reducing transaction costs by 5% by end of 2006.
- Agreement on framework for TFAP 2, which includes a list of collective actions targeting further reduction of 5% transaction costs in APEC region by 2010.

#### Customs Procedures:

- Undertake a stock-take of SCCP members' customs-business partnership programs.
- Update compendium of best practices on customs-business partnership

#### RTAs/FTAs:

• Develop comprehensive model measures for as many commonly accepted RTA/FTA chapters as possible by 2008 and to complete model measures for a significant number of chapters in 2006.

## Digital Economy:

• Develop a stand-alone Technology Choice Pathfinder for Ministers and Leaders to endorse at the 2006 AMM and Leaders' Meeting.

## **Intellectual Property Rights**

- Complete additional Model Guidelines on Effective IPR Public Awareness Campaign and Model Guidelines on Keeping Supply Chains against Counterfeit and Pirated Goods
- [Inclusion in Leaders' Declaration of statement urging government entities not to use illegal software and other content on their computer systems and networks, especially as it pertains to Internet usage]
- Complete exchange of information on IPR enforcement points of contact and IPR websites and apply the APEC Effective Practices for Regulations Related to Optical Disc Production.

## PSD:

Agree on APEC Private Sector Development workplan based on recommendations
of APEC Symposium on Private Sector Development and uses the World Bank's
"Ease of Doing Business" index as a reference to monitor ongoing progress.

#### Investment:

- Develop an expanded work program targeting increased investment liberalization and facilitation in the region.
- Investment Guidebook updated in November 2006 in Viet Nam
- Investment Forum held in Viet Nam in November 2006

#### WTO:

- Support in concrete ways the DDA.
- Support the prompt conclusion of relevant APEC member's WTO accession

#### SMEs:

• Launch the Hanoi Declaration on Strengthening SMEs competitiveness for Trade and Investment.

## Transparency and Anti-corruption:

- Public-Private Dialogue on Anti-corruption and ensuring transparency in business transactions in September 2006
- Workshops on Fighting Corruption and Ensuring Transparency in Hanoi and Manila.
- Workshops on Anti-corruption measures for the Development of SMEs in Hanoi; and on Prosecuting Corruption – Denial of Safe haven, Asset recovery and Extradition in Shanghai.

## Structural reform:

• Effectively implement the APEC Work Plan on LAISR towards 2010 (LAISR 2010) based on a detailed forward work program.

#### Ecotech:

• Identify specific capacity building measures across the areas identified in the Action Plan to implement the Busan Roadmap towards Bogor Goals in close collaboration with all related APEC fora.