

TERMS OF REFERENCE

APEC Alliance for Supply Chain Connectivity (A2C2)

2017 - 2020

Background

Since 2014, APEC has seen an expanded focus on capacity building work focused on improving supply chain performance and enhancing supply chain connectivity. This was demonstrated through the establishment of the APEC Alliance for Supply Chain Connectivity (A2C2), a public private mechanism for stakeholders (defined below) to formally engage in APEC's supply chain work. The A2C2 provided key guidance and technical inputs over the last two years on a number of capacity building programs and pulls membership from a wide range of companies and associations trading in the Asia-Pacific have valuable experience in moving goods and services seamlessly, quickly, and inexpensively through the region. The A2C2 also helped to shape the next phase of supply chain activity through active engagement and recommendations to CTI on prioritization within the supply chain work.

The APEC Alliance for Supply Chain Connectivity will build on initial success to support Phase Two of the APEC Supply-Chain Connectivity Framework Action Plan (SCFAP), 2017-2020. APEC's supply chain work will continue to take place through the priorities surrounding implementation of the World Trade Organization's Trade Facilitation Agreement (TFA) and with a focus issues related to trade costs, connectivity and logistics that continue to be a priority for traders.

Membership

A2C2 membership will continue to be open to participation from all interested stakeholders, experts from APEC economies, companies, industry associations, multilateral institutions and non-governmental organizations, subject to APEC's NMP practices. Some of the possible roles for participants include:

Governments: Officials from capacity building recipient and donor economies will use the A2C2 process to inform and enhance their capacity building projects. All government participants will contribute to and learn from A2C2 best practices. This includes both customs and trade officials.

Multilateral Institutions and Organizations: Multilateral institutions have significant expertise and resources on supply chain performance and trade facilitation. APEC's supply chain work would greatly benefit from the participation in the A2C2 of experts from the World Bank Group, the Asian Development Bank, and Inter-American Development Bank, the WTO, the OECD, and the WCO, etc..

Private Sector Representatives: Robust private sector participation in A2C2 by experts in the field is crucial to the success of APEC's supply chain capacity building work. Private sector participants will be asked to apply their expertise toward and ideas on improving the ongoing economy-level capacity building projects in APEC. We welcome both supply chain experts as well as government affairs experts but hope that participants can weigh in on specific technical issues and topics in the APEC region, particularly as it relates to capacity building program.

APEC Sub fora: T

he A2C2 will coordinate directly with existing APEC fora, such as the Customs public-private Virtual Working Group (VWG), to leverage expertise and avoid duplicating work streams. Representatives of the SCCP, could also be invited to participate to align work streams where relevant.

Research and Academic Institutions, NGOs: A2C2's sharp focus on capacity building at the economy level will contribute to measurable improvement in supply chain efficiency. Academic and NGO participants can add value by sharing best practices and recent related research findings in support of ongoing or forthcoming projects.

Leadership

The Alliance will be guided by three (3) conveners – one (1) CTI representative, (1) representative of the Host economy, and (1) ABAC Member.

These conveners will:

- Convene as necessary to oversee the core tasks of the A2C2 (as outlined above under “Purpose and Objectives”). In addition, the group will meet “as needed” whenever there is agreement on this.
- Communicate regularly, via email, efforts/proposals to the members of the A2C2, soliciting input/feedback, as appropriate. This will also include coordination and review of the A2C2 of all capacity building deliverables.
- Maintain oversight over the A2C2 work plan, which will reflect the CTI's work on the projects in the supply chain performance capacity building plan, updating the work plan as appropriate.
- Report to CTI developments in the course of the performance for their function, and other relevant information. The conveners will draft a brief outcomes report following each meeting and present to CTI.

Objectives

The APEC Alliance for Supply Chain Connectivity will function as an action-oriented “force multiplier” group of supply chain experts. A2C2 participants will create synergies and add value to on-going economy-level capacity building projects as well as regional efforts currently underway. Among other things, A2C2 participants will become deeply involved in:

- Contributing to the projects in the APEC capacity building plan, including terms of reference documents regarding technical assistance for economies who volunteer for such assistance and draft deliverables developed under the plan
- Identifying the readily available tools and methodologies for implementation;
- Contribute to a focusing of APEC's efforts in phase 2 of supply chain work;
- Identifying the available experts to deliver the technical assistance; and
- Identifying the resources required for effective implementation of the projects (e.g. software, model regulations or procedures, provision of in-kind expertise, funding).

The A2C2 will also discuss private sector, voluntary efforts to make supply chains greener and more environmentally friendly and offer recommendations to the CTI or other relevant APEC fora for further APEC work in this area.

Scope

In 2010, APEC Leaders set forth the objective of a 10% improvement, within five years, in supply chain performance in terms of reduction of time, cost, and uncertainty of moving goods and services through the Asia-Pacific region. In Bali in October 2013, APEC Leaders recognized that achieving this objective would require robust capacity building efforts. APEC Leaders agreed to accelerate work to achieve the objective, including by advancing the systematic approach to improving supply chain performance. They also instructed officials to develop a capacity building plan to assist economies, particularly developing economies, in overcoming specific obstacles they face to improving supply chain performance. APEC Trade Ministers welcomed this plan in May 2014, alongside of establishing the A2C2. Since that time, six projects are in various stages of development under CTI, these projects are: pre arrival processing, expedited shipments, advanced rulings, release of goods, electronic payments and global data standards. It is the hope that in phase 2 will see an expansion of capacity building projects that focus on areas related to the TFA as well as possible sectoral approaches to capacity building where relevant.

All of these projects are supported with funding from the APEC Sub-Fund on Supply Chain Connectivity. The hope is that A2C2 participants continue to offer excellent ideas of how to supplement the resources in the Fund with additional resources in and outside of APEC subject to APEC protocols. These can be financial or in kind support.

As part of each meeting, participants in capacity building projects as well as project overseers will be required to report on the status of the projects specifically the results of capacity building in terms of reforms made and recommendations implemented.

Meetings & Venue

The A2C2 will be extended to cover the period of 2017-2020 and will continue to meet twice each year on the margins of Senior Officials Meetings (SOM) and in support of its action-oriented objectives. The duration of the meeting shall be determined by the agenda.

Ideally the timing of the meeting will fall between SCCP and CTI to allow both customs and trade officials to attend the meetings. Organizers should also coordinate with the hosts to ensure that trade facilitation related meetings are held jointly with the A2C2 wherever possible to ensure that private sector representatives have a suite of events to attend if possible. Representatives of the SCCP, TPTWG, APMEN, GSCNET, etc. could also be invited to participate to align work streams where relevant.

Support

The APEC Secretariat will serve as the primary support for the A2C2. The Alliance will also receive support from the ABAC Secretariat. Virtual links to other existing institutions shall be used to increase resources. The program director at the APEC Secretariat will help to organize meetings, provide guidance regarding APEC guidelines and protocols and serve as a focal point for the distribution of information regarding the A2C2. The ABAC Secretariat will be responsible for ensuring that information regarding the A2C2 is appropriately distributed to private sector participants and will assist in collecting feedback from relevant stakeholders. Conveners will maintain a membership list for purposes of distributing all relevant communication.

Sunset Clause

The A2C2 should remain active through 2020, the target dates of the SCFAP Phase 2, at which point it can be evaluated as to the effectiveness of the group and whether it should be continued.