

As at 03 November 2017

## APEC Services Competitiveness Roadmap 2017 Work Plan

### Checklist of Instructions to Committees and Sub-fora in the Implementation Plan and Updates

	APEC-wide Action	Lead Fora	Instruction	Update*	Progress Undertaken by Sub-fora (please state the Lead Economy)*
1.	Enhancing the role of trade in services in Global Value Chains (GVCs)	CTI	<ul style="list-style-type: none"> <li>• An action plan to be developed by CTI and agreed by SOM1 2017</li> <li>• Develop initiatives to improve participation of MSMEs and women in GVCs</li> </ul>	<ul style="list-style-type: none"> <li>• PSU (GOS): Case Study on the Role of Services Trade in GVCs in the following sectors were concluded in 2016 and published in the APEC website: <ul style="list-style-type: none"> <li>○ Telecommunications (PNG)</li> <li>○ Transport (Chile)</li> <li>○ Health Services (Malaysia)</li> </ul> </li> <li>• Works in progress regarding the implementation of SMEs' Integration into GVCs in Services Industries (Co-Leads: Korea and Peru) <ul style="list-style-type: none"> <li>○ Works under the initiative on four services sectors have to be led by Peru (tourism); Korea</li> </ul> </li> </ul>	<p>CTI:</p> <ul style="list-style-type: none"> <li>• <u>Hong Kong, China</u> held the Workshop on SMEs' Integration into GVCs in Services Industries (Fashion Design) on 11 May 2017 in Ha Noi in the margins of SOM2. A draft report containing analysis and suggestions for further actions to promote fashion industry's integration to GVCs will be submitted to CTI later.</li> <li>• <u>Viet Nam</u> held an APEC Workshop on Promoting SMEs' Integration into GVCs in Services - Logistics on 26 August 2017 in the margins of SOM3 in Ho Chi Minh City. The draft summary report circulated</li> </ul>

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				(software); Hong Kong, China (fashion design); and Viet Nam (logistics)	<p>to CTI for comments was finalized intersessionally.</p> <ul style="list-style-type: none"> <li>• <u>Peru</u> will conduct a project on SMEs' Integration into GVCs in Services Industries: Tourism Sector in 2018.</li> <li>• <u>Korea</u> will hold a workshop/seminar on Software Services Industries' Integration into GVCs in the first quarter of 2018.</li> </ul>
2.	Supporting cross-border mobility for professionals	HRDWG	<ul style="list-style-type: none"> <li>• To present proposals by SOM2/2017 on:                             <ul style="list-style-type: none"> <li>○ Development of voluntary frameworks for up to three further professional groups in APEC</li> <li>○ Implementation of such frameworks by the end of 2021</li> <li>○ Capacity-building activities to support the</li> </ul> </li> </ul>		<p>HRDWG:</p> <ul style="list-style-type: none"> <li>• <u>Australia</u> will host a workshop on Best Practice Recognition of Professional Qualifications in early 2018. The project proposal was presented to GOS and endorsed by GOS and HRDWG following SOM3 in 2017.</li> </ul>

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			adoption of the frameworks.		
3.	Enhance flexibility for business visitors	CTI, BMG	<ul style="list-style-type: none"> <li>Develop and present a strategic plan on enhancing flexibility for business visitors to SOM by SOM2/2017</li> </ul>	<ul style="list-style-type: none"> <li>BMG endorsed the proposed indicator stated in the Implementation Plan, i.e. the development and implementation of an optional APEC-wide online lodgment for ABTC applications which is already underway and led by Australia.</li> </ul>	CTI: BMG:
4.	Develop a set of good practice principles on domestic regulations in the services sector.	CTI, EC, GOS	<ul style="list-style-type: none"> <li>Discuss and identify the elements to be contained in the principles</li> <li>Develop and draft the principles</li> </ul>	<ul style="list-style-type: none"> <li>Korea (CTI and GOS) held a Workshop on Developing a Set of Non-Binding Principles for Domestic Regulation of the Services Sector on 22 August 2017 at the margins of SOM3/2017.</li> </ul>	CTI: EC: EC was pleased to support this workshop at SOM 3 and EC Chair and some EC members participated. EC looks forward to being closely involved in the next steps. GOS:

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					<ul style="list-style-type: none"> <li>Australia provided a speaker at the Workshop on Developing a Set of Non-Binding Principles for Domestic Regulation of the Services Sector which was held on 22 August 2017 in Ho Chi Minh City, Viet Nam.</li> </ul>
5.	Implement the Renewed APEC Agenda on Structural Reform (RAASR)	EC, GOS, CTI	<ul style="list-style-type: none"> <li>EC to report at SOM1/2017 on how the recommendation of the AEPR on Structural Reform and Services will be implemented</li> </ul>	<ul style="list-style-type: none"> <li>EC and PSU completed the 2016's AEPR on Structural Reform and Services.</li> <li>Specific case studies on electricity distribution services (NZ), financial services (Japan), distribution services (PRC), testing and certification services (CT), and air transport (Indonesia) are uploaded in both APEC and PSU websites.</li> </ul>	<p>EC: EC reported to SOM 1 2017 as instructed (<a href="#">2017/SOM1/016</a>). The report covered both how the recommendations from the 2016 AEPR will be implemented and RAASR implementation more broadly.</p> <p>GOS:</p> <p>CTI:</p>
6.	Supporting liberalisation, facilitation and	CTI, GOS		<ul style="list-style-type: none"> <li>A workshop on Environmental Services for</li> </ul>	CTI (led by Japan): The draft report of the Case Studies on Environmental Services have

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	cooperation of environmental services		<ul style="list-style-type: none"> <li>Implement and build on the Environmental Services Action Plan (ESAP)</li> </ul>	<p>a broader scope of environmental services was held on 11 May 2017 in Ha Noi in the margins of SOM2. The workshop focused on five services sectors - 1) water, 2) refuse disposal and recycling, 3) environmental damage remediation services, 4) renewable energy and 5) energy efficiency</p> <ul style="list-style-type: none"> <li>PSU has prepared case studies on the following 3 sectors in environmental services:                             <ul style="list-style-type: none"> <li>- Energy Efficiency Services</li> <li>- Environmental Damage Remediation Services</li> <li>- Renewable Energy Services</li> </ul> </li> </ul>	<p>been finalized and uploaded on PSU's webpage.</p> <p>GOS:</p>
7.	Progressive liberalization and facilitation of	CTI, GOS	<ul style="list-style-type: none"> <li>Implement and build on the Manufacturing Related Services Action Plan (MSAP)</li> </ul>	<ul style="list-style-type: none"> <li>Japan (CTI): Preparations for the 2018 MSAP interim review were conducted.</li> </ul>	<p>CTI: The interim review template has been circulated to be completed and submitted by economies 20</p>

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	manufacturing-related services		<ul style="list-style-type: none"> <li>• Develop an indicative menu of cooperation/capacity building activities based on the analysis and cooperation activities</li> <li>• Conduct an interim review in 2018 and final review in 2020</li> </ul>	CTI agreed on: 1) the review template for collecting regulatory information on manufacturing-related services as well as identifying economies' needs for capacity building; and on 2) 2018 interim review plan on MSAP.	<p>December 2017. The information collected will provide a basis for conducting the interim review in 2018.</p> <p>GOS: The interim review template has been circulated to be completed and submitted by economies 20 December 2017. The information collected will provide a basis for conducting the interim review in 2018.</p>
8.	Supporting cooperation in the education sector including promoting internship schemes, overseas student exchange programs and collaborative policy studies	HRDWG	<ul style="list-style-type: none"> <li>• To present package of proposals at SOM2/2017</li> <li>• To conclude activities under the proposed package by the end of 2020.</li> </ul>		<i>HRDWG:</i>
9.	Collaborate to respond to the rapid developments in	CTI, ECSG, AHSGIE	<ul style="list-style-type: none"> <li>• CTI to report at SOM1/2017 on the approach it will take to coordinate APEC activities under this Action.</li> </ul>	<i>Related work:</i> <ul style="list-style-type: none"> <li>• SCSC: Aligning Energy Efficiency Regulations for ICT Products –</li> </ul>	<i>CTI:</i> <ul style="list-style-type: none"> <li>• Japan has submitted a concept paper on Global Data Flow Facilitation to</li> </ul>

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	internet-based technology			<p>Implementing a Strategic Approach</p> <ul style="list-style-type: none"> <li>CTI: Progress was achieved in implementing the initiative on Promoting e-commerce to Globalize MSMEs, led by Korea, in collaboration with the PSU, which seeks to (1) identify barriers/difficulties faces by MSMEs to participate in e-commerce; (2) explore ways to address identified barriers/difficulties; and (3) develop a set of recommendations that can be used as a guide to develop capacity building plans. PSU developed and finalized a report on Promoting E-Commerce to Globalize MSMEs which includes case studies in Brunei Darussalam, China, Korea,</li> </ul>	<p>CTI2 to deepen discussions on this issue</p> <p><i>ECSG:</i></p> <ul style="list-style-type: none"> <li>Chinese Taipei has conducted a Seminar on Capacity-Building for Compliance with Cross-Border Privacy Rules System in APEC on 2 October 2017.</li> </ul> <p><i>AHSGIE:</i></p> <ul style="list-style-type: none"> <li>The APEC Internet and Digital Economy Roadmap has been finalized and expected to be endorsed by Senior Officials at the upcoming AMM.</li> </ul> <p><i>GOS:</i></p> <p>Australia hosted a Public Private Dialogue on New Technologies and ASCR on 2-3 October 2017 in Kuala Lumpur as part of the 2017 Asia Pacific Services Symposium.</p>

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				<p>Malaysia and Chinese Taipei.</p> <ul style="list-style-type: none"> <li>• ECSG has proposed the following indicators:                             <ul style="list-style-type: none"> <li>○ <b>Cross-Border Data Flows and Privacy:</b> Promote consumer privacy protective cross-border data flows by increasing Economy and private sector participation in the APEC Cross-Border Privacy Rules (CBPR) System and APEC Privacy Recognition for Processors (PRP) System. This measure would constitute four separate metrics by counting Economies and companies in each system separately (for example, companies participating in CBPR and companies participating in PRP</li> </ul> </li> </ul>	

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				<p>would be separate metrics).</p> <ul style="list-style-type: none"> <li>○ <b>Consumer Protection:</b> Adapt policy frameworks to provide well-tailored consumer protections that are essential to building the trust needed to further develop markets for the benefit of consumers and businesses alike.</li> </ul>	
10.	Support certain cross-border provision of financial services	CTI, GOS, FMP	<ul style="list-style-type: none"> <li>• Consider expansion of the Asia Region Funds Passport (ARFP) initiative</li> <li>• Develop initiatives to improve the regulation of financial services in APEC members</li> <li>• CTI to report at SOM1/2017 on options for taking forward this work</li> </ul>	<ul style="list-style-type: none"> <li>• Australia: Targeted capacity building has been provided by Australia to assist several developing economies who are interested in strengthening their regulatory requirements in order to join the ARFP in the future<sup>i</sup></li> </ul>	<p>CTI:</p> <hr/> <p>FMP:</p>

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11.	Supporting APEC's work on developing air, sea and land transportation in line with the APEC Connectivity Blueprint 2015-2025	TPTWG	<ul style="list-style-type: none"> <li>TPTWG to report at SOM1/2017 on current efforts being carried out in implementing the Blueprint, and future work to be carried out in collaboration with EC and CTI</li> </ul>	<ul style="list-style-type: none"> <li>SOM1/2017 took note the report submitted by the TPTWG Lead Shepherd in responding to the instruction in ASCR.</li> </ul>	<p>TPTWG: TPTWG has made good progress in implementing the transport-related elements of the Connectivity Blueprint. A number of initiatives are underway, with several already completed.</p> <p>EC: EC looks forward to working with TPTWG as necessary.</p> <p>CTI:</p>
12.	Developing the travel and tourism sector for sustainable and inclusive growth, building on the work of the APEC Tourism Strategic Plan	TWG	<ul style="list-style-type: none"> <li>TWG to provide annual updates to SOM on the achievement of objectives under the APEC Tourism Strategic Plan and on progress of projects under the Strategic Plan</li> </ul>	<p>TWG proposed the following indicator and KPIs:</p> <ul style="list-style-type: none"> <li><u>Indicator:</u> Support APEC's work on developing travel and tourism in the region to support sustainable and inclusive growth, building on the work of the APEC Tourism Strategic Plan.</li> </ul>	<p>TWG:</p>

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				<ul style="list-style-type: none"> <li>• <u>KPIs</u>:                             <ul style="list-style-type: none"> <li>○ Total APEC tourism arrivals</li> <li>○ Total APEC tourism receipts</li> <li>○ Travel and tourism GDP (direct contribution) in APEC economies</li> <li>○ Total APEC employment from travel and tourism (direct contribution)</li> </ul> </li> </ul>	
13.	Develop services data and statistics to measure and support implementation of the Roadmap	CTI, GOS, PSU	<ul style="list-style-type: none"> <li>• PSU to report on the services data and statistics and indicators needed to be generated to monitor progress under the Roadmap and the options for generating this based on close consultation with members.</li> </ul>	<ul style="list-style-type: none"> <li>• Korea (CTI) is leading the initiative on the Next Steps for the Work of Measuring the Regulatory Environment in Services Trade of APEC, which was endorsed by GOS, CTI and Senior Officials.</li> <li>• Further discussion will take place at GOS1/2018</li> </ul>	<p>CTI:</p> <hr/> <p>GOS:</p> <ul style="list-style-type: none"> <li>i) The United States in collaboration with the US-ATAARI has organised a self-funded Workshop on APEC Trade in Services Index Data on 4-5 October 2017 in Kuala Lumpur.</li> <li>ii) The next step is to further discuss the establishment of the technical group</li> </ul>

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					that will work on developing the APEC Index.
					PSU:
14.	Progressive facilitation of services to improve the regional food system	PPFS, CTI	<ul style="list-style-type: none"> <li>Collaborate on a program of work to facilitate services to improve the regional food system by:                             <ol style="list-style-type: none"> <li>Discussing definition and scope of food-related services</li> <li>Collect and analyze information on regulatory regimes and the policy environment in economies</li> </ol> </li> <li>Based on the analysis, PPFS/CTI to propose a concrete set of actions and related targets for 2025 by CSOM 2017.</li> </ul>	<ul style="list-style-type: none"> <li>PPFS identified New Zealand as the lead economy to implement the ASCR in regard to food services. The work is ongoing. In accordance with the draft PPFS Implementation Project Plan by the lead economy, the PPFS Food Services Action Plan is targeted to be realized in 2019.</li> </ul>	<p>PPFS: New Zealand has recently prepared a PPFS Implementation Project Plan which will be further consulted with the APEC Secretariat and PSU.</p> <p>CTI:</p>
	<b><u>New APEC Wide-Action proposed by Sub-fora</u></b>				

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15.	Build the capacity of APEC members to strengthen domestic and regional energy security and lower the carbon intensity of energy supply and use across the region, facilitated by information and data exchanges, joint research and development, and open trade and investment.	EWG	Proposed Indicators: 1. Double the share of renewables in the APEC energy mix, including in power generation by 2030 from 2010 levels.  2. Reduce APEC's aggregate energy intensity by 45% from 2005 levels by 2035	The indicators are based on the goals endorsed by APEC Economic Leaders and are being tracked by EWG.	50 APEC projects are currently (as at Oct 2017) underway under EWG towards this action.
16.	Examination of the impact of the Next Generation Trade and Investment Issues on Mode 3 Trade in Services.  <u>Background:</u>	IEG	Proposed indicators: 1. Ease of Doing Business Distance to Frontier (DTF) 2. OECD STRI in selected sector 3. Intra-APEC Regional Trade Agreement/Free Trade Agreements (RTA/FTAs) with investment chapters	• IEG has endorsed the proposed APEC-wide action and indicators on 20 October 2017.	

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	<p>Mode 3 Trade in Services (commercial presence) is linked directly to policies and disciplines on investment promotion, facilitation, protection and retention. Global treaty-making practice and domestic policies on Investment and Trade in Services follow similar approaches and, in fact, often overlap. Ensuring modern and progressive approaches to investment can help facilitate APEC-wide trade in services, specifically with respect to Mode 3. This APEC-wide action will build on</p>		<ol style="list-style-type: none"> <li>4. Intra-APEC Double Taxation Agreements (DTAs)</li> <li>5. Intra-APEC Bilateral Investment Treaties (BITs)</li> <li>6. Survey on e-transparency</li> </ol>		

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	the IEG Work Plan on NGeTI (endorsed by CTI).				
17.	Supporting the development of innovative MSMEs and their participation in the Digital Economy under the SMEWG Strategic Action Plan	SMEWG	Proposed Indicators: 1. Percentage of SMEs having their own website 2. Percentage of SMEs using e-mail to interact with clients/suppliers 3. Percentage of SMEs with a checking or savings account	<ul style="list-style-type: none"> <li>SMEWG has endorsed the proposed APEC-wide action and indicators on 18 October 2017.</li> <li>The APEC-wide action and indicators are based on the targets outlined under the SMEWG Strategic Plan 2017-2020.</li> </ul>	
18.	Enhancing ICT infrastructure and services to support economic growth	TELWG	Proposed Indicators: 1. Percentage of individuals using the internet (ITU) 2. Fixed broadband subscriptions per 100 inhabitants (ITU) 3. Active mobile broadband subscriptions per 100 inhabitants (ITU)	<ul style="list-style-type: none"> <li>TEL has endorsed the proposed APEC-wide action and indicators on 2 November 2017.</li> </ul>	

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<sup>i</sup> The ARFP, an Australian-led initiative conducted under the APEC Finance Ministers' Process, is a multilateral framework designed to overcome existing differences in licensing and operational requirements relating to cross-border trading of managed funds. When implemented, the ARFP will reduce regulatory barriers to trade in financial products among participating economies. ARFP participating economies (Australia, Japan, Korea, New Zealand and Thailand) are currently undertaking the necessary legislative changes to implement the ARFP in their respective jurisdiction. The legislation changes are expected to be completed by the end of 2017. The Joint Committee on implementing the ARFP is also working to put in place the administrative processes for operationalising the ARFP. ARFP members are committed to expanding the membership of the scheme, as noted in the APEC Cebu Action Plan (2015). It is expected that activities to promote ARFP membership will develop following implementation in early 2018. **\*THIS INFORMATION MUST BE PROVIDED BY RELEVANT SUBFORA.\*\*PLEASE INDICATE WHICH SUBFORA PROPOSES NEW WIDE-ACTIONS.**