

GROUP ON SERVICES (GOS)

CONVENORS REPORT AND INPUTS FOR 2020 CTI ANNUAL REPORT TO MINISTERS

Key Achievements in 2020

- In 2020 the GOS implemented the **“final push” on services to address the unfinished business of the Bogor Goals**. This included work plans in five priority areas, each under the guidance of a “champion” economy:
 - **Domestic Services Regulation** (championed by the United States) – the GOS is implementing a project, “Next Generation Regulatory Approaches in Services Authorization”. The project, which involves a research study and a capacity-building workshop, will develop APEC members’ awareness of innovative, effective and emerging regulatory practices related to services authorization in the region.
 - **Development of the APEC Index** (championed by Korea) – the GOS finalized the “Pilot Program for Measuring the Regulatory Environment of Services Trade in the APEC region” in collaboration with the OECD. Four economies (Chile; Peru; Chinese Taipei; and Viet Nam) participated in the Pilot Program which covered the computer, telecommunications, distribution, and logistics (storage and warehousing) sectors.
 - **Mutual Recognition of Qualifications and Licensing** (championed by Australia) – the GOS held a workshop on “Mutual Recognition of Qualifications and Skills as part of the Final Push to achieve the Bogor Goals” in February 2020. The workshop increased APEC economies’ understanding of the types of Mutual Recognition Agreements (MRAs) and their benefits, increased transparency on existing MRAs, and built capacity across APEC economies to help develop MRAs. To build on the outcomes of this workshop the GOS has approved two additional projects – “APEC Professional and Skilled Services Gateway - an Inventory on Mutual Recognition Agreements” and “APEC Mutual Recognition Online workshops - Digital credentialing of professional and skilled services providers” to help fast-track the mobility of professional and skilled service providers post-COVID-19 are being implemented by the GOS.
 - **Environmental Services** (championed by New Zealand) – the GOS held the “Workshop to Advance the APEC Environmental Services Agenda: Enhancing APEC Economies’ Understanding of Environmental Services” in February 2020. The workshop enhance APEC economies’ understanding of environmental services, including the current challenges and barriers to liberalisation. The GOS is also implementing a follow-up project, “Advancing the APEC Environmental Services Agenda: Future Directions”; research being undertaken under this project on best practices in Environmental Services will be presented in the margins of GOS1 2021.
 - **Manufacturing-related Services** (championed by Malaysia). The GOS endorsed a work plan seeking to increase awareness of the “servicification” of manufacturing across APEC economies and to develop a common understanding of manufacturing-related services to support relevant policy formulation.
- The GOS continued to lead on the **implementation and monitoring of the APEC Services Competitiveness Roadmap (ASCR)** to develop services sectors in the APEC region as enablers of economic growth and inclusion, including:
 - The GOS completed studies for the **Final Review of the Environmental Services Action Plan (ESAP) and the Manufacturing-related Services Action Plan (MSAP)**.

Furthermore, **workshop on ESAP and MSAP** held on August 2020, provided a valuable forum for stakeholder to consider new opportunities for collaborative activities to support the future liberalization of environmental services and manufacturing-related services. The results of the workshop were reflected in the Final Reviews.

- The GOS held the first of three webinars as part of the project “**Advancing the Services Agenda in APEC: expanding sectoral data collection, measurement, and analysis for the APEC Index**” in September 2020. The project seeks to improve the quality and availability of internationally comparable services trade data in the APEC region and increase members understanding of barriers to services trade and pro-competitive policies.

Work Undertaken by the Fora in Response to COVID-19 (if applicable)

Please provide no more than one paragraph per work undertaken in dot points.

- At GOS2 meeting convened virtually in September 2020, the GOS discussed the impact of COVID-19 on services trade, including presentations from the WTO Secretariat and the Asia-Pacific Services Coalition.
- The GOS approved a self-funded project on “APEC Financial Services — Increasing APEC’s fintech and regtech capabilities post COVID-19” that seeks to share regulatory best practices to enable APEC economies to respond to the shift towards digital delivery and regulation of financial services.

Key Issues Under Discussion by the Fora

- The GOS will lead on implementation of the ASCR Mid-Term Review in 2021, which will assess what individual and APEC-wide actions will be required to complete the ASCR objectives by 2025. A proposal will be presented to SOM for endorsement.
- The GOS and the Technical Group for the Development of the APEC Index are currently discussing the next steps for the APEC Index including the potential to expand the coverage of services sectors and participating economies, as well as how to incorporate more APEC specific-elements in the index. Discussions on how to collaborate with the OECD to disseminate the results of the pilot program are also ongoing.

Items to submit to Senior Officials or Ministers/Leaders at the end of 2020 (if applicable)

- The GOS will seek Senior Officials’ endorsement of a proposal for the ASCR Mid-Term Review in 2021.