

GROUP ON SERVICES (GOS)

CONVENOR'S REPORT AND INPUTS FOR 2021 CTI ANNUAL REPORT TO MINISTERS

(a) Key outcomes and achievements in 2021

- The *APEC Services Competitiveness Roadmap (ASCR) Mid Term Review (MTR)* report undertaken by the PSU was finalized. A Summary Report of the ASCR MTR (including a set of recommendations that draw from the PSU's report on the ASCR MTR, a research study developed by ABAC, and the GOS Trade Policy Dialogue held in the margins of SOM2) was prepared for the consideration of Ministers/Leaders.
- A GOS Trade Policy Dialogue was held in the margins of SOM2 in the context of the ASCR Mid-Term Review. The event allowed to exchange views with relevant stakeholders in the area of services trade and relevant actors from the private sector.
- GOS endorsed and released a “Statement of the APEC Group on Services Encouraging Completion of the WTO Joint Initiative on Services Domestic Regulation Joint Statement Initiative” on 15 September 2021.
- The GOS endorsed Terms of Reference for the period 2022-2025
- GOS continued to implement a final push on services to address the unfinished business of the Bogor Goals, focusing on five priority areas, championed by five economies:
 - Domestic Regulation of Services (United States): The project “Translating APEC’s Non-Binding Principles for Domestic Regulation of the Services Sector into Practice – a focus on domestic regulations in trade agreements” was implemented. A related study was published and a workshop was organized on 17 August.
 - Development of an APEC Index to measure the regulatory environment of services trade: A dedicated website was created and launched in June 2021 to disseminate the results of the Pilot Program. Canada volunteered to replace Korea as the champion economy for this work stream in September 2021. The next steps for the APEC Index would include the expansion of the coverage of services sectors and participating economies, as well as how to incorporate more APEC specific-elements in the index.
 - Mutual Recognition of Qualifications and Skills (Australia): An APEC Inventory of Mutual Recognition Agreements for Professional Qualifications was developed and a website was launched by the Australian APEC Study Centre in collaboration with APEC economies. A workshop focused on the development of high-level guidance for implementing and increasing the use of digital credentials in recognition practice was held in June 2021.
 - Environmental Services (New Zealand): the study research for the project “Advancing the APEC Environmental Services Agenda: Future Directions” was published on the APEC website. The next steps for the environmental services work stream are being addressed through the development of a Reference List of Environmental and Environmentally Related Services (see next section below).
 - Manufacturing-related services (Malaysia): plans were announced to hold a self-funded workshop on MRS.
- The GOS supported the cross-border provision of financial services through a series of four workshops organised as part of the project “APEC Financial Services – Increasing APEC’s fintech and regtech capabilities post-COVID-19”.
- Indonesia organized a workshop on APEC Best Practices on Developing Services-related Statistics in Mode 3 in June 2021.
- The United States’ presented a self-funded project entitled “Negative List Scheduling in Services Negotiations – Scheduling services commitments in key sectors” (endorsed)

- Chinese Taipei submitted a Project Proposal to organize a Private Public Dialogue (PPD) on Digitally Enabled Services: Challenges and Opportunities. (endorsed)
- Japan submitted a proposal to hold a "Workshop on Promoting Trade in Services by SMEs and Women Entrepreneurs" in October 2021. (endorsed and later withdrawn - workshop held as APEC Study Center Japan project)
- GOS members provided views on the development of the Putrajaya Vision 2040 implementation plan to the CTI in March 2021.
- GOS members completed the qualitative survey as part of the APEC fora assessment process in 2021.
- Senior Officials endorsed the mandate of the GOS for another four years (2022-2025).

(b) Work Undertaken by the fora in response to COVID-19 (in particular in fulfilling the [2021 Ministers Responsible for Trade Statement & two annexes](#) & the [2020 Declaration on Facilitating the Movement of Essential Goods](#))

- A non-paper was presented by Canada, New Zealand and Singapore with the aim of identifying environmentally related services across services sectors, in response to the corresponding task included in the MRT Statement from June 2021. As a result, under close coordination with New Zealand, economies have been engaging in conversations to develop a reference list of environmental and environmentally related services (non-binding, non-exhaustive, developed for reference purposes and open for future review at a time to be determined by economies). Economies are working to conclude the reference list and strive towards inclusion of this as an Annex to the AMM Statement.
- Australia proposed to implement a self-funded capacity-building project in response to the task of implementing the APEC MRT Statement on Services to Support the Movement of Essential Goods. The objective will be to provide an evidence based assessment of the physical and economic impact services restrictions have in the movement of essential goods to assist the region in increasing existing levels of openness for services, especially in regional supply chains. Outputs of the project will be a state of the region survey on essential goods to assess the physical and economic impact of services restrictions, as well as a series of workshops and a trade policy dialogue with government, industry and NGO representatives, with the goal of developing a set of non-binding guidelines for the treatment of services that support the movement of essential goods.

(c) Key Issues Under Discussion by the Fora (if any); &

- In the meeting held during SOM3, GOS members discussed the Assessment Report provided by the CTI and the endorsement of the Terms of Reference (TOR). Members highlighted the usefulness of the GOS Trade Policy Dialogue held during SOM2 and some economies supported the idea of holding a similar event annually at the margins of SOM2 to engage with relevant stakeholders from industry and other APEC fora progressing services initiatives, particularly in the context of maintaining momentum on initiatives under the ASCR. The GOS Convenor agreed to discuss the proposal of holding a similar event regularly in the margins of SOM2 to keep momentum on GOS' work throughout the year and will develop a concept note for consideration by GOS and the incoming GOS Convenor to consider and progress.

(d) Items to submit to Senior Officials or Ministers (if applicable)

- Once endorsed by the GOS, the Summary Report of the ASCR Mid-term Review will be circulated to Senior Officials for them to note and refer for Ministers’/Leaders’ consideration (the vehicle for which are the AMM Statement and the AELM Declaration).
- An APEC Reference List of Environmental and Environmentally Related Services is being developed under the leadership of New Zealand. Economies are working to conclude the reference list and strive towards inclusion of this as an Annex to the 2021 AMM Statement.