## MARKET ACCESS GROUP

## Report for the

## CTI ANNUAL REPORT TO MINISTERS

## For AMM's information

- (a) Key outcomes and achievements in 2025
  - Renewal of the MAG Mandate Members agreed to renew MAG's mandate for 2026–2029, with a sunset clause and mid-term review. MAG endorsed the Terms of Reference (TOR) for 2026-2029.
  - Policy Dialogue MAG held a policy dialogue on advancing sustainable development through international agreements, featuring presentations from the OECD (on environmental goods trade and NTMs), New Zealand (on the Agreement on Climate Change, Trade and Sustainability ACCTS), and Singapore/Australia (on the Green Economy Agreement SAGEA). Members reflected on domestic experiences and suggested themes for future dialogues aligned with APEC's sustainability priorities.
  - Implementation of the Environmental Goods List in HS 2022 Nine economies submitted their implementation plans, now publicly available on the MAG webpage. Members also discussed a technical issue identified by the WCO regarding duplicate ex-outs, with follow-up consultations ongoing.
  - Non-Tariff Measures (NTMs) New Zealand presented the Summary Report of its CTI workshop on applying APEC's Cross-Cutting Principles on NTMs. Subsequently, New Zealand developed the Best Practice Guidelines to Apply the APEC Cross-cutting Principles on NTMs to support economies in the development and implementation of NTMs. This project is supported by 11 co-sponsors and was endorsed both in MAG and CTI.
  - Rules of Origin (RoO) The United States reported on its MAG-led workshop on "Advancing the FTAAP: Issues Related to Rules of Origin", focusing on simplifying and harmonizing provisions, particularly for MSMEs. Hong Kong, China and the PSU also presented findings of their study "Rules of Origin in Modern Trade Agreements – Trends and Challenges".
  - APEC Trade Repository (APEC TR) The Philippines presented updated usage data, with more than 3,500 users and engagement from all APEC members and non-APEC economies.
  - ICT Trade and AI Chinese Taipei proposed a self-funded project on best practices for fostering ICT trade and enabling AI ecosystems with 3 co-sponsors. It is currently under discussion for endorsement.

- Although consensus could not be reached on renewing the Environmental Goods Workplan, economies agreed to continue substantive work. The Market Access Group Pathfinder Initiative: to develop a reference list of environmental goods was tabled during MAG2, with several members joining.
- (b) Work undertaken by fora in pursuit of the <u>Putrajaya Vision 2040</u>, including through the <u>Aotearoa Plan of Action (APA)</u>

Under the Trade and Investment Driver, MAG advanced discussions on liberalization and facilitation of trade in goods by:

- Promoting regulatory coherence and transparency through NTM best practice guidelines.
- Contributing to the FTAAP agenda through RoO workshops and studies.
- Strengthening transparency and connectivity via updates to the APEC Trade Repository.
- Exploring digital and innovation issues through ICT and AI trade discussions.
- Supporting environmental goods discussions (HS 2022 implementation, HS 2028 outlook, and the Reference List Pathfinder).
- (c) Work Undertaken by the fora in response to Ministerial, SOM and CTI direction
  - Endorsed the MAG TOR for 2026-2029.
  - Advanced work on Environmental Goods in line with Ministerial directives: supported HS 2022 implementation plans, prepared for HS 2028 with the informative input of the WCO.
  - Responded to CTI and SOM guidance on the FTAAP agenda through a MAG-led workshop on Rules of Origin.
  - Followed up 2025 MRT instructions to remove unnecessary barriers to trade through the development of the Best Practice Guidelines to Apply APEC's Cross-Cutting Principles on NTMs, which was endorsed in both MAG and CTI. The New Zealandled project was undertaken with technical assistance from the APEC Policy Support Unit. The guidelines are non-binding and are intended to support economies to apply the Cross-Cutting Principles through guide questions that economies can consider when developing or implementing NTMs.
- (d) Key Issues Under Discussion by the Fora (if any); &
  - Convenor succession for 2026–2027 (no nominations received by MAG2; consultations ongoing).

- Ensuring environmental goods work continues effectively despite lack of consensus on Environmental Goods Workplan.
- (e) Private sector / Stakeholder engagement and cross-fora collaboration in 2025 (if any)
  - The MAG workshop on Rules of Origin (US-led) involved private sector representatives, customs officials, and experts.
  - Strengthened cross-fora collaboration through linkages with OECD (environmental goods), and experiences from plurilateral initiatives such as ACCTS and SAGEA in the Policy Dialogue.
- (f) Items to submit to Senior Officials or Ministers (if applicable)
  - MAG TOR for 2026–2029.