

2015/SOM1/EC/018

Agenda Item: 13

APEC Secretariat Report on Key Developments

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First Economic Committee Meeting Clark, Philippines 4-5 February 2015

APEC Secretariat Report on Key Developments January 2015

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APEC Secretariat Report on Key Developments -covering August 2014 to January 2015

January 2015

1. APEC 2015 PRIORITIES

In 2015, APEC's theme is "Building Inclusive Economies, Building a Better World". The priority areas will focus on inclusive growth through:

- enhancing the regional economic integration agenda;
- fostering SME's participation in regional and global markets;
- investing in human capital development; and
- · building sustainable and resilient communities.

2. KEY OUTCOMES OF SENIOR OFFICIALS AND COMMITTEE MEETINGS

The APEC Economic Leaders Meeting, APEC Ministerial Meeting, the APEC CEO Summit, and the Concluding Senior Officials' Meeting were held in Beijing, China from 5 to 11 November 2014:

The APEC Economic Leaders' Meeting issued the Beijing Declaration on 11 November 2014.

The 2014 APEC Ministerial Meeting was held in Beijing, China on 7-8 November 2014. The meeting considered progress on advancing regional economic integration, promoting innovative development, economic reform and growth, and strengthening comprehensive connectivity and infrastructure development. A joint statement was issued summarising work undertaken during the year.

Committee on Trade and Investment (CTI)

In 2014, the APEC Committee on Trade and Investment (CTI) adopted a work program organized around the following five priority areas that contribute to APEC 2014 under the theme of "Shaping the Future through Asia-Pacific Partnership."

- support for the multilateral trading system/World Trade Organisation (WTO);
- advancing regional economic integration (REI);
- strengthening connectivity and infrastructure development;
- expanding regulatory cooperation and advancing regulatory coherence; and
- contributions to APEC growth strategy and cross-cutting mandates. "Resilient Asia-Pacific, Engine of Global Growth."

An overview of the CTI's work and achievements as well as that of its 11 sub-fora and industry dialogues in 2014 can be found in the 2014 CTI Annual Report to Ministers.

The CTI will next meet in Clark, the Philippines from 3-4 February 2015 to discuss and agree on the Committee's priorities and work program for 2015. It will continue to advance the CTI-related action as directed by Ministers and Leaders in Beijing; as well as those actions outlined in its 2014 Annual Report to Ministers. Some of the planned activities or mandated tasks for the year will include:

- Implementing actions set out in the Beijing Roadmap for APEC's contribution to the Realization of the FTAAP, endorsed by Leaders in 2014
- Information sharing on FTA/RTA outcomes, including SOM-level Dialogue at SOM3
- Capacity building for officials towards the FTAAP
- Collective Strategic Study on issues related to the Realisation of the FTAAP
- Undertaking cooperation on Global Value Chains (ten work streams including investment,

- trade facilitation, services, SMEs)
- Implementation of commitments in APEC Environmental Goods List by end-2015
- Undertaking works on Next Generation Trade and Investment Issues
- Manufacturing related services in supply chains/value chains
- Implement capacity building to improve supply chain performance, through building on policy recommendations (2013) and diagnostic reports (2014) for eight chokepoints, and through utilization of APEC sub-fund on supply-chain connectivity, etc.
- Forwarding the works on Global Data Standards
- Model E-Port Network

Economic Committee (EC)

The second EC meeting, held in Beijing, China, in August 2014 included a policy discussion on the Middle Income Trap. The EC discussed the APEC New Strategy on Structural Reform (ANSSR), including a paper submitted by Australia, "Advancing the APEC Structural Reform Agenda in 2015 and Beyond." The EC endorsed, and Ministers adopted the process for advancement and review of ANSSR (2010-2015). This process includes the approved plan to hold a Structural Reform Ministerial in 2015 to determine, in part, how structural reform within APEC will move forward. The EC, SOM and Ministers endorsed the 2014 APEC Economic Policy Report (AEPR) on Good Regulatory Practices. Ministers endorsed EC's proposed 2015 AEPR topic, Structural Reform and Innovation.

On the margins of the second EC meeting, several workshops were held:

- Enhanced Ease of Doing Business through the Hague Conventions;
- International Regulatory Cooperation Workshop;
- Good Regulatory Practices: Public Consultations in the Internet Era Workshop; and
- APEC Ease of Doing Business (EoDB) 2014 Stocktake Workshop.

SOM Steering Committee on ECOTECH (SCE)

In 2014, SCE met on three occasions in the margin of SOM meetings. The main focus during 2014 was on improving ECOTECH through revising the ECOTECH Medium-term Priorities and developing capacity building guidelines.

The ECOTECH priorities guide fora towards the areas and topics of greatest relevance to achieving APEC's ECOTECH goals and meeting the needs of developing economy members. The highest priority has been assigned to developing human capital through capacity building. Capacity building guidelines have been prepared to serve as a practical tool to guide the implementation of capacity building activities and are intended to help ensure that participants are well chosen, activities are well planned and allow for monitoring and evaluation of effectiveness. SCE will follow up in this area during 2015 by developing a broader APEC capacity building policy. More details can be found in the ECOTECH Annual Report to Ministers.

The next SCE meeting will be held in the margins of SOM1 in Clark, the Philippines on 5 February 2015. It will be preceded by the SCE-COW meeting on 4 February.

Budget and Management Committee (BMC)

The BMC held two meetings in 2014, the outcomes of which were set out in the BMC Chair's Report to CSOM. The key matters agreed to be implemented with effect from 2015 included:

- The Modus Operandi for Coordinating Voluntary Contributions from Member Economies for APEC Projects and the Protocol on the Management of APEC Project Funding, which were endorsed by Ministers at the AMM held on 7-8 November 2014;
- The recommendations under the financial realignment consultancy study as endorsed by Senior Officials in SOM3, 2014; and
- Full pilot of a new system of selecting projects for APEC funding for use by all economies at the working group, sub-fora and committee level during Project Session 1, 2015.

The BMC Chair received a letter from the Chair of SCE seeking assistance to incorporate capacity building guidelines recently agreed into project material. This will be discussed at BMC 1, 2015.

The BMC1 meeting will be held in the margins of SOM1 in Clark, Philippines on 3 February 2015. Its outcome will be provided in the BMC Chair's Report to SOM1.

APEC Business Advisory Council (ABAC)

Fourth ABAC Meeting (Beijing, China, 5-8 November 2014)

During its fourth meeting, ABAC members were briefed by Ambassador Laura del Rosario, Philippines SOM, on the themes and priorities for 2015. Additionally, Ms Doris Ho presented the themes and priorities for ABAC 2015. The proposed theme for ABAC 2015 is "Resilient, Inclusive Growth: A Fair Deal for All". The proposed priorities are: 1) Advancing the Regional Economic Integration and Services Agenda; 2) Strengthening and Facilitating SMME entry into Global Markets; 3) Maximizing Innovation and Human Capital Potential; 4) Promoting Livable, Sustainable Cities and Resilient Communities.

ABAC Members also finalized the preparations for the ABAC Dialogue with APEC Leaders on 10 November 2014. At the Dialogue with Leaders, ABAC member presented a Report to APEC Economic Leaders entitled "Building Asia-Pacific Community: Mapping Long-Term Prosperity", which contains more than 90 recommendations on regional economic integration; infrastructure and connectivity; small, medium and micro-enterprises and entrepreneurship; sustainable development; finance and economics, among other topics.

ABAC will hold four meetings in 2015:

First ABAC Meeting	27 - 30 January 2015	Hong Kong, China
Second ABAC Meeting	20 - 23 April 2015	Mexico City, Mexico
Third ABAC Meeting	10 - 13 August 2015	Melbourne, Australia
Fourth ABAC Meeting	12 – 15 November 2015	Manila, Philippines

More information on ABAC can be found at: http://www.apec.org/Groups/Other-Groups/APEC-Business-Advisory-Council.aspx.

3. DEVELOPMENTS WITHIN THE SECRETARIAT AND POLICY SUPPORT UNIT

Key Staff Movements and Appointments

Departures - since August 2014

<u>Name</u>	<u>Designation</u>	<u>Economy</u>
Mr Mejar Singh Gill	Director (Administration)	Singapore
Mr Sergio Narea	Director (Program)	Chile
Ms Catherine Wong	Director (Program)	Singapore
Mr Thanawat Sirikul	Director (Program)	Thailand
Mr Steve Chen	Director (Program)	Chinese Taipei
Ms Belinda Chok Yuen	Program Executive	-
Kuan		
Ms Quynh Thai Le	Analyst, PSU	-
Mr Collin Jay Gerst	Researcher, PSU	-

Arrivals - since August 2014

<u>Name</u>	Designation	<u>Economy</u>
Mr Brandon D'Cruz	Director (Administration)	Singapore
Mr Diego Garcia	Director (Program)	Chile
Gonzalez		
Ms Karen Yeo	Director (Program)	Singapore
Mr David Wu	Director (Program)	Chinese Taipei
Mr Pruthipong	Director (Program)	Thailand
Poonthrigobol		
Ms Sarah Gleave	Project Development	-
	Specialist	
Mr Kathryn Archer	Staff Officer	-
Mr Joel Bassig	Program Executive	-
Ms Dai Yuwen	Analyst, PSU	-
Ms Zhu Huani	Researcher, PSU	-

Project Management Unit (PMU)

The second project session for 2014 was completed in January 2015. A total of 99 concept notes were received and 44 of these progressed to the project approval stage (two were subsequently withdrawn). This represents a 44 per cent approval rate, which is an improvement on the 22% approval rate at project session 1, 2014, but still below the 50% average approval rate over last 5 years.

Concept Note Prioritization and Ranking

At BMC 2, 2014, it was agreed to pilot a new system to prioritize and rank project concept notes. The PMU will undertake the pilot during project session 1, 2015.

Outcomes of Pilot of Two Project Session per Year

Following BMC agreement, PMU finalized the dates for the two 2015 project approval sessions and posted them on the APEC project website.

Multi Year Projects

With oversight from the BMC small working group on project effectiveness, the PMU engaged and managed an independent consultant to conduct a mid-term review of the current multi-year project pilot. Key findings and recommendations will be discussed at BMC 1, 2015.

Policy Support Unit (PSU)

The PSU produced a few deliverables in response to APEC 2014 priorities:

- For SOM, <u>APEC Connectivity Blueprint for 2015-2025</u>, <u>Report to Implement the APEC Connectivity Blueprint</u>, and <u>Shaping the Future through an Asia-Pacific Partnership for Urbanization and Sustainable City Development</u>
- For SFOM, Innovation, Competitiveness and the Role of Fiscal Policies (Issues Paper No. 7, November 2014) and Regulatory Issues Affecting Trade and Supply Chain Finance (Issues Paper No. 8, November 2014)

Two special publications were also produced for the APEC Economic Leaders' Week in 2014, namely: APEC in Charts and Policy Brief on Trade and Economic Growth.

The PSU already has a list of projects lined up this year, with more in the pipeline. They include:

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For SOM	Assessment of APEC Leaders' Growth Strategy	
	Study on regional urbanization	
For CTI	 Study on Promoting Products which Contribute to Sustainable and Inclusive 	
	Growth through Rural Development and Poverty Alleviation	
	 Annual Report on Trends and Developments in FTA/RTA Provisions and 	
	Outcomes Concluded by APEC Economies	

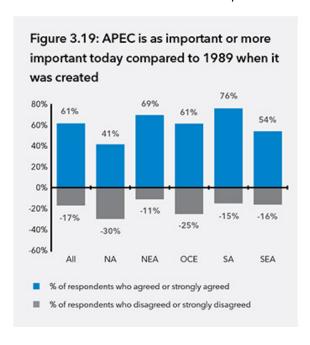
	 Manufacturing Related Services in Supply Chains/Value Chains Services, Manufacturing and Productivity (Issues Paper)
For EC	APEC Economic Trends Analysis
	Ease of Doing Business – Interim Assessment 2009-2014
For CPLG	SMEs in APEC – Some Issues to Examine When Designing Competition Regulations (Issues Paper)
For IEG	Update for IFAP Implementation: Facilitating Investment for APEC
For PPWE	APEC Women and the Economy Dashboard

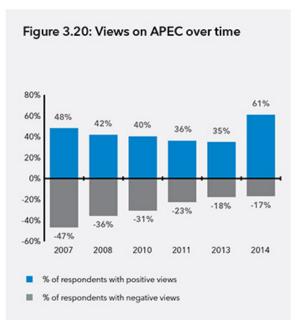
For the most up-to-date monthly work program and electronic copies of PSU reports, please visit: www.apec.org/About-Us/Policy-Support-Unit/PSU-Products-Publications.

Communications and Public Affairs

The Communications and Public Affairs Unit (CPAU) continues to execute the APEC's Strategic Communications Plan 2014-2016.

According to PECC, since 2007 negative and positive sentiments towards APEC have been decreasing. However, this year marks a significant turnaround in attitudes with APEC receiving a strong positive approval of 61 percent and only 17 percent negative. Positive sentiments almost doubled between 2013 and 2014 to 61 per cent.





News Releases and Media

Between 1 August 2014 and 15 January 2015 forty-eight news releases were published, 9 media advisories were distributed and more than 50 interviews with media organizations were orchestrated for APEC officials, 41 of which were fielded by the Executive Director.

Op-eds

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Date and Event	Author	Title and Publication
September, SMEMM	APEC Secretariat Executive Director	APEC boosting SMEs to ensure Asia-Pacific growth, China Daily
September, SMEMM	APEC SME Working Group Chair, Dr Wimonkan Kosumas	SMEs have enormous impact, China Daily

November, AELW		Pragmatism in APEC must continue, The New Straits Times
November, AELW	Thai Energy Minister and former	APEC after 25 years: A look backward and a thought forward, Jakarta Post

News Conferences

_Date and Event	Topic	Participants
November, AELW	AELW 2014 and Economic Trends Report Launch	 APEC Secretariat Executive Director APEC Policy Support Unit Director About 200+ journalists
November, AELW	AELW 2014 and APEC Introduction Ahead of Philippines Host Year in 2015	APEC Secretariat Executive Director About 10-15 Philippine journalists

APEC Secretariat Outreach with Leaders (rolling initiative)

Six current and former Leaders participated in Secretariat outreach, including print and video interviews, video messages and news releases between 1 August 2014 and 15 January 2015.

Anniversary Outreach

- Produced a <u>new video</u> on APEC's agenda and value in the words of current and former Leaders and Ministers
- Held 25th anniversary event at APEC Secretariat, including remarks by the Executive Director, screening of the APEC Secretariat 25th anniversary video and reception with members and stakeholders
- Produced 25th anniversary webpage on APEC website
- Produced anniversary-related editorial content such as news releases, op-eds, interviews, photo journals and social media posts

Speeches

Between 1 August 2014 and 15 January 2015, Dr Alan Bollard delivered remarks including:

- 11th China International Finance Forum, Shanghai, China
- APEC Youth Summit Closing Ceremony, Beijing, China
- Asia Conference on Economics & Business, Singapore
- Asset Owners Forum, Singapore
- Singapore APEC Study Centre Seminar, ISEAS, Singapore
- Bloomberg ASEAN Business Summit, Bangkok, Thailand
- RSIS International Studies School, Nanyang Technological University, Singapore
- Climate Change Symposium, Nanjing, China (video address)
- APEC Ministerial Meetings in China (August-October)

APEC Bulletin Articles

Between 1 August 2014 and 15 January 2015, five in-depth APEC Bulletin have been issued on a monthly basis highlighting APEC success stories and concrete benefits.

APEC Bulletin	Month	Forum
Improving Food Safety in the Asia	September 2014	SCSC
Pacific		
(Published in Food Safety		
Magazine and Asia Food Journal)		
Scientist's Traffic Prediction	September 2014	PPSTI
System Cuts Congestion in	-	

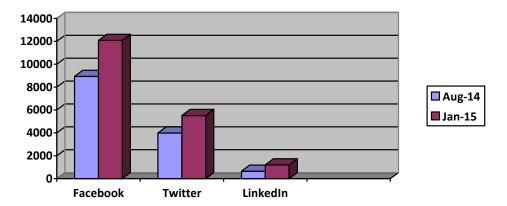
Bangkok		
25 Years of Progress	October 2014	Anniversary
Community Approach to Tackle Biggest Health Threat in Asia- Pacific	November 2014	HWG
APEC Tech Startups Win Global Innovator Awards	December 2014	SMEWG

Social Media and Infographics

From 1 August 2014 and 15 January 2015, CPAU created the following infographics for use in social media, brochures, the website and presentations:

- APEC in Charts (still in design)
- APEC Connectivity Blueprint (still in design)

APEC's social media has been increasing steadily since 1 August 2014, jumping significantly over Leaders Week in November. Facebook Likes increased from 8,943 on 1 August 2014 to 12,083 in 14 January 2015. Twitter followers grew from 4,000 followers in August to 5,520 followers in 14 January 2015.



CPAU provided support for members:

- Processed a total of 66 publications from all working groups and PSU, from the period spanning 1 August 2014 and 15 January 2015.
- CPAU continues to work with the Host Economy to manage operations of the Host Documentation Centers for all SOM and related meetings. This maximizes the efficiency of the operations and allows for meeting documents to be published on the Meeting Document Database (MDDB) shortly after the conclusion of the SOMs.
- In workshops supported by US-ATAARI in Peru (1x) and the Philippines (2x), CPAU helped build communications capacity for incoming hosts, through training, advisory support and tactical involvement. Topics included strategic communications, key messaging, audience analysis, media channels and tools, outreach, intellectual property protection, reputation management, branding, sponsorship, organizational structure, timelines and evaluation. Following the Manila meeting, CPAU hosted the APEC Philippines Strategic Communications Team in Singapore for a two-day meeting to further coordinate joint plans for 2015.

We are considering innovative, new ways to engage users on social media, within economies and in the private sector by adding a Social Media and Partnership Officer consultant.

US-APEC Technical Assistance to Advance Regional Integration (US-ATAARI)

US-ATAARI works closely with the APEC Secretariat to implement a range of activities designed to strengthen the APEC Secretariat as a customer-driven institution. From September 2014, US-ATAARI's activities include:

- Organized host year capacity building programs for the Philippines (August), Peru (September), Papua New Guinea (November), and Viet Nam (December) in coordination with the PSU, CPAU and the PMU.
- Helped organize APEC Secretariat's annual retreat in October which focused on examining APEC's CORE values from both an individual as well as a team perspective.