



**Asia-Pacific  
Economic Cooperation**

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**2018/SOM3/015**  
Agenda Item: 4

## **CTI Chair's Report**

Purpose: Consideration  
Submitted by: CTI Chair



**Third Senior Officials' Meeting  
Port Moresby, Papua New Guinea  
19-20 August 2018**

## Executive Summary

The Committee on Trade and Investment (CTI or “the Committee”) met for a third time in Port Moresby, Papua New Guinea on 15-16 August 2018, its final meeting of the 2018 APEC year. Additionally, six activities under CTI were held in the margins of the meeting: a FTAAP Capacity Building Workshop on Competition Chapter in FTAs/EPAs under the 3<sup>rd</sup> REI CBNI; a CTI-GOS Public-Private Dialogue on Cross-Border E-Commerce in Services; a meeting of the APEC Alliance for Supply Chain Connectivity (A2C2); a Trade Policy Dialogue on the Trade Facilitation Agreement, Category B and C Commitments; a Trade Policy Dialogue on Digital Trade; and a Workshop on the Integration of MSMEs into Global Value Chains – Software Industry.

This report highlights developments under the 2018 Work Program, which is organized under four broad themes: i) support for the multilateral trading system; ii) deepening regional economic integration, including through implementation of the Lima Declaration on FTAAP; iii) strengthening trade facilitation and connectivity, including through regulatory cooperation and convergence; and iv) promoting innovative and inclusive responses to APEC-wide issues, including through engagement with the private sector.

Economies worked collaboratively to move through the agenda, noting the importance of concluding projects and other initiatives ahead of the Ministers’ and Leaders’ meetings in November. Members discussed the first draft of the report on progress towards the realization of the FTAAP, on which APEC was instructed to report to Leaders by the end of 2018. Members endorsed the proposed Cross-Cutting Principles on NTMs, the 2018 Interim Review of the APEC Environmental Services Action Plan, and the updated Terms of Reference for the Electronic Commerce Steering Group (ECSG). The updated Terms of Reference of the Intellectual Property Experts’ Group were updated intersessionally before CTI3; all CTI sub-fora have now updated their Terms of Reference as instructed by Senior Officials, Members also finalized the Review Report on Asia-Pacific Model E-Port Network (APMEN).

A number of items were endorsed for transmission to Senior Officials as noted in the recommendations below. Some issues continue to lack consensus by the Committee at this time; it is hoped that they will progress intersessionally, particularly those that economies hope to see as deliverables for 2018.

This report provides details on the status of all activities under the CTI agenda at present. Annex 1 highlights the Trade and Investment Liberalization and Facilitation deliverables that CTI and its sub-fora expect to achieve during 2018.

## Recommendations

CTI recommends that Senior Officials **note**:

- CTI members shared their views on the importance of the multilateral trading system and where APEC can support the MTS;
- The PSU updated economies on the draft Bogor Goals Progress Report 2018, which is to be finalized before CSOM;
- CTI discussed the first draft of a report to Leaders on progress towards FTAAP as measured against the Lima Declaration;

- CTI shared views on a draft report on Prominent 'Next Generation' Trade and Investment Issues as a contribution towards the stock-take of next generation trade and investment issues suggested in the Lima Declaration;
- CTI discussed a number of other proposals on FTAAP, some which are making progress, some which are not due to lack of consensus at this time;
- The Interim Review of the Manufacturing Related Services Action Plan will be finalized intersessionally before CSOM;
- A second 2018 Trade Policy Dialogue on Digital Trade was held under the Work Plan to Identify Building Blocks to Facilitate Digital Trade;
- Development of the APEC Trade in Value Added (TiVA) Database will continue intersessionally and a project summary report will be submitted to CSOM;
- The Boracay Action Agenda annual stock-take and mid-term review are underway, drafts of which have been submitted to Senior Officials for comment;
- CTI endorsed the Interim Review of the APEC Environmental Services Action Plan;
- Progress on APEC Principles for Domestic Regulation of the Services Sector will continue intersessionally, with endorsement to be sought at CSOM;
- The intention to attach a Stock-take of Initiatives for SCFAP Phase II to the CTI Chair's report to AMM;
- The 2018 meeting of the APEC Alliance for Supply Chain Connectivity was held;
- Progress on economies' implementation of the WTO Agreement on Trade Facilitation, including a Table on APEC Economies' Progress in Implementing the WTO Agreement on Trade Facilitation that will be transmitted through Senior Officials at CSOM to AMM;
- CTI finalized the Review Report on the Asia-Pacific Model E-Port Network (APMEN);
- Discussion continues on several inclusion-related initiatives in CTI;
- CTI has endorsed the updated Terms of Reference of the ECSG and IPEG, and all CTI sub-fora have now updated their Terms of Reference as instructed by Senior Officials; and
- The projected list of TILF deliverables from CTI and its sub-fora and Industry Dialogues (Annex 1).

CTI recommends that Senior Officials **endorse:**

- the CTI Chair's report from this meeting; and
- the APEC Cross-Cutting Principles on NTMs, which will then be transmitted to AMM for endorsement.

Sunday 19 August 2018

The SOM Chair  
Third APEC Senior Officials' Meeting (SOM3)  
Port Moresby, Papua New Guinea

## **APEC COMMITTEE ON TRADE AND INVESTMENT (CTI): CTI Chair's Report**

### **Introduction**

1. The Committee on Trade and Investment (CTI or “the Committee”) held its third and final meeting for the year on 15-16 August to advance its 2018 work program. The Chair acknowledged the importance of this meeting as an opportunity to progress work ahead of the Ministers' and Leaders' meetings in November.
2. Six CTI initiatives were held alongside the meeting:
  - a FTAAP Capacity Building Workshop on Competition Chapter in FTAs/EPAs under the 3rd REI CBNI;
  - a CTI-GOS Public-Private Dialogue on Cross-Border E-Commerce in Services: the Transformation to Digitization - Addressing the Challenges and Opportunities for Trade in Services;
  - a Trade Policy Dialogue on the Trade Facilitation Agreement, Category B and C Commitments;
  - the 2018 meeting of the APEC Alliance for Supply Chain Connectivity (A2C2)
  - a Trade Policy Dialogue on Digital Trade; and
  - a Workshop on the Integration of MSMEs into Global Value Chains – Software Industry.
3. CTI members also actively contributed to the Multi-stakeholder Dialogue on the APEC Post-2020 Vision.
4. All 21 APEC economies were represented at CTI. Representatives from observers ABAC and PECC also joined the meeting. The APEC Policy Support Unit (PSU) was also present and contributed to a number of items in which it is leading work for CTI.

### **Progress on the 2018 CTI Work Program**

5. This report highlights the key developments of the 2018 work program as presented and discussed by economies during CTI3. The 2018 work program was discussed under four key areas:
  - 1) support for the multilateral trading system;
  - 2) deepening regional economic integration, including through implementation of the Lima Declaration on FTAAP;
  - 3) strengthening trade facilitation and connectivity, including through regulatory cooperation and convergence; and
  - 4) promoting innovative and inclusive responses to APEC-wide issues, including through engagement with the private sector.
6. Annex 1 shows the Trade and Investment Liberalization and Facilitation deliverables that CTI and its sub-fora expect to achieve during 2018.

7. Annex 2 contains the proposed Cross-Cutting Principles on NTMs for Senior Officials to transmit to the APEC Ministerial Meeting (AMM) for endorsement.
8. Annex 3 contains the finalized Review Report on Asia-Pacific Model E-Port Network (APMEN) for Senior Officials to note.
9. The main discussion points of the CTI3 meeting included:

(a) Support for the Multilateral Trading System (MTS)/WTO

10. CTI members shared their views on the importance of the multilateral trading system and where APEC can support the MTS. Several economies highlighted the important role APEC plays as in incubator of ideas, and noted that APEC could do more to support progress on emerging issues at the WTO, including the implementation of outcomes from MC11. Several economies highlighted the important role APEC plays as in incubator of ideas. Economies noted that the Initiative on Promoting Transparency through the Improvement of Sanitary and Phytosanitary (SPS) Notifications and Work Plan for Export Subsidy were good examples of CTI's existing work to support the MTS. Some economies noted that APEC could do more to support progress on emerging issues at the WTO, including the implementation of outcomes from MC11. Several economies noted the importance of expanding the number of participants in WTO plurilateral discussions including those related to decisions reached at MC11.
11. Several economies emphasized the need for a strong message at the APEC Economic Leaders' Meeting (AELM) in support of the MTS. ABAC noted that the critical need to address rising trade tensions would be a focus of ABAC's dialogue with Leaders in November.
12. Papua New Guinea updated members on implementation of the Work Plan on Export Subsidy<sup>1</sup> and encouraged members to report further against the requirements of the 2015 WTO Ministerial decision on export subsidies before SOM1 2019.
13. Peru presented the draft report and preliminary results from the Study of APEC Economies' SPS Notifications on Quality and Completeness of Information.<sup>2</sup> A revised concept note seeking APEC funding for a Public Private Dialogue would be submitted in 2019. Several economies spoke in support of the initiative as a useful step to identify future opportunities for work in this area. Economies undertook to submit comments in writing by 7 September.
14. Japan informed members on progress on the initiative on e-commerce at the WTO, which responds to the 2017 Ministerial Decision on a Work Program on Electronic Commerce. Those participating APEC economies expressed their support for the initiative and encouraged wider participation from all APEC economies.
15. Papua New Guinea provided CTI with an initial report from the Trade Policy Dialogue on the WTO Trade Facilitation Agreement (TFA) Category B and C commitments, which had been held on 13 August. Several economies noted that the workshop had been very useful. Papua New Guinea undertook to prepare a first draft of a summary report by 14 September.

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<sup>1</sup> 2018/SOM3/CTI/003

<sup>2</sup> 2018/SOM3/CTI/004 ; 2018/SOM3/CTI/005

### (b) Bogor Goals

16. The acting Market Access Group (MAG) Convenor presented the MAG report, which was endorsed by CTI.<sup>3</sup> MAG is looking for a new Convenor for the 2019-2020 period.
17. The Philippines circulated the APEC Trade Repository (APECTR) Usage Report (1 February – 15 July 2018) to CTI members for information, and encouraged economies to find ways to promote use of the APECTR.<sup>4</sup>
18. The PSU provided an update on progress of the 2018 Bogor Goals Review and requested further factual edits on the current draft of APEC's Bogor Goals Progress Report 2018 be sent to the PSU by 3 September. The final report is to be ready by the Concluding Senior Officials' Meeting (CSOM).<sup>5</sup>
19. Indonesia updated economies on its proposal Understanding Non-Tariff Measures (NTMs) on Agriculture, Forestry, and Fisheries Sectors to Enhance Rural Development and Poverty Alleviation in the Asia Pacific Region.<sup>6</sup> Some economies requested more time to consider the proposal and agreed to send written comments on the latest draft to Indonesia by 7 September.

### (c) Free Trade Area of the Asia-Pacific (FTAAP)

20. Economies discussed the first draft report on progress towards the realization of the FTAAP.<sup>7</sup> Economies expressed their general comfort with the style, tone and content of the report. Many economies noted that the report provided a factual update that was a good basis for reporting to Leaders. One economy urged members to progress outstanding areas of work under FTAAP in order for the report to reflect progress on these issues; if no progress was made, that economy would not be in a position to endorse the report to Leaders. The CTI Chair thanked the PSU for preparing the first draft and noted that the Chair would hold the pen on the drafting henceforth. Economies agreed to submit their written comments on the draft to the Chair by 31 August.
21. Hong Kong, China and the PSU briefed members on the implementation of the work program on tariffs, namely progress of the Study on Tariffs.<sup>8</sup> Economies noted that further progress reports relating to the work program on tariffs would be presented at CTI1 and CTI2 2019.
22. New Zealand updated CTI on the progress to draft Cross-Cutting Principles on Non-Tariff Measures.<sup>9</sup> Many economies expressed support for the initiative. One economy elaborated on the scope of the principles applying only to goods. CTI endorsed the Principles and agreed to submit them to Senior Officials.
23. Singapore updated CTI on its work program on rules of origin (ROO), namely the proposed Revision of the 2007 APEC Model Measures for RTAs/FTAs on ROO, and

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<sup>3</sup> 2018/SOM3/CTI/064

<sup>4</sup> 2018/SOM3/CTI/006

<sup>5</sup> 2018/SOM3/CTI/007 ; 2018/SOM3/CTI/008

<sup>6</sup> 2018/SOM3/CTI/052

<sup>7</sup> 2018/SOM3/CTI/059

<sup>8</sup> 2018/SOM3/CTI/009

<sup>9</sup> 2018/SOM3/CTI/010

undertook to circulate a revised draft of the Model Measures after CTI3.<sup>10</sup> Singapore advised that the proposal on Guiding Principles when Negotiating ROO is still under discussion with some economies.

24. China briefed CTI on its self-funded project proposal on an APEC Workshop on Optimizing Investment Measures in the Asia-Pacific Region.<sup>11</sup> There was no consensus on the proposal at this time.
25. The Philippines briefed CTI on the progress of the survey on MSME and MSME-related Provisions in APEC Economies' FTAs/RTAs and undertook to provide to CTI the first draft of the survey results by CTI1 2019.
26. Japan updated CTI on its proposal on a Work Plan on Digital Trade and E-Commerce for the Realization of FTAAP.<sup>12</sup> ABAC urged economies to progress work on effective regulatory policies to encourage digital trade. There is no consensus in CTI on this proposal at this stage.
27. Russia updated CTI on its proposal on Enhancing Trade Policy Transparency in APEC as part of the work plans on FTAAP and members agreed to submit comments in writing to Russia by 7 September.<sup>13</sup>
28. Russia briefed CTI on its proposed Work Program on Environment-related Provisions in FTAs/RTAs.<sup>14</sup> Members provided initial comments to Russia and agreed to submit comments in writing to Russia by 7 September.
29. The United States updated CTI on its proposed next steps on Work Program related to FTAAP addressing State-owned and Controlled Enterprises (SOEs).<sup>15</sup> Several economies expressed support for the proposal as a next step following CTI's discussion of SOEs under the Information Sharing Mechanism at CTI2. Some economies expressed concerns relating to the scope of the proposal. Economies undertook to submit comments in writing to the United States by 7 September.
30. The United States updated CTI on its proposed Work Program on Labor-related provisions in FTAs/RTAs.<sup>16</sup> Economies provided further feedback and undertook to submit comments in writing to the United States by 7 September.
31. Australia briefed CTI on the report on Prominent 'Next Generation' Trade and Investment Issues: A Stock-take of Trade Policy Responses in the APEC Region, Other Regions and the WTO.<sup>17</sup> Economies noted that the report was a useful resource for CTI, and had been suggested by the Lima Declaration on FTAAP. Australia undertook to circulate a revised version based on economies' feedback intersessionally after CTI3, but would not be seeking the Committee's endorsement of the final report.

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<sup>10</sup> 2018/SOM3/CTI/011

<sup>11</sup> 2018/SOM3/CTI/012

<sup>12</sup> 2018/SOM3/CTI/015

<sup>13</sup> 2018/SOM3/CTI/013

<sup>14</sup> 2018/SOM3/CTI/014

<sup>15</sup> 2018/SOM3/CTI/016

<sup>16</sup> 2018/SOM3/CTI/017

<sup>17</sup> 2018/SOM3/CTI/018

32. Papua New Guinea briefed members on preparation for the SOM Level Symposium on How FTAs and RTAs can Contribute Towards Economic Growth, which would be held on 18 August in Port Moresby.<sup>18</sup>
33. Korea provided CTI with an update on the outcomes of the Capacity Building Workshop on Intellectual Property under the 3rd REI CBNI, held on 27-28 June and circulated a draft summary report for finalization.<sup>19</sup> Members agreed to submit any comments to Korea in writing by 7 September.
34. Japan provided CTI an initial report on the outcomes of the Capacity Building Workshop on Competition Chapter in FTAs/EPAs under the 3rd REI CBNI held on 11 August. Japan undertook to prepare a first draft of a summary report by 14 September.
35. CTI welcomed the further update from the PSU on the progress of the annual report on trends and developments in FTA/RTA provisions. The PSU undertook to circulate an updated draft of the annual report after CTI3.<sup>20</sup>

#### (d) Next Generation Trade and Investment Issues

36. Japan updated CTI on the draft 2018 Interim Review of the Manufacturing Related Services Action Plan and invited economies to submit comments by 7 September, with a view to finalizing the Review intersessionally before CSOM.<sup>21</sup>

#### (e) Investment

37. The Investment Experts Group (IEG) Convenor presented the Convenor's report, which was endorsed by CTI.<sup>22</sup> The IEG Convenor is stepping down after two years and a replacement for 2019 has been endorsed by IEG members; the CTI Chair acknowledged the contribution the Convenor had made in this area of APEC's work.
38. CTI took note of the Philippines' self-funded Inclusive Business Leaders Conference, which would be held in November 2018 in Manila. The workshop aims to operationalize recommendations made by the APEC Inclusive Business Study, which was completed in 2017.

#### (f) Intellectual Property

39. The assistant to the Intellectual Property Experts Group (IPEG) Convenor presented the Convenor's report which was endorsed by CTI.<sup>23</sup> CTI had endorsed the updated Terms of Reference of IPEG intersessionally before CTI3. The IPEG Convenor is stepping down after six years in the role; the CTI Chair acknowledged the strong contribution the Convenor had made in this area of APEC's work and encouraged economies to consider nominating an IP expert from their economy for the vacant convenorship.

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<sup>18</sup> 2018/SOM3/CTI/070

<sup>19</sup> 2018/SOM3/CTI/019

<sup>20</sup> 2018/SOM3/CTI/041

<sup>21</sup> 2018/SOM3/CTI/020 ; 2018/SOM3/CTI/021

<sup>22</sup> 2018/SOM3/CTI/060

<sup>23</sup> 2018/SOM3/CTI/054



40. Chinese Taipei updated economies on the Guidelines on the Best Licensing Practices of Collective Management Organizations (CMOs) to MSMEs project, which would include a workshop on 23-24 October. The project aims to facilitate more accessible licensing models for MSMEs.

#### (g) Internet and Digital Economy and E-Commerce

41. The United States presented the Electronic Commerce Steering Group (ECSG) Convenor's report on behalf of the Convenor. The report, ECSG-Data Privacy Sub-Group (DPS) 2019 Work Plan and updated ECSG Terms of Reference were endorsed by CTI.<sup>24</sup> CTI also took note of the ABAC Draft Submission on Pillar 5: Cross-Cutting and Emerging Issues under the APEC Cross-Border E-Commerce Facilitation Framework,<sup>25</sup> which ABAC hopes to see annexed to the Framework.
42. China updated CTI on the 7th APEC E-Commerce Business Alliance Forum, which will be held in Xi'an, Shaanxi Province, September 19-20, 2018, under the endorsement of the ECSG.
43. The United States updated CTI on implementation of the Work Plan to Identify Building Blocks to Facilitate Digital Trade. The outcomes from the second 2018 Trade Policy Dialogue on Digital Trade, held on 14 August, were reported, and the United States undertook to produce a first draft of the summary report by 14 September. Members discussed the draft proposal on Building Blocks to Facilitate Digital Trade; there are still divergent views at this time. Members agreed to submit further comments to the United States by 7 September.<sup>26</sup>
44. Singapore updated CTI on the Survey on E-Commerce Regulations in APEC, and encouraged economies to complete and return the survey by 30 September.<sup>27</sup> Economies' inputs would be added to the APECTR.
45. Japan and the PSU updated CTI on the progress of the Study on Fostering an Enabling Policy and Regulatory Environment in APEC for Data-Utilizing Businesses and encouraged more economies to nominate companies to be included in the study. Economies noted that the completed study would be presented to CTI in 2019.
46. Korea briefed CTI on its plans for a workshop on Promoting Consumer Protection in Digital Trade: Challenges and Opportunities, based on a Concept Note submitted to Project Session 2, 2018.<sup>28</sup>

#### (h) Global Value Chains (GVC) Cooperation and Development

47. China and the United States updated economies on progress to develop the APEC Trade in Value Added (TiVA) Database.<sup>29</sup> Economies took note of the proposed key deliverables by the end of 2018, including the project summary report to be submitted by China and the United States to CSOM, AMM and AELM in November 2018.

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<sup>24</sup> 2018/SOM3/CTI/063 ; 2018/SOM3/CTI/063anxa ; 2018/SOM3/CTI/063anxb

<sup>25</sup> 2018/SOM3/CTI/065

<sup>26</sup> 2018/SOM3/CTI/022

<sup>27</sup> 2018/SOM3/CTI/023

<sup>28</sup> 2018/SOM3/CTI/024

<sup>29</sup> 2018/SOM3/CTI/025

(i) MSMEs Internationalization

48. The Philippines updated CTI on progress under the Boracay Action Agenda including the circulation to Senior Officials of the drafts of the 2018 Mid-term Review of the Progress on the Boracay Action Agenda to Globalize MSMEs - the Annual Stock Take for 2018 and the Consolidated 2016-2018 Stock-take of Initiatives to Implement the Boracay Action Agenda.<sup>30</sup> The Philippines noted that comments are being sought from Senior Officials, the SME Working Group as well CTI, and advised that economies should update any changes by 7 September through their Senior Official.
49. Peru updated CTI on progress on the Compendium on Methodologies for SMEs Internationalization. Chinese Taipei and Mexico updated CTI on their contributions to the Compendium.<sup>31</sup> Economies agreed to provide comments in writing to Chinese Taipei and Mexico on their respective contributions by 7 September.
50. CTI was updated on the initiative on SMEs' Integration into Global Value Chains in Services Industries. Korea provided an initial report on the outcomes of the Workshop on the Integration of MSMEs into Global Value Chains – Software Industry, which was held on 12 August, and undertook to provide a first draft of the summary report by 14 September. Peru updated CTI on preliminary results of the survey on SMEs' Integration into Global Value Chains in Services Industries: Tourism Sector and requested economies submit their survey inputs by 31 August.<sup>32</sup> Peru also invited economies to submit case studies on women's economic empowerment in tourism MSMEs.
51. Thailand introduced a self-funded project endorsed by the SME Working Group titled Enhancing Green MSMEs' Competitiveness for a Sustainable and Inclusive Asia-Pacific, focusing on the tourism sector. Thailand will organize a Brainstorming Workshop towards an APEC Green Road: Promoting Responsible and Sustainable Tourism in MSMEs on 3-6 September in Thailand.

(j) Environmental Goods and Services/Green Growth

52. The acting Market Access Group Convenor updated CTI on progress to implement the commitment on the APEC List of Environmental Goods and noted there had been no changes to report since the last meeting.
53. Japan updated CTI on the draft 2018 Interim Review of the APEC Environmental Services Action Plan, which was endorsed by GOS.<sup>33</sup> CTI endorsed the Interim Review.
54. China updated CTI on the Green Supply Chain Cooperation Network, including plans for the Annual Conference to be held in Guangzhou, China on 28-29 September, and the completion of the APEC Green Supply Chain Showcase Center in Tianjin.<sup>34</sup> China encouraged economies to attend the conference.

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<sup>30</sup> 2018/SOM3/CTI/026 ; 2018/SOM3/CTI/055 ; 2018/SOM3/CTI/055anxa ; 2018/SOM3/CTI/055anxb

<sup>31</sup> 2018/SOM3/CTI/027 ; 2018/SOM3/CTI/028

<sup>32</sup> 2018/SOM3/CTI/029

<sup>33</sup> 2018/SOM3/CTI/030 ; 2018/SOM3/CTI/031

<sup>34</sup> 2018/SOM3/CTI/032

55. Mexico updated economies on the planning for the workshop on Circular Economy, to be held in Mexico City on 16-17 October.<sup>35</sup> Mexico also encouraged economies to return the survey related to the workshop before 30 September.

(k) Services

56. The Convenor of the Group on Services presented her report to CTI, which included an update on progress in implementing the APEC Services Competitiveness Roadmap.<sup>36</sup> CTI endorsed the Convenor's report. The GOS Convenor's term is ending and she has indicated her intention to seek a second term.

57. Korea updated CTI on progress to develop a set of APEC Principles for Domestic Regulation of the Services Sector and noted there were three outstanding issues in the current draft, which Korea hoped to resolve intersessionally. Several economies expressed support for the initiative and looked forward to the finalization of the Principles. Once finalized, GOS would submit the Principles intersessionally to CTI for endorsement and submission to CSOM. Korea undertook to share the Principles with the Economic Committee for their information.

58. Korea provided CTI with a report on progress to develop an APEC Index to Measure the Regulatory Environment in Services Trade, including outcomes from the most recent meeting of the Technical Group held during the SOM3 2018 cluster of meetings. Economies participating in the Technical Group will nominate up to ten services sectors they want to see covered in the first stage of the index.

59. Papua New Guinea presented the summary report from the CTI-GOS Public Private Dialogue on Cross-Border E-Commerce in Services: the Transformation to Digitization; Addressing the Challenges and Opportunities for Trade in Services, which was held on 12 August. Economies undertook to provide comments on the summary report by 7 September.<sup>37</sup>

60. Singapore provided CTI with an initial report from the GOS-HRDWG Workshop on Promoting Regional Connectivity of Professionally Qualified Engineers in APEC, which was held on 13 August. Singapore would formally report on the workshop outcomes through GOS and HRDWG.

61. The Committee took note of the PSU Policy Brief on Financing the Food Value Chain,<sup>38</sup> which followed an earlier policy brief looking at various services in food value chains.<sup>39</sup>

62. CTI noted that Australia held a self-funded seminar on Increasing the Competitiveness of the Telecommunications Sector in Port Moresby on 9 August. The seminar explored best practice and lessons learnt for telecommunications regulation and reform, and change management and the identification of pathways for reform. The completion report was tabled at the GOS meeting on 11 August.<sup>40</sup>

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<sup>35</sup> 2018/SOM3/CTI/050

<sup>36</sup> 2018/SOM3/CTI/068

<sup>37</sup> 2018/SOM3/CTI/067rev1

<sup>38</sup> <https://www.apec.org/Publications/2018/07/Policy-Brief---Financing-Food-Value-Chain>

<sup>39</sup> 2018/SOM2/CTI/025; 2018/SOM2/CTI/026

<sup>40</sup> 2018/SOM3/CTI/053

(l) Supply chain connectivity

63. The Sub-Committee on Customs Procedures (SCCP) Convenor presented his report, which was endorsed by CTI.<sup>41</sup> CTI took note of the ongoing work of the SCCP in progressing the Supply-Chain Connectivity Framework Action Plan (SCFAP) Phase II and the need to develop a work plan and additional collective action plan items to assist some SCCP member economies in implementing the WTO TFA.
64. Singapore provided CTI with an update on implementation of SCFAP II across all APEC fora and CTI agreed to attach a copy of the Stock-take of Initiatives for SCFAP Phase II to the CTI Chair's report to AMM.<sup>42</sup>
65. China updated CTI on the Asia-Pacific Model E-Port Network (APMEN) initiative. CTI finalized the Review Report on APMEN<sup>43</sup> and noted that the Overall Progress Report of APMEN 2015-2018 had been finalized intersessionally.<sup>44</sup> There was no consensus on endorsing the revised Terms of Reference of APMEN at this time; members agreed to provide written comments by 7 September 2018.<sup>45</sup>
66. The United States presented the summary report on outcomes from the A2C2 meeting held on 14 August.<sup>46</sup> The summary report was finalized by CTI.
67. CTI noted that the PSU Study on Single Window Systems' International Interoperability: Key Issues for Its Implementation, led by Peru, was finalized on 6 August and will soon be published.<sup>47</sup>

(m) Trade facilitation

68. Singapore updated economies on implementation and notification of the WTO TFA and noted the intention to submit the Table on APEC Economies' Progress in Implementing the WTO Agreement on Trade Facilitation<sup>48</sup> to AMM for ministers' information. Singapore encouraged economies to provide further inputs for the document before 31 October. Singapore also presented for CTI's information a document on Key Observations on APEC Member Economies Implementation of the WTO Trade Facilitation Agreement.<sup>49</sup>
69. The United States updated economies on the Gap Analysis of Information Required Under TFA Article 1 and Provided Through APEC Trade Repository.<sup>50</sup> The United States encouraged economies to ensure web links provided on the APECTR are up to date.
70. Singapore updated CTI on the addition of information on economies' implementation of TFA Article 3 on Advance Rulings into the APECTR as well as under the APEC webpage of the SCCP based on the survey conducted through CTI.

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<sup>41</sup> 2018/SOM3/CTI/057

<sup>42</sup> 2018/SOM3/CTI/033

<sup>43</sup> 2018/SOM3/CTI/034

<sup>44</sup> 2018/SOM3/CTI/036 ; 2018/SOM3/CTI/037

<sup>45</sup> 2018/SOM3/CTI/035

<sup>46</sup> 2018/SOM3/CTI/069

<sup>47</sup> 2018/SOM3/CTI/073

<sup>48</sup> 2018/SOM3/CTI/038

<sup>49</sup> 2018/SOM3/CTI/039

<sup>50</sup> 2018/SOM3/CTI/040

#### n) Connectivity

71. Australia presented the Business Mobility Group Convenor's report on behalf of the Convenor.<sup>51</sup> The report was endorsed by CTI.
72. Japan updated CTI on implementation of the Peer Review and Capacity Building for APEC Infrastructure Development and Investment, and invited a fourth economy to participate in the initiative in addition to the Philippines, Viet Nam and Indonesia.
73. Japan briefed CTI on progress to upgrade the APEC Guidebook on Quality Infrastructure Development and Investment and a new APEC Guideline for Quality of Water Infrastructure. Japan invited further comments on both documents by 7 September 2018.<sup>52</sup>
74. Japan updated CTI on the preparations of the Senior Expert Conference on Quality Infrastructure to be held next year.
75. CTI noted that the Review of APEC Multi Year Plan on Infrastructure Development and Investment (MYPIDI), led by Japan and Papua New Guinea, was endorsed by IEG at IEG2 2018.

#### (o) Regulatory cooperation and convergence

76. The Subcommittee on Standards and Conformance (SCSC) Convenor presented his report to CTI. CTI endorsed the report and the annex to the SCSC Terms of Reference on the SCSC's thematic priorities.<sup>53</sup>
77. Chinese Taipei updated economies on the 2018 APEC Workshop on the Analytical Technology of New Psychoactive Substances in Food held in Taipei on 27 June, and the 2018 APEC Workshop on Food Safety and Food Adulterated with Drugs, which will be held in Taipei on 12-13 September.
78. On the APEC Regulatory Cooperation Advancement Mechanism (ARCAM), Peru advised that it would be submitting a revised Concept Note on advertising standards to Project Session 1 2019.

#### (p) Inclusion issues

79. China updated economies on its initiative on Promoting Greater Participation in Commercial Activities by All Segments of Society.<sup>54</sup> Economies provided some further feedback and agreed to provide comments in writing to China by 7 September.

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<sup>51</sup> 2018/SOM3/CTI/042

<sup>52</sup> 2018/SOM3/CTI/043

<sup>53</sup> 2018/SOM3/CTI/061 ; 2018/SOM3/CTI/061att ; 2018/SOM3/CTI/061attanx

<sup>54</sup> 2018/SOM3/CTI/044

80. China briefed economies on its new self-funded concept note for a Forum on Inclusive Development through the Sharing Economy.<sup>55</sup> Economies offered initial comments and agreed to provide comments in writing to China by 7 September.
81. Korea updated CTI on its proposed inclusive trade initiative and thanked economies for their support. The proposal for a trade policy dialogue on inclusive trade to be held in 2019 had not received endorsement from CTI, and Korea hoped to continue working with economies intersessionally to progress the initiative.
82. CTI took note of Mexico's Symposium on the Role of Standards for Driving Gender Equality, which will take place in November 2018 in Mexico City.

(q) Industry Dialogues

83. The Automotive Dialogue Convenor submitted a written report to CTI, which was endorsed by the Committee.<sup>56</sup>
84. The United States presented the Chemical Dialogue Convenor's report on behalf of the Convenor.<sup>57</sup> The report was endorsed by the Committee.
85. The Chair of the Life Science Innovation Forum Planning Group (LSIF) presented her report, which was endorsed by the Committee.<sup>58</sup>
86. CTI noted that the 2018 APEC Good Registration Management Regulatory Science Center of Excellence Workshop, conducted under LSIF Regulatory Harmonization Steering Committee and led by Chinese Taipei and Japan, would be held on 26-28 September.
87. CTI noted that the 5th APEC Blood Safety Policy Forum, led by Chinese Taipei, would be held in Taipei on 5-6 December.

(r) Cross-fora collaboration

88. CTI was updated on the latest developments in the Economic Committee, including the draft of the 2018 APEC Economic Policy Report (AEPR) on Structural Reform and Infrastructure.<sup>59</sup>
89. The Chair of the Policy Partnership on Women and the Economy (PPWE) updated CTI on the PPWE's work on gender inclusion and women's economic empowerment.<sup>60</sup> Economies exchanged views on how CTI might contribute to this area of APEC's work.

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<sup>55</sup> 2018/SOM3/CTI/045

<sup>56</sup> 2018/SOM3/CTI/051

<sup>57</sup> 2018/SOM3/CTI/056

<sup>58</sup> 2018/SOM3/CTI/066

<sup>59</sup> 2018/SOM3/CTI/046 ; 2018/SOM3/CTI/047 ; 2018/SOM3/CTI/048

<sup>60</sup> 2018/SOM3/CTI/071

(s) CTI and sub-fora reform

90. The CTI Chair presented a paper on Issues to Consider in relation to Reviewing and Assessing the Effectiveness of CTI Sub-Fora.<sup>61</sup> The Committee agreed to continue discussion on this issue intersessionally.

(t) Projects, Budgetary and Administrative Matters

91. The APEC Secretariat briefed members on APEC project management issues including outcomes from the 2018 session two APEC funding.<sup>62</sup> Five proposals originating in CTI had been funded in principle under Project Session 2. Outcomes were not yet released for Concept Notes seeking funding from the ASF General, IERG and Human Security funds. Members were encouraged to familiarize themselves with the Guidebook on APEC projects and to use the latest version of all templates, available on the APEC website. Members noted that Project Session 1 2019 dates and funding availability would be advised after 1 December 2018.

(u) Future meetings

92. The Committee will next meet during the SOM1 cluster of meetings in February 2019 in Chile.

Justin Allen  
Chair, APEC Committee on Trade and Investment

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<sup>61</sup> 2018/SOM3/CTI/049

<sup>62</sup> 2018/SOM3/CTI/058