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Annual Report: October 2009–September 2010

**APEC Technical Assistance and Training
Facility**

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APEC Technical Assistance and Training Facility

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Executive Summary

The APEC Technical Assistance and Training Facility (APEC TATF) is a four-and-a-half-year project managed by USAID Regional Development Mission Asia (USAID/RDMA) with funding from the U.S. State Department's Bureau of East Asian and Pacific Affairs, Office of Economic Policy (State EAP/EP). The project is designed to help the APEC Secretariat become a more strategically managed regional institution to achieve APEC's policy objectives more effectively and efficiently. APEC TATF also provides capacity building assistance to APEC member economies that will contribute to achieving the APEC strategic goals of regional economic integration and meeting the Bogor Goals of free and open trade and investment in the Asia-Pacific region by 2010 for developed economies and 2020 for developing economies. This capacity building work falls into the categories of APEC's Three Pillars: (1) trade and investment liberalization, (2) business facilitation, and (3) economic and technical cooperation.

APEC TATF began operation in September 2008 and has a projected end date of March 1, 2013. The project office is housed in the APEC Secretariat in Singapore.

This second annual report covers the activities of APEC TATF from the second work plan as well as many activities from the third work plan (January 2010–December 2010) and amendments approved in September 2010. This report is a reference document, and readers are encouraged to jump to the sections that interest them.

Highlights for this 12-month period include work for the secretariat and work for APEC'S three pillars.

APEC SECRETARIAT

- Trained Secretariat staff on key performance indicators and team building program.
- Trained Secretariat staff and delegates from APEC economies on improving project quality.
- Trained Secretariat staff on understanding and meeting the requirements of U.S. grant funding and administration.
- Supported Secretariat efforts to update the Project Guidebook by providing advisory and editorial assistance.
- Strengthened the Secretariat's communications and outreach to APEC stakeholders by purchasing a new content management system (CMS) for APEC's new website.

APEC'S THREE PILLARS

Trade and Investment Liberalization

- Supported efforts to increase understanding of environmental goods and services (EGS) and contribute to improved domestic EGS frameworks by launching the APEC Environmental Goods and Services Information Exchange (EGSIE, egs.apec.org) and developing case studies of the EGS markets in two APEC economies—Malaysia and Mexico.
- Contributed to ongoing dialogue and capacity building aimed at strengthening food safety training, including risk analysis, food supply chain management, and development of laboratory capacity.
- Supported efforts to improve the capacity of APEC economies to design and implement procedures and mechanisms for the prevention and resolution of investor-State disputes.

Business Facilitation

- Enhanced understanding among delegates from APEC economies of the different modalities for managing unintended and very small quantities of biotechnology presence in shipments of traded agricultural commodities.
- Contributed to efforts to showcase microfinance best practices among APEC economies by preparing a case study on Vietnam.
- Supported efforts to improve air cargo supply chain security and share air cargo security practices and recommendations between government and industry.
- Shared experiences among APEC economies of the human resource impact of the global economic crisis and explored successful labor market interventions to retaining employment and earnings.
- Helped APEC stakeholders understand the impact of domestic regulatory regimes on the process of establishing a business, in part by writing a diagnostic report on Indonesia's challenges.

Economic and Technical Cooperation

- Supported dialogue among APEC economies on the importance of having a formal public consultative mechanism, how such a mechanism helps improve the transparency and ownership of reform, and the benefits and challenges that APEC economies encounter when implementing public participation tools, in part by preparing case studies on the United States, Mexico, Vietnam, and Indonesia.
- Supported dialogue on the need to develop more effective standards of corporate governance and risk management and on the importance of social responsibility in the financial sector.
- Drafted the United States' chapters of the APEC Economic Policy Report on Corporate Governance, an annual report on a selected theme of the Leaders' Agenda to Implement Structural Reform.
- Supported efforts to share benchmarking studies on best practices in mathematics and science education among APEC economies.

- Brought together 40 senior officials in a roundtable discussion to explore how regional mechanisms in Asia address energy, climate change, and disaster preparedness and response, which led to the report “Response to Climate Change and Natural Disasters: Implications for an Evolving Regional Architecture.”
- Contributed to efforts to establish and enforce rules pertaining to the privacy and safety of data exchanged online. Work included completing five economy-level reports on the legal climate and options for establishing an accountability agent.
- Developed a web portal to support the APEC Women’s Entrepreneurship Summit.

Administration

- Mobilized Trade Specialist and Training Coordinator Nimesh Modak to Singapore.

1. APEC TATF Team

The APEC TATF contract entered its second year October 1, 2009–September 30, 2010. After extensive needs analysis and consultation with colleagues at State EAP/EP and USAID, APEC TATF added a long-term expatriate staff member as Trade Specialist and Training Coordinator, Nimesh Modak, to the Singapore team. Mr. Modak works with the Chief of Party (COP) and Deputy Chief of Party (DCOP) to design and implement project activities to help ensure that APEC TATF meets an anticipated increased tempo of work.

2. APEC TATF Work Plan

During most of the year, APEC TATF implemented its third annual work plan, which was developed during this period and is summarized below.

APEC TATF SECOND WORK PLAN AND AMENDMENT

APEC TATF during October 2009 requested and obtained approval to amend its second work plan, which ran through the end of 2009. The amendments reflected requests by State EAP/EP, including the addition of activities to advance APEC policy areas related to disaster management and education. The amendments also included the addition of work to assist the APEC Secretariat. Because these additional activities would continue to be implemented through the end of the year and into 2010, APEC TATF incorporated the inclusion of these activities into its third work plan to cover implementation in 2010.

APEC TATF'S WORK ENDORSED IN APEC MINISTERIAL MEETING JOINT STATEMENT

In the joint statement issued at the end of the 21st APEC Ministerial Meeting held in Singapore November 11–12, 2009, APEC Ministers expressed support for work undertaken by APEC TATF, and in particular, work aimed at strengthening the APEC Secretariat. The Ministers stated

We welcome the contribution to the APEC Secretariat by the US-APEC Technical Assistance and Training Facility (TATF) in helping to strengthen the Secretariat and its operations, train staff to improve project quality and the project management process, upgrade the Secretariat's information technology, and promote cooperation with the ASEAN Secretariat.

APEC TATF THIRD WORK PLAN

In December 2009, APEC TATF submitted a preliminary draft of the third work plan for USAID RDMA's and State EAP/EP's review. In the subsequent months, APEC TATF held discussions with USAID RDMA and State EAP/EP to reach agreement on the final text of the plan. In March 2010, after revision and additional consultation, APEC TATF formally submitted its third work plan for USAID RDMA's and State EAP/EP's approval. The work plan proposed a broad range of programs, including capacity building and training programs for the APEC Secretariat and activities to advance APEC policy and programmatic objectives. The work plan reflects APEC TATF's extensive consultation with officials in the APEC Secretariat and the U.S. government, as well as other APEC economies, and covers the period from January 1 to December 31, 2010. APEC TATF received approval for the work plan, including amendments, in September 2010. Before receiving approval of the work plan, APEC TATF implemented activities on the basis of USAID RDMA's approval of each individual activity.

MEETINGS WITH APEC EXECUTIVE DIRECTOR NOOR

In January 2010, APEC TATF briefed new APEC Executive Director Muhamad Noor on the history, structure, and purpose of APEC TATF. APEC TATF also gave Ambassador Noor an overview of its recent accomplishments and an outline of its upcoming work program, focusing on activities aimed at the APEC Secretariat. Ambassador Noor asked APEC TATF to participate in a discussion on how the APEC Secretariat can enhance its cooperation with APEC economies. APEC TATF gave Ambassador Noor an overview of APEC TATF's prior support for cooperation with the ASEAN Secretariat, including financing a delegation of APEC Secretariat staff to accompany former Executive Director Michael Tay to Jakarta in June 2009. APEC TATF noted that it would be pleased to organize a similar delegation to accompany Ambassador Noor to the ASEAN Secretariat in 2010. Subsequently, APEC TATF called on Ambassador Noor throughout the reporting period to seek his views and provide periodic updates on work aimed at the Secretariat. APEC TATF was also invited to attend the periodic APEC Secretariat staff meetings called by Ambassador Noor, which both provided an opportunity to better understand the needs of the Secretariat and to convey information to staff about work APEC TATF was undertaking. The invitations to the APEC Secretariat staff meetings also demonstrated APEC TATF's integration into the Secretariat.

3. Status of Work Plan Activities

APEC SECRETARIAT

APEC TATF aims to make the APEC Secretariat more effective, efficient, and sustainable by strengthening the capacity of its professional staff, enriching outreach activities, improving the Secretariat's operations, and broadening its cooperation with regional organizations. Accordingly, APEC TATF's second and third work plans identified and implemented activities designed to address the needs expressed by stakeholders. This section provides an overview of progress achieved by APEC TATF in addressing the capacity building and technical assistance needs of the APEC Secretariat.

IT Activity Stream

In September 2009, APEC TATF, after consulting extensively with APEC IT staff and local hardware and software vendors, completed an IT audit. The audit provided information that fed into activities and planning for the third work plan. In 2010, APEC TATF continued to coordinate with APEC Secretariat Chief Operating Officer (COO) Sim Cher Young and IT Director Ronald Go, among others, on options for upgrades to APEC IT systems. APEC TATF integrated these options into a proposal for consideration as part of the third work plan.

Upgrade of APEC Website Content Management System

APEC's Communications Office developed an APEC Online Strategy to consolidate online services provided by the APEC Secretariat. This document has excellent proposals that should be incorporated into an enterprise-wide IT strategy. Within the scope of this strategy, APEC TATF made recommendations to enhance the website to make it interoperable with the rest of APEC Secretariat systems. APEC TATF attended a briefing by the local vendor of the APEC website content management system (CMS), Day Software's Communiqué, to evaluate options for an upgrade to the latest version. APEC TATF conducted a competitive bidding process that resulted in a recommendation to procure the SiteCore integrated website CMS because it provides the most cost-effective way to meet to APEC's long-term website needs.

Delivered:

- Issuance of a request for quotation and evaluation of three bids for the upgrade of APEC's website CMS.
- Contract with vendor and initial implementation of upgrade of APEC's website CMS.

Next Steps: APEC TATF is working with the vendor and the APEC Secretariat to finalize the CMS and work out the final details of the system, which is expected to be fully implemented by November 2010.

APEC Secretariat Staff Training on Microsoft Office 2007

The APEC Secretariat has an enterprise-level license with Microsoft, permitting it to upgrade its Windows and Office software at any time at no additional cost. APEC COO Sim Cher Young decided that the APEC Secretariat would upgrade all computers to the Microsoft Office 2007 system in early 2010. The Office 2007 interface is substantially different from prior versions and the APEC Secretariat sought APEC TATF support to design a training program for local-hire and seconded Secretariat staff on how to use the Microsoft Office 2007 programs. In addition, APEC TATF identified an opportunity to both meet training needs and advance the professional development of the APEC Secretariat's Finance Unit by offering a three-day course that certified those who passed its final test as Microsoft Certified Application Specialists for Excel 2007.

Delivered: Training for local-hire and seconded Secretariat staff on using Microsoft Office 2007.

Next Steps: Because of the continual rotation of seconded Secretariat staff among APEC economies, APEC TATF plans to provide training on Microsoft Office software for new staff as requested by the Secretariat. In 2011, APEC TATF will consider offering consolidated sessions giving an overview of Microsoft Office 2007 features.

Project Management Unit Support Activity Stream

Digitizing APEC Project Guidebook and Project Proposal Form

The APEC Project Guidebook has been criticized by member economies for being too complex, but the document provides necessary instruction and guidance on designing and submitting program proposals for funding. In 2010, APEC TATF worked with the Project Management Unit (PMU) Manager in rewriting the guidebook and revising the project proposal questions to ensure that the questions are consistent with new quality-ranking criteria. APEC TATF then edited the guidebook to improve its readability and usability. This revised version was submitted for review and clearance by the APEC Budget and Management Committee (BMC) in mid-2010.

Delivered: Professional edit of the APEC Project Guidebook.

Next Steps: When the new version is approved, APEC TATF will digitize the guidebook and project templates. This includes examining the cost, feasibility, and utility of developing a digital version of the guidebook to be hyperlinked to online APEC project proposal and implementation templates.

Linkages between APEC Secretariat and Member Economies Activity Stream

Training Program on Improving Project Quality for APEC Secretariat Staff and Train-the-Trainer Program on Improving Project Quality for APEC Economies

In August 2009, APEC TATF delivered a training session aimed at improving APEC Secretariat staff's capacity to provide guidance to APEC committees and subfora, particularly those of developing economies, on improving improve the quality of APEC project proposals. APEC Secretariat staff reacted favorably to the training, which used the OECD's

Development Assistance Committee (DAC) evaluation criteria on project quality standards as the benchmark for assessment. APEC PMU Director Evelyn Loh approached APEC TATF after the training to seek additional assistance in aligning APEC's project proposal and internal quality assessment documents with OECD DAC evaluation criteria. After consultation with APEC Secretariat and State EAP/EP staff, APEC TATF completed three training programs aimed at improving project quality in APEC.

The first training program, in April, was aimed at program directors and program executives in the Secretariat. About 25 Secretariat staff attended. The training reviewed the key elements of the OECD DAC and APEC quality assessment criteria and used case studies to give participants experience in applying the material. The training program emphasized improving the skills of program directors and program executives in providing constructive feedback and advice to proponents of projects designated by APEC as high priority.

APEC TATF delivered two additional training programs aimed at developing capacity in APEC member economies. A train-the-trainer program on improving project quality was developed to help APEC member economy representatives, including those from developing economies, understand the new project proposal process and how to integrate high-quality design and implementation strategies into project proposals. Twenty-four participants attended the April 2010 train-the-trainer program; the second training program modified the train-the-trainer material to accommodate shorter, modular training sessions targeting APEC delegates on the margins of Senior Officials Meeting (SOM) 3 in Sendai in September 2010. In all, 31 participants from 13 member economy delegations participated in the training.

All participants were asked to take the materials back to colleagues in their home economies and disseminate information on how to develop APEC project proposals that meet APEC guidelines and priorities. All training materials and Secretariat staff contact details are available on the APEC website.

Delivered:

- Training program in April 2010 on project quality for Secretariat program directors and program executives.
- Train-the-trainer program in April 2010 for BMC delegates, plus one nominated focal point from each APEC developing member economy.
- Modular training sessions in September 2010 for officials at SOM 3 and APEC committee and subfora representatives.

APEC Institutional Support Activity Stream

U.S. Grants Training Program

The United States provides direct grants to the APEC Secretariat. Its most recent contribution of \$790,000 was made in the summer of 2009. The APEC Secretariat and the United States government anticipate additional grants in 2011. All of these grants are subject to complex U.S. rules that fund administrators must follow. Because APEC is a public international organization, it is treated differently than other entities, such as nonprofits, that receive U.S. grants. An APEC TATF grants expert provided a one-week training session in July 2010 to the APEC Finance Unit, the PMU and the Policy Support Unit. The training focused on increasing the unit's knowledge and capacity to understand and administer U.S. grants and

incorporated components on the basic elements of an award document, determining what costs are allowable, and developing reporting mechanisms, including financial and progress reports.

Delivered: Grants training program for staff of APEC Finance Unit, PMU, and PSU.

Assistance to APEC Secretariat in the Development of a Performance Appraisal Process for Professional Staff Members

The APEC Secretariat is redefining the role of seconded program directors. Until now, program directors have not been subject to the Secretariat's annual review process; performance appraisal has been applied only to support staff members (e.g., program executives, IT staff, finance, etc.). If someone requested a performance appraisal of a particular program director, the executive director would use the performance appraisal template for support staff members and adapt the responses to fit program director responsibilities. Now, however, appraising the performance of program directors is part of the executive director's mandate. Developing a performance appraisal system with clear criteria for program directors is therefore necessary. APEC TATF worked with program directors and the executive director to design a system based on project director job descriptions and tailors the system to meet program directors' needs fairly and objectively.

An APEC TATF human resources expert returned to the Secretariat from September 28 to October 2, 2009 to present and fine-tune the findings of the July visit. APEC TATF sought and obtained clearance to present the expert's findings at the APEC BMC meeting on October 2, 2009, although the executive director was clear in his view that establishment of a Secretariat performance feedback system is an internal decision for the Secretariat. Subsequently, this performance appraisal system was approved in principle by outgoing Executive Director Tay, COO Sim Cher Young, and Director of Administration Adrian Chan.

Delivered:

- Presentation of performance feedback findings to Secretariat staff and the BMC.
- Delivery of final report on recommendations and feedback templates for an APEC Secretariat performance feedback system.
- APEC TATF briefed incoming Executive Director Noor on the proposed performance appraisal system upon his arrival at the APEC Secretariat in January 2010.

Next Steps: APEC TATF will develop a training program on how to carry out and participate in an effective performance appraisal process for APEC Secretariat senior managers, program directors, and support staff members.

Key Performance Indicators Training Program

Key performance indicators (KPIs) are quantifiable measurements that reflect the critical success factors of an organization and an individual within that organization. KPIs differ depending on the organization and the portfolio of a staff member. Comprehensive training on KPIs was identified as a top priority by the incoming APEC Executive Director Noor to enhance the capacity of APEC Secretariat staff. APEC TATF identified three local consulting firms and sought and received proposals to carry out a KPI training program that would be divided into two three-hour sessions for program directors and support staff members.

On January 11, 2010, APEC TATF conducted training for Secretariat staff on setting KPIs for their own work programs, to strengthen the staff's capabilities to draft their own KPIs before they met with the Executive Director for 2010 work planning meetings. The training provided examples of how KPIs are set and function. KPIs are used more by private sector organizations where clear benchmarks (e.g. production, sales, revenue, profit) can be set. However, defining KPIs in public sector organizations where setting benchmarks presents a challenge, and Secretariat staff therefore struggled with applying KPI concepts to APEC work programs. The Executive Director later met with each program director and program executive to discuss the development of individual KPIs.

Delivered: Two 3-hour KPI training sessions for program directors and support staff.

Implement APEC Secretariat Team-Building Training Program

APEC Secretariat Executive Director Noor identified a team-building training program as a top priority to be implemented shortly after his arrival on the job. An off-site training program was designed to focus on building a more dynamic APEC Secretariat by developing strong team spirit and a focus on customer satisfaction. This program was also an opportunity for the newly arrived Executive Director to establish relationships with the program directors. APEC TATF worked with a local vendor on designing an off-site team-building program for key APEC Secretariat staff, including program directors and program executives, who interact most directly with APEC economies by servicing APEC subfora and assisting with APEC project proposals. In addition to program directors and program executives, other senior APEC Secretariat staff also attended the team-building exercise, including Ambassador Noor, COO Sim Cher Young, and the director of the PSU, Phil Gaetjens. The team-building exercise, held January 8, 2010, included lectures, presentations, and role-playing exercises to encourage APEC Secretariat staff to consider new approaches to work and relationships with colleagues.

Delivered: An off-site team-building training program for APEC Secretariat staff.

APEC'S THREE PILLARS

APEC TATF is designed to support APEC and the APEC Secretariat in furthering regional economic integration by delivering capacity building assistance to support APEC's Three Pillars. This includes support for the Bogor Goals of free and open trade and a possible free trade agreement of the Asia-Pacific as a long-term prospect.

Trade and Investment Liberalization

Food Safety Training Experts Meeting

The APEC Food Safety Cooperation Forum (FSCF) has identified food safety capacity building priorities based on needs identified by APEC economies. The Partnership Training Institute Network (PTIN) for food safety was established to leverage food safety expertise from the private sector, academia, and government to develop food safety training. APEC TATF, in cooperation with the World Bank and the U.S. Food and Drug Administration (FDA) Center for Food Safety and Applied Nutrition, held a food safety training experts meeting May 19–20, 2010, at World Bank headquarters in Washington, D.C. Approximately 100 key stakeholders attended the meeting, including regulators from APEC economies, academia, international organizations and the private sector. Participants finalized the

curriculum for the APEC FSCF symposium, which was set to take place in Beijing in October 2010. The FSCF training modules agreed to at the experts meeting were (1) risk analysis, (2) food supply chain management, (2) managing food safety incidents, and (3) development of laboratory capacity.

Delivered: Travel and logistics support to the Food Safety Experts Meeting in May 2010 in Washington, DC.

Next Steps: APEC TATF will continue to support food safety activities, including the FSCF PTIN workshop on capacity building in food safety in Beijing, China, in November 2010.

Investment Experts Group Workshop on Dispute Preparedness and Prevention

In 2008, APEC Ministers Responsible for Trade endorsed the Investment Facilitation Action Plan 2008–2010 and APEC economies have since identified three priorities in this regard: e-transparency, reducing investor risk, and simplifying business regulation. Accordingly, the United States developed and submitted an APEC project proposal through the Investment Experts Group (IEG), which was approved for cofunding in October 2009. The workshop, held in Washington, D.C., July 26–30, 2010, was conducted in cooperation with USTR and UNCTAD and had 45 participants. It addressed ways to prevent, prepare for, and resolve investor-state disputes and examined international investment agreements and their obligations. It combined lectures, breakout sessions, exercises, and other interactive sessions.

Delivered: Five-day workshop in Washington, D.C.

Environmental Goods and Services Case Studies

In 2009 APEC achieved considerable progress in promoting a sustainable growth agenda. According to the 2009 APEC Ministerial Meeting Joint Statement, APEC's sustainable growth agenda will continue to address improving access for environmental goods and services (EGS) and the development of EGS in APEC economies. In addition, APEC is committed to reducing and to refraining from introducing barriers to trade and investment in EGS.

To develop a capacity building activity consistent with the APEC EGS work program while addressing the priorities and needs of APEC's developing member economies, and at the request of USTR, APEC TATF is working with experts to conduct four case studies of EGS in developing member economies. The case study activity aims to (1) identify EGS that contribute to climate-change mitigation and sustainable economic development in APEC economies; (2) assess the domestic EGS markets of APEC economies, including policies, market drivers, and potential constraints on the growth of the markets; and (3) assist economies in identifying trade and investment opportunities in EGS, the challenges to exporting EGS, and policies that discourage EGS importers and investors in EGS.

Australia and New Zealand contributed resources to conducting the case studies, and Malaysia and Mexico have contributed case studies. In September 2010, the draft Malaysia case study was presented to the APEC Committee on Trade and Investment (CTI) in Sendai, Japan. The study highlighted the contribution that EGS is making to Malaysia's domestic economic development as well as to exports, particularly of solar photovoltaic cells. Malaysia declared that it had learned things about its own EGS development that it had not recognized

before. The Mexico case study is underway, and Chile and Vietnam will also prepare case studies.

Delivered: Case study on Malaysian EGS sector and presentation at the CTI meeting in Sendai, Japan.

Next Steps: APEC TATF will finalize the Mexico study before the Leaders Meeting in November 2010 and coordinate with the United States, New Zealand, and Australia on preparing additional case studies of Chile and Vietnam in early 2011.

APEC Environmental Goods and Services Information Exchange Tool

APEC TATF implemented Phase 3 of the Environmental Goods and Services Information Exchange (EGSIE) website, migrating EGSIE from the developer's website to the APEC Secretariat virtual private server—the first subforum website to be hosted on the APEC Secretariat's server. APEC TATF worked with USTR and the APEC Secretariat Communications office to reach agreement on the terms and conditions under which the transfer from the developer to APEC's server was made. The transfer was completed in mid-November 2009: The website will help APEC economies understand the industry and pursue the region's green growth objectives and will be an excellent resource for businesses to learn about this market and help them to participate in it. APEC TATF sponsored the virtual private server for a one-year period as a pilot program to allow the Secretariat to host websites sponsored by subfora.

Delivered:

- Transfer of EGSIE to the APEC virtual private server
- Launch of <http://egs.apec.org>
- Periodic maintenance of EGSIE

Next Steps: APEC TATF will continue to provide periodic maintenance.

Business Facilitation

Assistance to APEC Economies in Agricultural Biotechnology

Technological development and dissemination are critical to increasing agricultural output, improving food distribution, decreasing cost, and sustaining output in the face of environmental challenges and population growth. New crops using agricultural biotechnology are an important means for addressing food security, but different approaches and standards for biotechnology products in APEC economies could disrupt trade and keep APEC from meeting the objectives of the APEC Senior Officials Work Plan on Food Security. APEC TATF supports the development of an APEC approach to low-level presence (LLP) of biotechnology material in agricultural trade to enhance food security in the APEC region.

APEC TATF consulted with the U.S. lead to the APEC High-level Policy Dialogue on Agricultural Biotechnology on promoting a positive regulatory climate for LLP of biotechnology material in agricultural products. The cofunding request for this activity was denied in October 2009 but approved in April 2010, and APEC TATF conducted a workshop on LLP of biotechnology material in agricultural goods held May 27–28, 2010. The workshop took place on the margins of SOM 2 in conjunction with a High-level Policy Dialogue on

Agricultural Biotechnology meeting. The workshop brought together 40 participants to discuss modalities for managing very small unintended quantities (e.g., 0.5 percent) of biotechnology material in shipments of agricultural trade. As a result, the Philippines announced that it would develop standards and procedures for managing LLP for its own trade regime. APEC TATF and U.S. government leads agreed that working with the Philippines on implementation of LLP standards could encourage implementation of similar standards by other APEC economies.

Delivered:

- APEC concept note and project proposal.
- Two-day workshop on the LLP of biotechnology material in agricultural goods.

Next Steps: APEC TATF will continue to discuss potential cooperation on implementation of LLP standards with the Philippines.

Microcredit Vietnam Case Study

APEC TATF in June 2009 received APEC cofunding for a program to showcase best practices in microcredit, and in August 2009 it implemented the first activity—a half-day workshop on enhancing access to capital through microcredit for women entrepreneurs in the APEC region. The workshop produced a list of best practices for microcredit that was endorsed at the APEC 2009 SME Summit.

After the adoption of best practices at the SME summit, to give an example of microcredit in the APEC region, APEC TATF developed a case study on promoting microcredit. Vietnam expressed an interest in doing the pilot case study; it is a unique case because of the broad coverage of its microfinance system, which has raised questions about sustainability and antipoverty impact. After consultation with Vietnam's Ministry of Industry and Trade, USAID/Vietnam, and other stakeholders, APEC TATF defined the case study as examining the gender impact of microfinance, making recommendations on ways to promote commercial microfinance on a sustainable basis, and sharing lessons learned with other APEC economies.

Next Steps:

- Finalize the case study and begin preparations for the workshop, to be held in March 2011.
- Two-day workshop in March 2011 showcasing the best practices adopted at the 2009 summit, presenting the results of the Vietnamese case study on microcredit, and providing recommendations and identifying resources for developing commercially viable and sustainable microfinance for the poor.

Human Impacts of Global Financial Crisis

The U.S. Department of Labor asked APEC TATF to assist in implementing a program examining the effectiveness of social safety nets and labor market systems in responding to the recent financial crisis. In response, APEC TATF designed and implemented the Human Resource Development Experts meeting in Jakarta in July 2010, which was attended by 47 participants from 15 member economies. The meeting focused on how economies can assess the human resource impacts of the global economic crisis and explored steps economies can take to identify what is working and what is not working in retaining and creating new

employment and earnings. The meeting combined presentations by experts, economy-level case studies, and discussion about labor market systems and social safety nets. After the workshop, APEC TATF compiled and edited case studies and a summary report on the workshop. The final report was distributed at the HRD Ministerial Meeting in Beijing in September 2010. APEC TATF received word of positive feedback on the report from officials.

Delivered:

- Two-day HRD Experts Meeting on the human resource impacts of the recent financial crisis.
- Summary results of July Experts Meeting for HRD Ministers Meeting.

Air Cargo Security Workshop

In 2008, the U.S. Transportation Security Administration participated in an APEC air cargo security workshop and proposed a follow-up workshop. In June 2010, APEC TATF implemented the follow-up workshop at the Singapore Aviation Academy. Approximately 100 representatives from the public and private sectors attended, including officers from express delivery world leaders such as UPS and TNT. The workshop provided a venue for public-private dialogue on air cargo security practices and developed recommendations for the APEC region.

Participants shared information about best practices and lessons learned in air cargo security; heard presentations on capacity development, and took part in breakout sessions where economies with SME donor capabilities discussed training, regulatory modeling, and screening protocols in air cargo security with economies seeking assistance; and learned about technological solutions to air cargo security, especially low-technology, low-cost options. Participants also discussed how to make information on air cargo security technology more widely available, how to improve supply chain security know-how throughout the APEC region, and how to encourage economies with expertise in air cargo supply security to team with economies seeking to improve their air cargo security.

Delivered: Two-day workshop on air cargo security.

Reduce Start-up and Establishment Time for Businesses Phase I

APEC leaders recognize the business community as the generator of growth and employment in APEC economies and have endorsed a private sector development agenda that will create an enabling environment for small businesses. In October 2009, APEC TATF received APEC cofunding for a two-day experience-sharing workshop that was implemented on the margins of SOM 1 in 2010. The workshop gave participants a broad understanding of how the regulatory environment can affect the process of starting a business and what actions can be taken to improve this environment. The workshop used case studies of economies' improving their business-enabling environments and how regulations can be streamlined to facilitate the process of establishing a business. The workshop was attended by more than 50 participants and received overwhelmingly positive feedback from participants. The workshop launched APEC's ease of doing business (EoDB) work program.

Delivered:

- Drafted and submitted a project proposal and received approval for APEC cofunding.

- Conducted two-day workshop March 1–2, 2010.

Reduce Start-up and Establishment Time for Businesses Phase II

The EoDB Phase I workshop was the first in a series of workshops and technical assistance that APEC TATF will deliver on improving the ease of doing business. After the Phase I workshop in March 2010, APEC TATF began preparing for Phase II, which involved detailed economy-level diagnostics of the costs, time, and procedures required to start a business in certain APEC economies. Indonesia was the first member economy to participate in the diagnostics. An APEC TATF consultant and an expert from New Zealand's Business Registries met with government officials and private sector representatives in Jakarta, Yogyakarta, and Sragen to understand the process of business start-up in these cities. The report, initial results of which were reported to APEC's Economic Committee in mid-September 2010, indicated that Indonesia has made starting a business significantly easier than in the past, but that opportunities to improve remain, particularly by expanding the use of IT to reduce the number of procedures required for the establishment of a business.

Next Steps: APEC TATF will complete the diagnostic by October 2010 and is working with the U.S. and New Zealand governments to conduct diagnostics in Peru and Thailand.

Economic and Technical Cooperation

Improving Public Consultation in the Rulemaking Process

In its first work plan, APEC TATF proposed to work on transparency, highlighting the legislative and legal underpinnings of a transparent system of making laws, rules, and regulations. After consultation with State EAP/EP, APEC TATF developed four case studies examining the role of public consultation in the rulemaking process in the United States, Mexico, Vietnam, and Indonesia. The results of these case studies were presented at a two-day workshop in October 2009 in Jakarta for 35 participants. To complement the case studies, the workshop also focused on: (1) defining public consultation and its relationship to transparency in rulemaking; (2) discussing nongovernment stakeholders' perspectives on the importance of public consultation; and (3) identifying best practices in public consultation in rulemaking. The workshop sparked vigorous and constructive discussion about how economies that do not have frameworks for public consultation in rulemaking could, and should, work to develop a system that includes public consultation. APEC TATF anticipates sponsoring future activities aimed at promoting regulatory transparency in the APEC region.

Delivered:

- Four case studies on public consultation in the rulemaking process for the United States, Indonesia, Mexico and Vietnam.
- Two-day workshop, Improving Public Consultation in the Rulemaking Process

Next Steps: APEC TATF has, in its third work plan, a follow-up activity looking at regulatory impact analysis, including the role the analysis can play in promoting public consultation in the rulemaking process. The activity is expected to take place in the first quarter of 2011 on the margins of SOM I.

Workshop on Corporate Governance

APEC TATF, during the first work plan period, coordinated with officials in the U.S. delegation and with the APEC Business Advisory Council (ABAC) on developing a workshop promoting the OECD principles of corporate governance in the Asia-Pacific context, as directed by foreign ministers in their November 2008 declaration, and held the workshop on November 11, 2009 in Singapore. The workshop had 40 participants from a range of APEC economies. It had nine speakers, including the Chair of the APEC Economic Committee Dr. Takashi Omori, an APEC TATF expert, and the head of OECD's Corporate Affairs Division Mr. Mats Isaksson.

Since the workshop, APEC TATF has continued consulting with RDMA and State EAP/EP on follow-up work in corporate governance. In August 2010, APEC TATF completed a project concept note for review by U.S. government policy leaders on implementation of a second workshop on the OECD principles of corporate governance. The concept note was accepted by the U.S. government and circulated for review and comment by members of APEC's Economic Committee.

Delivered: One-day workshop on OECD Principles of Corporate Governance in the APEC context.

Next Steps: APEC TATF will continue to monitor the Economic Committee review of its concept note in the hopes of receiving APEC co-funding during the next project cycle. Announcements on in principle co-funding are expected in October 2010.

APEC Economic Policy Report on Corporate Governance

The annual APEC Economic Policy Report (AEPR) focuses on one of the five themes of the Leaders' Agenda to Implement Structural Reform: regulatory reform, competition policy, public sector governance, corporate governance, and strengthening economic and legal infrastructure. The theme for the 2010 AEPR was corporate governance. Production of the AEPR was led by the United States and Japan. After approval of the outline and template for individual economy reports (IERs), APEC TATF coordinated the drafting and compilation of AEPR components. It in the drafting and reviewing of chapters and managed the submission of IERs, formatting and lightly copyediting the 18 IERs, and compilation of an analysis of the IERs. After vigorous consultation, APEC TATF received clearance from Japan for the U.S.-drafted chapters, which were submitted with Japan's chapter and formatted IERs to APEC Economic Committee meeting in Sendai, Japan. The report was unanimously endorsed in Sendai and will be distributed at the APEC Ministerial and Leaders meetings in November 2010 in Yokohama, Japan.

Delivered:

- Outline of 2010 AEPR.
- Final draft of AEPR chapters 1 and 3.
- Edit of eighteen IER submissions.

Workshop on Good Regulatory Practices for Chemicals

In its second work plan APEC TATF committed to supporting a U.S. Environmental Protection Agency (EPA)-led workshop on Good Regulatory Practices for Chemicals. It developed an online survey with SurveyMonkey.com for use in connection with the

workshop, and at the EPA's request, with concurrence by State EAP/EP and USAID, launched a study on each APEC economy's accessions and other commitments associated with following international standards for chemical regulatory practices. This research was input for an EPA-sponsored workshop on March 1, 2010, in Hiroshima, Japan as part of the APEC Chemicals Dialogue. The workshop, Case Study Workshop on the Chemicals Sector—From Principles to Practice, provided a forum for an exchange among stakeholders, especially regulators, on approaches for managing industrial chemicals in APEC economies. The workshop introduced new legislation and regulatory actions and tools and best practices in the sound management of chemicals and identified and discussed chemicals management priorities in the region, capacity building needs, and potential opportunities for facilitating collaborative approaches.

Delivered:

- An online survey tool.
- Provided administrative support for two-day Case Study Workshop on Chemicals Sector – From Principles to Practice, including support for the drafting of a workshop summary report circulated to APEC economies.

Next Steps: APEC TATF and EPA will carry this work forward with three train-the-trainer seminars to be held in 2010 and 2011 to continue capacity building and information exchange in the management of chemicals in APEC economies.

Provide Technical Assistance and Training to APEC Developing Member Economies on Data Privacy

In collaboration with the U.S. Department of Commerce and APEC's Data Privacy Subgroup of the Electronic Commerce Steering Committee, APEC TATF is examining accountability agents and their role in the APEC Data Privacy Framework. First, reports were drafted for APEC developing member economies Indonesia, Philippines, and Vietnam on the role that accountability agents play in increasing stakeholder confidence in cross-border privacy rules and the capacity building needs for establishing accountability agents in their economies. A one-day workshop was held in Hiroshima, Japan on February 27, 2010, presenting the findings of the reports. The workshop had more than 80 participants, significantly more than the number who had registered.

After the workshop, APEC TATF received approval to pursue case studies for Chile and Thailand as well—economies that had volunteered to be case studies after February workshops. On September 15, APEC TATF conducted a second workshop on data privacy in Sendai, Japan on the margins of SOM III, which had 56 participants from 17 APEC economies. Feedback was positive, with participants expressing particular interest in the results of the technical assessment that APEC TATF undertook in establishing the data accountability agents in the five member economies. During the workshop, Peru and Mexico expressed interest in participating in the assessment phase if there is a future opportunity.

Delivered:

- Two APEC project proposals submitted.
- Five economy-level reports—for Indonesia, the Philippines, Vietnam, Chile, and Thailand.
- Two Data Privacy Pathfinder workshops and findings of the economy-level reports.

Next Steps: APEC TATF is exploring opportunities to conduct additional economy level reports, which could include Peru and Mexico.

Promoting 21st-century Skills in Education through International Comparison and Benchmarking of Education Systems

The Fourth APEC Education Ministerial Joint Statement acknowledged in June 2008 that quality education for all is a common APEC goal. In this context, APEC TATF consulted with the U.S. Department of Education (DoEd) on conducting benchmarking studies identifying exemplary practices in the APEC region for a mathematics education delivery system, including standards, assessments, teachers, and low-performing students and schools. The findings of the benchmarking exercise were disseminated in a workshop and on the APEC HRDWG Wiki site.

In March 2010, APEC TATF and DoEd implemented the five-day APEC Conference on Replicating Exemplary Practices in Mathematics Education in Koh Samui, Thailand, where participants had a robust discussion of the benchmarking studies. An APEC TATF expert assisted in identifying speakers, oversaw the development of materials, prepared a monograph and presentation, and served as chair and moderator for certain sessions.

Delivered: Supported implementation of the five-day APEC Conference on Replicating Exemplary Practices in Mathematics Education.

Next Steps: APEC TATF will continue to work with DoEd to develop online tools to make the information highlighted in the workshop accessible to a broad audience.

Building Open Education Resource Capability in APEC Economies, Phase 1

APEC economies continue to foster regional linkages and strengthen collaborative initiatives in the field of education. In the context of a post-global financial crisis recovery, APEC has called for the need for enhanced collaboration in the area of reform of education systems so APEC economies can more effectively meet the challenges they face in teaching skills students require in the 21st century. One way in which this has been identified by APEC ministers is to facilitate knowledge and resource sharing through development of Open Education Resources (OER).” The purpose of the Building OER Capability activity is to introduce OER to the APEC region and establish a foundation for development of OER through resource sharing and network building.

In April 2010, APEC TATF started consulting with DoEd on the design and scope of the OER Phase 1 activity. In May 2010, APEC TATF attended the OpenCourseWare Consortium’s fifth annual conference to learn how to implement efficient, high-quality OER projects. The conference gave APEC TATF examples of OER practices around the world and approaches to OER sustainability. Participation in the conference also enabled APEC TATF to identify potential partners from APEC economies for future collaboration. In August 2010, APEC TATF prepared a draft scope of work for the proposed Building OER Capability activity and shared it with the DoEd for input.

Delivered: Attendance at OpenCourseWare conference in Hanoi, Vietnam.

Next Steps: APEC TATF will continue to coordinate with the DoEd on OER activities:

- Development of a showcase library of select APEC OER and supporting informational materials and reports aimed at strengthening advocacy and awareness of OER in the region
- Implementation of a pilot workshop for higher education institutions in the region using OER or interested in using OER to promote OER development and provide a context for policy discussion over the long term.

Department of Education Workshop on Language Learning

Following consultation with RDMA and EAP/EP, APEC TATF responded to a request from DoEd for assistance with an APEC workshop on language learning held in Singapore April 19–21, 2010. This APEC-endorsed workshop was held in cooperation with the Southeast Asian Ministers for Education Organization and the Regional Language Center (RELC) in Singapore, which provided the venue. APEC TATF provided direct logistics support for this inaugural APEC–RELC international seminar, which was attended by more than 100 participants and focused on how APEC economies can improve language teaching standards, both to boost literacy among underserved populations and to provide citizens with additional skills so that they can seek better employment.

Delivered: Support for the education workshop on language learning.

CSIS MacArthur Foundation Project Roundtable on Asia Regionalism: Responding to Climate Change and Natural Disasters

The Center for Strategic and International Studies (CSIS) developed a program with funding from the MacArthur Foundation to promote a more harmonized regional approach to respond to climate change and natural disasters. With the concurrence of State EAP/EP, APEC TATF agreed to become a third cosponsor, along with CSIS and the Singapore-based Lee Kuan Yew School of Public Policy. APEC TATF followed APEC processes to have this roundtable recognized as a self-funded APEC event. APEC TATF agreed to sponsor the travel of participants from 10 of the 11 APEC travel-eligible economies and handle logistics. The May 2010 roundtable brought together about senior officials to explore how regional mechanisms in Asia address energy, climate change, and disaster preparedness and response. Speakers came from ASEAN, the APEC Climate Center, and the ADB, and senior members of CSIS presented results from studies sponsored by the MacArthur Foundation.

Delivered: Support to May Roundtable on Asia Regionalism: Responding to Climate Change and Natural Disasters.

APEC Women's Entrepreneurship Web Portal

APEC TATF received a request from the State Department's Office of Global Women's Issues (S/GWI) to assist with the development of the APEC Women's Entrepreneurship Summit web portal for launch at the APEC Women's Entrepreneurship Summit. The United States and Japan co-hosted the summit on October 1, 2010, in Japan and expect to hold a follow-up event in the United States in 2011 when it will be APEC host. APEC TATF worked with S/GWI to determine the type of tools that the web portal has for women entrepreneurs to learn about summit activities, including news and publications on women's issues in the business world and research on women's impact on economic growth and development. APEC TATF launched the website (<http://www.women.apec.org/>) just before the summit.

Delivered: Design and launch of web portal (<http://www.women.apec.org/>).

APEC Green Buildings Survey Analysis, Case Studies and Workshops

The green buildings project will support several sustainability and conservation initiatives by gathering, discussing and distributing information about energy and water conservation and sustainability in commercial construction materials and operation. To kick off these activities, APEC TATF met with the U.S. Department of State and U.S. Department of Commerce as well as USAID to discuss a new project establishing dialogue among technical experts and government officials on standards for green buildings to help economies develop and adopt regulations and codes that reduce the potential for technical barriers to trade in green building product areas. All the activities proposed will promote greater transparency in APEC economies in the technologies used to support such policies.

Next Steps: APEC TATF will work in coming months on developing two case studies to present, with survey findings, at a workshop in 2011. The case studies will focus on the development of green building standards, regulatory regimes, and technologies and assess the environmental and economic benefits of promoting green buildings in APEC economies.

APEC Workshop on Hazard Mapping and Risk and Vulnerability Assessment

In 2008, APEC's Task Force on Emergency Preparedness completed a stock-taking project to identify disaster management skills, training capacities, and associated gaps, in APEC economies. The results were presented at the August 2008 Emergency Management CEOs' Seminar in Lima, Peru, where risk and vulnerability assessment and hazard map analysis were cited as the most needed training programs in response to hazards. APEC TATF consulted extensively with subcontractor Pacific Disaster Center on implementing an APEC workshop on hazard mapping and risk and vulnerability assessment methods and will implement the workshop in October 2010 in Chinese Taipei. APEC TATF coordinated the submission of an APEC project proposal and received approval in March 2010. Organization of content and logistics is underway.

Delivered: Submitted the project proposal for the Task Force on Emergency Preparedness workshop on hazard mapping and risk and vulnerability assessment for APEC co-funding by the February 1, 2010, deadline.

Next Steps: The workshop will take place October 19–21, 2010.