



MEMORANDUM

Date: January 3, 1994
To: Dr. Kerri-Ann Jones
Grant Officer, USAID
From: Mark Borthwick
Executive Director, US-PECC
Subject: Semi-annual Report, attached

I attach the materials that comprise the semi-annual report from the United States National Committee for Pacific Economic Cooperation to USAID under the current grant No. AEP-0000-G-00-2037-00. These include the following items:

1. The name and country affiliation of persons travelling under the U.S. contribution to the PECC Central Fund and the purpose of the trip.
2. Information on the outcomes of Standing Committee and Coordinating Group meetings covered under the grant for this period.
3. Detailed information on the outcomes, findings, and accomplishments that come out of the five topic areas covered under the grant for this period.
4. Status of the Pacific Economic Outlook (PEO).
5. Name, specialty, honoraria paid, and background on U.S. representatives who attended any of the five topic area meetings.

In addition, I enclose published materials that pertain to the categories in question. If you have any questions regarding this report, please feel free to call me.

Best regards,

United States National Committee For Pacific Economic Cooperation

EAST COAST:

1755 Massachusetts Ave., N.W., Washington, D.C. 20036
Phone: (202) 745-7444 Facsimile: (202) 797-1355

WEST COAST:

The Asia Foundation, P.O. Box 3223, San Francisco, CA 94119
Phone (415) 982-4640 Facsimile: (415) 392-8863

ENCLOSURES

SEMIANNUAL REPORT For the period ending December 31, 1993 Grant No. AEP-0000-G-00-2037-00

The following item #1 is attached in compliance with the reporting requirements under the grant in question:

Item 1. The name and country affiliation of persons travelling under the U.S. contribution to the PECC Central Fund and the purpose of the trip.

PECC CENTRAL FUND

Financial Assistance from PECC Central Fund
1 January - 31 October 1993: INCPEC

Date	Purpose	Name and Position of Recipient	Financial Assistance USD
8-9 Jan 1993	PEO Forecasters' Meeting San Francisco USA	Dr Iwan Jaya Azis Professor of Economics Faculty of Economics University of Indonesia	731.70
26 Feb 1993	S&T Task Force Meeting Hongkong	Dr Dipo Alam Director for Special Projects Center for Analysis of Science & Technology Development, Indonesia Institute of Science	1,133.30
15-17 Mar 1993	PEO Specialists Meeting Osaka, Japan	Dr Iwan Jaya Azis Professor of Economics Faculty of Economics University of Indonesia	3,197.17
15-17 Mar 1993	PEO Specialists Meeting Osaka, Japan	Dr Miranda Gultom-Siregar Associate Researcher Institute for Economic and Social Research Faculty of Economics University of Indonesia	2,026.50
30 Apr - 1 May 1993	MEF Steel Specialist Meeting Perth, Australia	Dr Purnomo Yusgiantoro Vice Chairman International Association for Energy Economics Indonesia Affiliate	1,491.00
22-24 June 1993	Triple-T Task Force Project Meeting Kuala Lumpur, Malaysia	Dr Djunaedi Hadisumarto Director Center for Policy & Implementation Studies (CPIS)	1,030.00

PECC CENTRAL FUND

Financial Assistance from PECC Central Fund

1 January - 31 October 1993: INCPEC

Date	Purpose	Name and Position of Recipient	Financial Assistance USD
23-28 June 1993	Trade Policy Forum VII Puerto Vallarta, Mexico & APEC RTL Group Meeting Seattle, USA	Dr Hadi Soesastro Executive Director Centre for Strategic and International Studies (CSIS)	3,875.00
27-28 Sept 1993	PEO Structural Issue Meeting Osaka, Japan	Dr Miranda Gultom-Siregar Associate Researcher Institute for Economic & Social Research Faculty of Economics University of Indonesia	2,071.70*
4-6 Oct 1993	MEF Specialist Group Seminar Santiago, Chile	Mr M Simatupang Lecturer Institute of Technology Bandung	5,202.00*
15-16 Nov 1993	Science & Technology Task Force Workshop Hong Kong	Dr Dipo Alam Researcher Indonesian Institute of Sciences	1,535.00*
15-16 Nov 1993	Science & Technology Task Force Workshop Hong Kong	Dr Amru Hydari Nazif Researcher Indonesian Institute of Sciences	1,535.00*
Total USD			23,828.37

NOTE:

* Assistance approved by the Finance Sub-Committee but payment still pending.

Payment still pending to:

- (1) Dr Dipo Alam, S&T Meeting on 24-25 February 92, Hong Kong for USD1,375.70.
- (2) Dr CPF Luhulima, PIN Task Force Meeting, 9-10 June 92, Suva, Fiji.
Payment made on 2 October 1993 was USD3,473.

4

PECC CENTRAL FUND

Financial Assistance from PECC Central Fund
1 January - 31 October 1993: MANCPEC

Date	Purpose	Name and Position of Recipient	Financial Assistance USD
8-9 Jan 1993	PEO Forecasters' Meeting San Francisco USA	Mr Ong Hong Cheong Senior Analyst Institute of Strategic and International Studies (ISIS)	1,382.84
30 Apr - 1 May 1993	MEF Specialist Meeting Perth, Australia	Dr Wan Leong Fee Lecturer/Associate Professor University Pertanian Malaysia	749.50
27-28 Sept 1993	PEO Specialists Meeting Osaka, Japan	Mr Ong Hong Cheong Senior Analyst Institute of Strategic and International Studies (ISIS)	1,267.30*
28-29 Oct 1993	HRD Task Force Meeting Singapore	Mr Patrick Pillai Senior Analyst Institute of Strategic and International Studies (ISIS)	412.00*
15-16 Nov 1993	Science & Technology Task Force Workshop Hong Kong	Professor Anuwar Ali Academic Universiti Kebangsaan Malaysia	1,541.00*
Total USD			5,352.64

NOTE:

* Assistance approved by the Finance Sub-Committee but payment still pending.

Dr Khoo Hock Aun, 3Ts, 5-8 July 92, Fukuoka, Japan.
Payment not necessary as attendance was sponsored by JANCPEC.

PECC CENTRAL FUND

Financial Assistance from PECC Central Fund
1 January - 31 October 1993 PPECC

Date	Purpose	Name and Position of Recipient	Financial Assistance USD
8-9 Jan 1993	PEO Forecasters' Meeting San Francisco USA	Professor Florian A Alburo School of Economics University of Philippines	1,708.20
26 Feb 1993	S&T Task Force Meeting Hong Kong	Professor Mario P Leviste School of Economics University of Philippines	839.00
16-17 Jan 1993	Pacific Telecommunications Roundtable (PTR 93) Waikiki, Hawaii	Dr Thomas G Aquino Vice President for Business Economics Centre for Research and Communication	1,651.25
15-17 Mar 1993	PEO Specialists Meeting Osaka, Japan	Dr Ponciano S Intal, Jr President Philippine Institute for Development Studies	1,239.80
15-17 Mar 1993	PEO Specialist Meeting Osaka, Japan	Professor Florian A Alburo School of Economics University of the Philippines	825.00
29-30 Apr 1993	Trade Policy Forum Investment Study Group Meeting Jakarta, Indonesia	Professor Florian A Alburo School of Economics University of the Philippines	1,363.00
23-28 June 1993	Trade Policy Forum VII Puerto Vallarta, Mexico & APEC-SOM Seattle, USA	Professor Florian A Alburo School of Economics University of the Philippine	3,221.75

PECC CENTRAL FUND

Financial Assistance from PECC Central Fund
1 January - 31 October 1993 PPECC

Date	Purpose	Name and Position of Recipient	Financial Assistance USD
22-24 June 1993	Triple-T Task Force Project Meeting Kuala Lumpur, Malaysia	Dr Thomas G Aquino Vice President for Business Economics Centre for Research and Communication	1,273.20
13-14 Sept 1993	Fisheries Task Force Vancouver, Canada	Professor Raphael Perpetuo Lotilla Institute for International Legal Studies UP College of Law	1,401.00
9-10 Sept 1993	PECC Harmonisation of International Trade Law Meeting Singapore	Professor Jose Tale Ateneo de Manila University Law School	1,231.48*
27-28 Sept 1993	PEO Specialists Meeting Osaka, Japan	Dr Ponciano S Intal, Jr Economist Philippine Institute for Development Studies	1,053.75*
15-16 Nov 1993	Science & Technology Task Force Workshop Hong Kong	Professor Mario P Leviste Professor Graduate School of Business & Economics De La Salle University	945.00*
15-16 Nov 1993	Science & Technology Task Force Workshop Hong Kong	Dr Ceferino Folloso Chairman Agro-Industrial Management & Consultation	945.00*
Total USD			17,697.43

NOTE:

* Assistance approved by the Finance Sub-Committee but payment still pending.

1

PECC CENTRAL FUND

Financial Assistance from PECC Central Fund
1 January - 31 October 1993: PIN

Date	Purpose	Name and Position of Recipient	Financial Assistance USD
9-10 Sept 1993	PECC Harmonisation of International Trade Law Meeting	Mr Isikeli Mataitoga Solicitor General Attorney General's Chambers Fiji	2,707.00*
Total USD			2,707.00

NOTE:

- * Assistance approved by the Finance Sub-Committee but payment still pending.

PECC CENTRAL FUND

Financial Assistance from PECC Central Fund
1 January - 31 October 1993: SINCPEC

Date	Purpose	Name and Position of Recipient	Financial Assistance USD
15-17 Mar 1993	PEO Specialists Meeting Osaka, Japan	Dr Linda Low Senior Lecturer Department of Economics and Statistics National University of Singapore	1,391.50
15-17 Mar 1993	PEO Specialists Meeting Osaka, Japan .	Dr Toh Mun Heng Senior Lecturer Department of Economics and Statistics National University of Singapore	1,391.50
23-25 June 1993	Trade Policy Forum VII Puerto Vallarta, Mexico	Professor Chia Siow Yue Academic National University of Singapore	943.00*
27-28 Sept 1993	PEO Structural Issue Meeting Osaka, Japan	Dr Linda Low Senior Lecturer Department of Policy Studies National University of Singapore	1,425.50
15-16 Nov 1993	Science & Technology Task Force Workshop Hong Kong	Mr Goh Kai-Thye Manager Technology Transfer Institute of Systems Science National University of Singapore	1,327.00*
Total USD			6,478.50

NOTE:

- * Assistance approved by the Finance Sub-Committee but payment still pending.

PECC CENTRAL FUND

Financial Assistance from PECC Central Fund
1 January - 31 May 1993: TNCPEC

Date	Purpose	Name and Position of Recipient	Financial Assistance USD
15-17 Mar 1993	PEO Structural Issue Meeting Osaka, Japan	Dr Titanun Mallikamas Economist Research Department Bank of Thailand	967.00
21-24 June 1993	Triple-T Task Force Meeting Kuala Lumpur, Malaysia	Dr Prasit Prapinmongkolkarn Director Chula Unisearch Thailand	516.00
Total USD			1,483.00

NOTE:

Dr Chatri Sripaipan, S&T Task Force Meeting, 9-10 November 1992, Jakarta.
Payment made on 14 April 1993 was USD1,713.

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ENCLOSURES

SEMIANNUAL REPORT For the period ending DECEMBER 31, 1993 Grant No. AEP-0000-G-00-2037-00

The following item # 2 is attached in compliance with the reporting requirements under the grant in question:

2. Information on the outcomes of Standing Committee and Coordinating Group meetings covered under the grant for this period.

See attached trip reports for details of the two Standing Committee meetings (Bali: 9-10 July 1993 and Kuala Lumpur: 30 November 1993) and the one Coordinating Group meeting (Kuala Lumpur 29 November 1993) covered under this report period.

ENCLOSURES

SEMIANNUAL REPORT
For the period ending DECEMBER 31, 1993
Grant No. AEP-0000-G-00-2037-00

The following item # 3 is attached in compliance with the reporting requirements under the grant in question:

3. Detailed information on the outcomes, findings, and accomplishments that come out of the five topic areas covered under the grant for this period.

See enclosed published reports (One copy of each is provided here. Additional copies are available upon request.):

- A. Pacific Initiatives for Regional Trade Liberalization and Investment Cooperation: Role and Implications for the Private Sector
Sixth Trade Policy Forum
15-17 July 1992: Batam, Indonesia
- B. Steel in East Asia in the 1990s: Towards an East Asian Steel Agreement
Minerals and Energy Forum
30 April - 1 May 1993: Perth, Australia
- C. Harmonisation of International Trade Law to Benefit Trade, Business and Investment in the Pacific Region
9-10 September 1993: Singapore
- D. Pacific Food and Agriculture Forum Registration Materials
8-9 April 1994: Singapore
- E. Environmental Constraints to Pacific Rim Agriculture
Pacific Food and Agriculture Forum
- F. Encouraging International Investment in the Asia-Pacific Region
Trade Policy Forum
- G. Human Resource Development Outlook 1993-1994: Migration and Labour Flows in Selected Pacific Economies
Human Resource Development Task Force

ENCLOSURES

**SEMIANNUAL REPORT
For the period ending DECEMBER 31, 1993
Grant No. AEP-0000-G-00-2037-00**

The following item # 4 is attached in compliance with the reporting requirements under the grant in question:

4. Status of the Pacific Economic Outlook (PEO) (Forecast Update attached)

SUMMARY OF THE PEO FORECAST UPDATE FOR 1993/94

The seventeen PECC economies of the Pacific region are forecast to maintain their growth of 3.5 percent of real GDP/GNP in 1993, the same average growth actually achieved in 1992. The PEO forecast has proven to be very accurate in previous years. The forecast for 1992 was within 0.2 percent of the revised figure for 1992. Again there is a divergence between the outlook for the developing countries and the smaller advanced industrial countries, which are forecast to accomplish an average 0.6 percent acceleration of growth to 5.6 percent in 1993, while U.S. growth remains anemic and the Japanese recession seems to be getting worse. Somewhat faster real economic growth is forecast for 1994 as the average for the PECC as a whole is expected to reach 3.7 percent mainly because the beginning of a recovery is forecast for Japan.

The inflation picture for the PECC economies continues to improve. The average inflation rate, which had already declined sharply in 1992, is forecast to edge off another 0.3 percent to 3.5 percent in 1993. Indeed there is absolutely no inflation on the horizon for the region despite somewhat faster growth in 1994. The forecast is for another decline in the average inflation rate (as measured by indexes of consumer prices) to 3.3 percent in 1994. Still there is considerable variance in the inflation rate among economies, and for some, the outlook is getting worse. The three high inflation economies -- Chile, Mexico, and Peru -- are forecast to continue to make progress, and in the case of Mexico, the improvement is forecast to be dramatic. On the other hand, the outlook is worsening for Indonesia and China, and the situation is a matter of great concern in both economies.

WHAT HAS CHANGED DURING THE LAST SIX MONTHS?

The real growth outlook is decidedly less buoyant now than when originally forecast at the start of 1993. The forecasts for seven of the economies of the PECC have been marked down. The primary reason for the change is that the growth of export volume is less than first forecast. This points to the importance of international trade to the PECC economies. The reason for the export shortfall is the deeper recession than forecast in Europe and Japan. While other factors peculiar to each economy are also involved, the negative consequence of economic weakness in major industrial countries is the most widespread cause.

The Japanese outlook is marked by economic stagnation and political uncertainty. Consumers are discouraged and have become very cautious. Domestic capital spending is being postponed because of the sharp rise of the yen to almost 100 yen per dollar. This comes on top of weaker corporate profits expected for Fiscal Year 1993, the third consecutive year of decline. The three fiscal policy initiatives, involving spending by the government that was designed to stimulate the economy, have not had their intended effect. They have been constrained by scandals among public sector contractors. Several analysts have suggested large tax cuts, but this idea has been resisted by the Ministry of Finance. It should be recognized that there is a systemic or reinforcing character to the Japanese slowdown. Weakness in the Japanese economy has led to a more-than-proportionate decline in real Japanese imports which has caused a burgeoning of Japan's current account surplus which has forced up the value of the yen and caused further immediate weakness in the economy.

not be imported in every case.

RISKS IN THE FORECAST

Our earlier forecast for 1993-94 discussed five risks that might have an impact on economic outcomes in the Pacific region. Three of them need to be reiterated and at least one needs to be strengthened. They are political uncertainty, political tensions, and conflicts over trade policy. It is the last risk that needs greater attention. As was visible again in this forecast, international trade is immensely important to the health of the region. The Uruguay Round of trade negotiations in the GATT is scheduled to be concluded in December 1993, but a favorable conclusion is very much in doubt. Unfortunately the end could be an explicit recognition that the negotiations have failed. If the Europeans insist on renegeing on the Blair House agreement on agriculture, then the whole fragile package of understandings could unravel, and nine years of hard work could go down the drain. The Uruguay Round should not be permitted to fail and it is the responsibility of all countries to prevent it. There are no free riders on the system now that the Cold War has ended so each country should make sure that through its offers that it is making its proper contribution to the success of the negotiations.

Closely related to this is the fear that a possible defeat of the NAFTA agreement by the U.S. Congress would mark a decided shift in American policy toward protectionism. The arguments being used against NAFTA have less to do with Mexico, and more to do with a liberal trade and investment policy in general. If this new anti-trade coalition is successful, then many more targets will be sought. Indeed, the direction of American policy for the last fifty-nine years could be reversed. President Clinton has mounted a campaign to win approval for NAFTA, and it is in the interest of all economies in the Pacific region that he succeed.

A second risk concerns political uncertainty. From the experience of both Japan and Korea, it appears that the uncertainty surrounding the policy choices of a newly elected government may cause the economy to falter, at least in the short run. Ultimately Japan and Korea are both likely to be much stronger politically and economically by facing up to long standing concerns in their societies, but the short term outlook has worsened. Other economies in the region, including Canada and New Zealand, are facing elections soon that might also raise hard issues for the electorate. Economic forecasters have to be aware of these possibilities and know when to add and when to subtract from the economic outlook.

The third risk concerns political tensions. Despite the end of the Cold War, the Korean Peninsula remains divided, and the regime in North Korea shows little sign of wanting to come to grips with the new international reality. Tensions are compounded by the fear that North Korea is developing nuclear weapons. Meanwhile, its economy appears to be deteriorating. Even in 1992 there were reports of food shortages. Now with poor harvests being reported in both South Korea and Japan, it is feared that food shortages in North Korea could worsen considerably. With a rather unpredictable regime in North Korea, it is difficult to forecast how these new problems will be addressed. This is a matter of concern not only for North Korea's immediate neighbors, but for all countries in the region.

Table 1

October 1993

1993 - 1994 FORECAST OF REAL ECONOMIC GROWTH AND INCREASE OF
CONSUMER PRICES OF SEVENTEEN ECONOMIES
(Percent)

	Real GDP/GNP			CPI		
	1992	1993	1994	1992	1993	1994
Australia	1.7	2.5	3.1	1.0	2.3	3.0
Canada	0.7	2.4	3.0	1.5	1.8	1.9
Chile	10.3	5.6	4.5	12.7	12.0	10.0
China	12.8	13.5	10.2	5.3	11.8	9.8
Hong Kong	5.3	5.3	5.2	9.4	8.7	8.2
Indonesia	6.3	6.1	6.5	4.9	8.8	7.5
Japan	1.5	0.0	1.8	1.9	0.5	0.8
Korea	4.7	4.5	6.5	6.2	4.8	5.6
Malaysia	8.0	7.8	8.1	4.7	4.0	3.8
Mexico	2.6	2.0	2.5	11.9	8.0	5.0
New Zealand	2.3	3.4	3.2	1.0	1.0	1.1
Peru*	-3.0	3.5	4.5	56.7	27.0	15.0
Philippines	0.0	1.5	3.5	8.9	7.5	7.0
Singapore	5.8	8.3	6.8	2.3	2.3	2.5
Chinese Taipei	6.0	6.1	6.4	4.5	3.8	4.3
Thailand	7.4	7.7	8.1	4.1	4.3	4.7
United States	2.6	2.6	2.1	2.9	2.8	2.4
Weighted Average ('89-'91)	3.5	3.5	3.7	3.8	3.5	3.3
Wt. Ave. Excl. U.S. and Japan	5.0	5.6	5.6	5.2	5.4	5.1
Wt. Ave. Excl. Chile, Mexico and Peru	3.5	3.5	3.8	3.4	3.3	3.2

The weighted average is based on the respective economies' exports during the period indicated.

* *Unrevised forecast*

ENCLOSURES

SEMIANNUAL REPORT
For the period ending DECEMBER 31, 1993
Grant No. AEP-0000-G-00-2037-00

The following item # 5 is attached in compliance with the reporting requirements under the grant in question:

5. Name, specialty, honoraria paid, and background on U.S. representatives who attended any of the five topic area meetings.

Representative list attached

No honoraria were paid to any of the participating individuals.

**U.S. Participants
During the Semiannual Period**

1. **Coordinating Group and Standing Committee Meetings**

5-6 July 1993: Bali, Indonesia

Adlai Stevenson, U.S. Member of PECC Standing Committee
Richard Fairbanks, Vice Chair, US-PECC
Mark Borthwick, Executive Director, US-PECC

29-30 November 1993: Kuala Lumpur, Malaysia

Adlai Stevenson, U.S. Member of PECC Standing Committee
Mark Borthwick, Executive Director, US-PECC
Janet Pearce, Deputy Director, US-PECC

2. **Food & Agriculture Forum meetings**

29 June - 16 July 1993: Various Asian Cities

Carol Brookins, President, World Perspectives, Inc.

3. **S&T Task Force**

9 July 1993: Sapporo, Japan

Denis Fred Simon, Director, Center for Science & Technology Policy Fletcher
School of Law and Diplomacy, Tufts University

15-16 November 1993: Hong Kong

Denis Fred Simon, Director, Center for Science & Technology Policy Fletcher
School of Law and Diplomacy, Tufts University

4. **Telecommunications Task Force**

14-16 September 1993: Manila, The Philippines

Janet Pearce, Deputy Director, US-PECC

5. **Transportation Task Force**

21-23 July 1993: Seattle, Washington

Janet Pearce, Deputy Director, US-PECC

6. **Investment Working Group**
28-30 April 1993: Jakarta, Indonesia

Stephen Guisinger, Program Head, International Management, University of Texas, Dallas

3 November 1993: San Francisco, California

Edward M. Graham, Senior Fellow, Institute for International Economics
Stephen Guisinger, Program Head, International Management, University of Texas, Dallas

7. **Travel: Domestic**
4-5 November 1993: San Francisco, California (US-PECC Meeting)

Mark Borthwick, Executive Director, US-PECC
Edward M. Graham, Senior Fellow, Institute for International Economics
Janet Pearce, Deputy Director, US-PECC
Christopher Ragonese, Manager, Administration and Programs, US-PECC

13-20 November 1993: Seattle, Washington, (APEC Week)

Adlai Stevenson, U.S. Member of PECC Standing Committee
Mark Borthwick, Executive Director, US-PECC
Lawrence B. Krause, Graduate School of International Relations and Pacific Studies, University of CA, San Diego
Janet Pearce, Deputy Director, US-PECC

TRIP REPORTS

SEMIANNUAL REPORT
For the period ending DECEMBER 31, 1993
Grant No. AEP-0000-G-00-2037-00

TRIP REPORT

Meeting Dates: 29 June - 16 July 1993

Meeting Venue: Various Asian Cities

Participants: Carol Brookins
President
World Perspectives, Inc

Purpose: Food and Agriculture Forum

REPORT:

Carol Brookins visited the Asian region as part of a PECC-sponsored trip to six economies designed to introduce the Food and Agriculture Forum to important private sector and government officials. The economies visited were: Indonesia, Singapore, Thailand, Hong Kong, Korea, and Japan. In brief, there were many common concerns expressed by various industry sectors throughout the region which can be addressed by the Forum next year. There appears to be general interest in engaging collectively on a region-wide basis to examine policies and developments in the marketplace under this type of interaction.

The purpose of these meetings was to set both the objectives and agenda for the Forum, which will take place in 1994 in Singapore. PECC's Industry Forum on Pacific Food and Agriculture has a unique role to play in providing unprecedented networking for industry leaders throughout the food agriculture and fisheries sectors in the 21 PECC member economies. The Forum also will permit industry leaders to meet and interact with government officials acting in "non-official" roles as participants in the dialogue on policies and industry developments.

The Forum thus can serve as a laboratory for ideas that can be brought as PECC-wide effort to governments, especially those who are members of APEC. It is worth noting here that PECC member economies account for more than 40 percent of the world's population.

Food & Agriculture Trip Report
Page Two

The following provides the conceptual framework for the Forum and specific details on scheduling:

1. A 2-day Pacific Food and Agriculture Forum will be held on 8-9 April 1994. This date was set to immediately precede the large trade show, Food and HotelAsia, which opens on Tuesday morning, 12 April and attracts more than 3,000 participants from an estimated 40 countries.
2. A meeting of the PECC's group of agricultural economists will be scheduled tentatively for Sunday, 10 April to begin formulating plans to develop and produce a Pacific Food Outlook publication.
3. The 2-day Forum will consist of an opening one-half day plenary session for all participants from the private and public sectors in the 21 member economies of the PECC. This will be followed by a full day's meetings (PM/Friday, AM/Saturday) of smaller task forces targeted to specific sectors of the industry.

The Forum participants will come back into plenary session for the closing afternoon to present their reports. The plenary will then seek to forge consensus on a set of issues or policies on which to focus the work of the PECC Forum during the year, specifically including any efforts to be directed to governments through the Ministerial forum on Asia-Pacific Economic Cooperation (APEC).

4. The first day's plenary session will address topics of general concern to the growth of dynamic food, agriculture and fisheries systems in the Pacific Rim. Topics that are likely to be on the agenda in a round-table format, with discussion leaders representing industry and government views, are:

- Trade Flows and Barriers / Investment Regimes
- Consumer Trends
- Regulatory Standards and Disciplines
- Environmental Factors and Agricultural Productivity

5. Working Group sessions will be the major focus of the Forum in establishing the basis for region-wide consensus in critical industry sectors. The PECC can be extremely effective in providing policy concerns and options to governments, looking beyond bilateral issues, because of the vast size of the PECC marketplace. As the only non-governmental body with an official observer status at APEC, PECC can provide direct input to the policy work of APEC.

6. Working Groups will be formulated on the basis of specific sectors, so that each addresses plenary issues within its individual context and/or other specific issues with a policy impact. At this first 1994 industry Forum, each Working Group would be co-chaired by a representative of industry and government.

Working Groups could include:

- Fishery Products
- Fruits and Vegetables
- Oilseeds
- Grains
- Livestock
- Food Processing
- Consumer-ready foods / Food Service Industries
- Farm Inputs / Productivity / Biotechnology

Report Prepared By: Mark Borthwick

Date Prepared: August 2, 1993

TRIP REPORT

Meeting Dates: 9-10 July 1993
Meeting Venue: Bali, Indonesia
Participants: Adlai Stevenson, Incoming President
Richard Fairbanks, Outgoing President
Mark Borthwick, Executive Director
Purpose: PECC Standing Committee Meeting

REPORT:

The meetings reviewed the initial draft of a restructuring plan for PECC by the Standing Committee as well as general planning and financial matters related to the administration of PECC.

See attached meeting minutes.

The three participants also held meetings in Singapore with government officials associated with APEC and PECC as well as at the PECC Secretariat in Singapore.

Report Prepared By: Mark Borthwick

Date Prepared: August 1, 1993

11

Draft Minutes

PECC Standing Committee Meeting Bali 10 July

Dr Noordin Sopiee, the PECC Chair, welcomed participants to Bali and opened the Standing Committee Meeting at 9.15 am, following the Board of Directors meeting and the Annual General Meeting of the PECC Fund Limited.

I MATTERS ARISING

1. Respects to Dr Saburo Okita

In recognition of Dr Saburo Okita's contribution to PECC as a founder and key contributor to the cause and process of PECC, the Chair led the meeting to a one-minute silence to pay due respect to Dr Okita.

2. Farewell, Welcome, Introductions and Changes in Chairs

The meeting noted the following changes of Chairs: from Amb Richard Fairbanks to Sen Adlai Stevenson, III (USNCPEC), from Dr Duck-Woo Nam to Dr Kihwan Kim (KOPEC), and from Dr Raymond Ch'ien to Mr William Fung (HKCPEC). The Chair welcomed the three new chairs and bid farewell to the resigning chairs for their outstanding contributions.

3. Apologies

The meeting noted apologies received from Dr William G Saywell of CANCPEC, Mr Li Luye of CNCPEC, Amb Nobuo Matsunaga of JANCPEC, Prof Wee Chow Hou of SINCPEC, Dr Chen-fu Koo of CTPECC, Mr Javier Barros-Valero of MXCPEC, Hon Jeremia T Tabai of PINs, Mr Frederick Whittemore of PBEC, Mr Carlos G Dominguez, III of PPECC and Mr Alexandre G Granberg of RNCPEC.

The meeting also noted the presence of alternate Chairs and representatives: Mr Kenneth Lewis of CANCPEC, Mr Chen Luzhi of CNCPEC, Prof Seizaburo Sato of JANCPEC, Dr Hank Lim of SINCPEC, Dr Jeffrey L S Koo of CTPECC, Amb Hector Cardenas of MXCPEC, Mr Cecilio Chan of PPECC and Ms Tanya Tolkachova of RNCPEC.

4. Approval of the Minutes of the previous Standing Committee meeting

The Minutes of the Standing Committee Meeting held in Kuala Lumpur, 7 January 1993 were approved without amendment.

II ADOPTION OF THE AGENDA

The agenda of the meeting was adopted as written.

III REPORT OF THE FINANCE SUB-COMMITTEE

Dr Jeffrey Koo, Chair of the Finance Sub-Committee, reported on the routine financial matters regarding the statement of accounts, member committee contributions and financial assistance to the task forces travelings.

He also reported on the long term financial outlook of PECC, member committee contribution formula and new guidelines for financial assistance, following a sub-committee meeting the day before.

1. The Statement of Accounts

At the recommendation of the Finance Sub-Committee, the statement of accounts of the PECC Fund Ltd for the period of January - May, 1993 was approved.

2. 1993 Member Committee Contributions

The Chair reported that all member committees, except the US and Russia, had paid their 1993 contribution, including due interests for some. RNCPEC had indicated their fund were forthcoming and USNCPEC's contribution was forthcoming pending administrative clearance.

3. Long Term Financial Outlook

The Finance Sub-Committee expressed concern over PECC's overall financial status and the long-term prospect of the central fund. Based on analyses and projections made by the Secretariat up to 1996, in most cases the Fund balance would be driven well below present levels unless the current financing practices were changed. Eight balance projections were distributed to member committees for information and review. (Attachment I)

4. Member Committee Contributions

The Standing Committee accepted in principle the CANCPEC proposed "PECC Fund Contribution Formula" for 1994 based on the recommendation of the Finance Sub-Committee, pending review and approval of the member committees (Attachment II). The proposal would be discussed at the next Standing Committee in Kuala Lumpur before a formal decision was made.

The Standing Committee noted that the member committees of Japan, Korea, Chinese Taipei and the US agreed to contribute at their current dollar levels instead of the lower amounts calculated under the formula if the total contribution in 1994 remained at 1993 levels.

5. Task Force Financial Assistance

At the recommendation of the Finance Sub-Committee, the Standing Committee agreed to cap annual dollars available for task force travel assistance under a new arrangement. Total available dollars would be allocated to eligible members committees on an annual basis (Attachment III). The details would be discussed as part the proceedings of the Committee for the Future of the Pacific.

6. PECC X Financial Assistance

The Standing Committee agreed that a maximum of US\$90,000 from the PECC Fund would be allocated to MANCPEC for assisting with costs of PECC X.

IV REPORT FROM APEC

Ambassador William Bodde Jr., Executive Director of APEC, attended the meeting and gave a presentation on setting up the APEC Secretariat and its present role; and, the relationship between PECC and APEC.

He stressed that the PECC-APEC relationship was of mutual benefit. PECC's greatest strength was its tripartite structure which enabled it to be a 'laboratory' for new ideas and initiatives that later could be sponsored by APEC. Given the distinct nature of each organisation, the relationship was better handled in an informal way. He wanted to develop strong practical working links between PECC's task forces and APEC's working groups which in some instances already existed.

V REPORT OF THE COMMITTEE FOR THE FUTURE

A report of the meeting of the Committee for the Future of the Pacific held on 9 July was tabled (Attachment IV).

Kerrin Vautier asked that a new round of submissions be made by Member Committees on Part 3 of the report so that the paper could be drafted for the November meeting. She asked that these submissions address issues in addition to those raised under Part 3 the previous day.

VI PROGRESS REPORT ON PECC X

MANCPEC, the organising committee for the PECC X General Meeting tabled a progress report on the preparations for the event. After the presentation, the Meeting discussed the tentative program. Several suggestions were tabled and it was decided that MANCPEC would take these into account and re-circulate a new version of the program for Member Committees to consider.

The paper comprised four sections:

- **Theme and Content:** The Theme for the Meeting would be "Open Regionalism: The Way Forward".
- **Finance:** An estimated budget of US\$450,575 was presented. The possibility of using the practical and private sector orientation of the Concurrent Sessions to assist with raising financial sponsorship was mentioned.
- **Venue and Accommodation:** The venue of the General Meeting will be the Istana Hotel. Alternatives for accommodation are the nearby Regent and Hilton Hotels. They may also be used for concurrent sessions
- **Plenary and Concurrent Sessions;**

The meeting decided in principle on the following Concurrent Sessions which are to be coordinated by the individuals noted below and their Member Committees or task forces:

A. FULL DAY CONCURRENT SESSIONS:

1. Privatization of Power: Opportunities for Business

Senior private sector person nominated by MANCPEC & Dr Findlay

2. Air Transportation-Flying into the Future

Dr Mark Borthwick

Infrastructure in Malaysia

Dr Jawhar

4. New Strategic Planning for Production & Trade

Professor Sato

5. Emerging Capital & Financial Markets

Mr William Fung

6. Automobile Industry

Dr Noordin Sopiee

B. HALF-DAY CONCURRENT SESSIONS:

1. Telecommunications

Professor Sato

2. International Trade Law

AUSPECC/KOPEC

The Meeting agreed that in the next 4 weeks, the Coordinators would require any further suggestions for these sessions. The Coordinators would also be required to send out to all Member Committees an outline of every one of the sessions.

On the question of the "Leaders Forum" section of the Program, the Meeting endorsed the importance of obtaining high-level political participation from every economy of PECC.

The Meeting discussed the principle of charging a registration fee for PECC X and the Standing Committee agreed that it would be up to the Member Committees to decide on this charge.

VII PACIFIC ECONOMIC DEVELOPMENT REPORT (PEDR)

The Secretariat presented an updated report on the progress of the PEDR, noting the slow response received up to this moment for the initiative. At the same time it encouraged quality participation of all Member Committees and Task Forces to ensure the success of this publication.

IX OTHER BUSINESS

1. Registration at Singapore and the Fund Transfer from Hong Kong

The Secretariat informed the Standing Committee that PECC could now register under "Societies Act" as a non-profit seeking organisation with IPC (Institution of Public Character) status. This meant that under most circumstances PECC's funds would be exempted from income tax.

The Secretariat was requested to conduct a cost-benefit analysis of the accounts transfers.

2. Financial Assistance for PECC XI

Following discussions of the financial status of PECC and the report of the Finance Sub-Committee, the Standing Committee agreed that the China National Committee for PEC would remain eligible for financial assistance for PECC XI in 1994.

15 \$100,000

3. Dates and Venues of the Next Standing Committee and Coordinating Group Meetings

The Standing Committee agreed to bring forward the dates of the Coordinating Group and Standing Committee Meetings by one day to 28 and 29 of November, 1993. The venue would be Kuala Lumpur.

4. Proposal for a PECC research institute

Dr Jeffrey Koo introduced a proposal for PECC to establish a research institute which would be funded by a substantial endowment from PECC Member Committees. Dr Koo considered that the academic sector was one of PECC's major strengths and it should be encouraged. He was concerned that PECC had to operate with such low levels of finance and wanted to ensure that the organisation's work, and particularly its research work, could move ahead with more security.

The Standing Committee was encouraged by the initiative and asked Dr Koo to prepare a formal and detailed proposal for discussion at the November meeting of the Standing Committee.

5. Representation at the November APEC Ministerial Meeting

The Meeting agreed that PECC's delegation at the next APEC-Ministerial Meeting in Seattle, in November 1993 would include at least the Chair, Dr. Noordin Sopiee, and the USNCPEC President, Senator Adlai Stevenson III. It was also agreed that delegation should include at least one business representative from the Standing Committee. Dr Jeffrey Koo indicated he would be available to be part of the PECC delegation at the APEC Ministerial as a business representative.

The Chair would consult with Standing Committee members on additional representatives when it was known how many members could represent PECC at the Ministerial Meeting.

6. Reports on Strengthening Member Committees

The Meeting approved an initiative to include in each Standing Committee meeting a report from all members on the strengthening of the structures of their Member Committees.

TRIP REPORT

Meeting Dates: 9 July 1993

Meeting Venue: Sapporo, Japan

Participants: Dr. Denis Fred Simon
Director, Center for Science & Technology Policy
Fletcher School of Law and Diplomacy
Tufts University

Purpose: S&T Task Force Advisory Group Meeting

REPORT:

SEE ATTACHED MINUTES FROM S&T CO-CHAIR, M.A. COLLINS

Report Prepared By: Christopher Ragonese

Date Prepared: August 13, 1993



SCIENCE and
TECHNOLOGY
TASK FORCE

9 August 1993

PECC NATIONAL COMMITTEES

Attached please find minutes from the S&T Task Force Advisory Group meeting held in Sapporo, Hokkaido, Japan on 9 July 1993.

Best wishes.

A handwritten signature in cursive script, appearing to read 'J. Y. Collins'.

for M A Collins
Co-chair

SCIENCE and
TECHNOLOGY
TASK FORCE

PECC SCIENCE AND TECHNOLOGY TASK FORCE

ADVISORY GROUP

Sapporo, Hokkaido, 9 July 1993

MINUTES

Present

Mr Raymond Young, Hong Kong
Mr Vincent Wong, Hong Kong
Prof Eiji O'Shima, Japan
Dr Sung Chul Chung, Korea
Dr Yoo Soo Hong, Korea
Mr Carlos Prieto, Mexico
Mr Mike Collins, New Zealand
Mr Wayne Robertson, New Zealand
Dr Alan Frampton, New Zealand
Prof Ta-Ho Lin, Chinese Taipei
Dr Denis Simon, USA

Apologies

Mr Wu Yikang, People's Republic of China
Dr Karen Minden, Canada
Dr Wong Poh Kam, Singapore
Mr Alan Bickell, USA
Dr Dipo Alam, Indonesia
Mr Mario Leviste, Philippines

The Co-chair welcomed Dr Alan Frampton (New Zealand) to his first meeting of the Task Force.

1. **Minutes of the Last S&T Meeting (17 February 1993)**

These minutes were passed as a true and correct record.

2. **Matters Arising**

Human Resource Development Workshop, Jakarta - Dr Alam was to prepare a paper on the costs of the workshop and present it to Dr O'Shima (JANPEC) and Mr Bickell (USPECC). This had not been done and the Co-chair said that he would write to Dr Alam asking him to follow this up.

ACTION: Mr Collins to write to Dr Alam concerning budget of HRD workshop.

KOPEC Involvement in S&T Task Force - Mr Bickell had written to KOPEC concerning their future involvement in S&T Task Force activities. KOPEC had replied saying that they would be represented at the next S&T Task Force meeting which would be followed by on-going involvement in activities of the Task Force. This was evidenced by attendance at the Sapporo meeting.

Follow-up to Stuart Harris (AUSPEC) - Mr Collins had written to Stuart Harris and received a reply which was tabled.

Greenhouse Gas Project - The follow up to this was discussed later in the meeting.

Training Courses on Technology - The Canadian/Singapore proposal for training courses on management of technology had not been received to date. This would be followed up.

ACTION: Secretariat to follow up with CANPEC and SINCEPEC S&T representatives.

3. **Reports from S&T Country Sub-committees**

New Zealand - The New Zealand Committee reported that it had had a meeting on 8 May 1993. At this meeting they had reported on the HRD Workshop in Jakarta and the up and coming Tech Transfer Workshop in Hong Kong. It was also agreed to try and get more private sector membership on the Sub-committee and to invite the Deputy Secretary from the Ministry of the Environment to join the Sub-committee (who has accepted). The Committee was also asked to consider possible future projects to be carried out by the S&T Task Force.

Japan - The JANPEC Sub-committee held a meeting in May 1993 which reported on the activities in Jakarta and the future workshop to be held in Hong Kong, especially what the actual definition of software would be as related to this Workshop. It was reported to the meeting that the Japanese STA was interested in a workshop in the area of international cooperation in the field of basic technology and pure science and had asked whether this would be an appropriate activity for the PECC S&T Task Force.

Korea - It was reported that the KOPEC S&T Sub-committee was too large to call a meeting, however a sub-group had met in May 1993 to consider how KOPEC could be more active in the S&T activities. Its conclusions were:

- a. To form a special working group with 4-5 active members, with the Science and Technology Policy Institute, being responsible for planning, coordinating and implementing the Sub-committee's activities.
- b. To recommend to the S&T Task Force that a follow-up to the Hong Kong Workshop be held in Korea, maybe concentrating on the area of techno-market issues.
- c. That a sub-committee of the S&T Task Force be formed at the end of the Hong Kong Workshop to decide what follow-up should be taken.
- d. That the Korean S&T Sub-committee should offer to host an S&T Advisory Group meeting in Seoul.
- f. That Dr Yoo Soo Hong be appointed on the Editorial Sub-committee.
- g. That the S&T Sub-committee should carry out research on technology policies in the Asia-Pacific area. This research to be published in Korean, however if possible it could also be published in English by the S&T Sub-committee.

Hong Kong - The Hong Kong Sub-committee have been very active organising the November Workshop. It had a meeting on 2 July 1993 and it was reported that good progress was being made on the Workshop. Also, a meeting of the Workshop Organising Committee was held, with Dr Simon. The Science Park Follow-up Publication Sub-committee had also met. The lack of input from Hong Kong in the S&T indicators booklet had been noticed, and now the Industry Department will coordinate this input and it is hoped that Hong Kong will have input in the next publication. Consequently, it would like to know the methodology used for the data.

ACTION: Editorial Committee to inform HKPECC S&T Sub-committee on methodology.

Chinese Taipei - The CTPECC Sub-committee met in June 1993 and now has 17 members, with a new member from the private sector. The follow-up publication, namely "S&T Parks, Successful Experience in the Asia/Pacific Area" will now be published in August in conjunction with the PECC Secretariat. The Sub-committee will have a good attendance to the Hong Kong Workshop.

U S A - The US Sub-committee recently held a conference-call meeting. It was reported that Mr Bickell's involvement is being substantially reduced because of his work commitments. However, the Sub-committee would like to revitalise its membership by getting more private sector members from organisations such as AT&T, etc. The US Sub-committee does not have any direct funding except that assigned to it by the PECC National Committee out of its general operating budget. To create a central focus the Sub-committee wishes to hold a seminar on Pacific Rim Science and Technology Development in conjunction with the Smithsonian Institute. The Sub-committee is working with Hong Kong on the Technology Transfer Workshop and the follow-up from the Kuala Lumpur meeting. The Sub-committee considers that the PECC S&T Task Force should have a presence at PECC X at Kuala Lumpur. It also considers that the November Workshop is a very important one for the S&T Task Force because it could have a number of spin offs, including a high quality publication. The Sub-committee also wishes to promote the science and technology relationship between APEC and PECC.

Mexico - Mr Prieto had just taken over as the Mexico representative of the S&T Task Force. Mexico to date has no sub-committee. He was attending this meeting to see how the PECC S&T Task Force worked and how Mexico could participate in future activities.

4. Organisation of Technology Transfer Workshop, Hong Kong, November 1993

Mr Wong from HKPECC summarised the organisation that had been done to date for the Technology Workshop.

It had been concluded by the Organising Committee that the Workshop should run in five sessions with 15 papers being presented in all, each session having two discussants and one chair. A preliminary flier was tabled, outlining the objectives of the Workshop, its programme and containing a form for registration. Following discussion it was concluded that the registration portion of the flier could be misinterpreted and should only be used for local Hong Kong participants. Alternatively the Secretariat will produce another registration form for the registration of international participants. Once the details on the hotels have been received from Hong Kong the form will be faxed to all Task Force members. It was agreed that this form should be inserted in the flier before being distributed in the various member economies, outside Hong Kong.

It was agreed that overseas delegates will not pay any registration fee and the \$US300 fee will only apply to Hong Kong delegates.

- ACTION:**
1. Hong Kong Organising Committee to supply details of hotels, for registration of international participants.
 2. S&T Secretariat to format a new form and send to all Task Force members for distribution within the Workshop flyer.

Workshop Agenda - Dr Simon emphasised that the following principles had been agreed by the organising committee for the format of the agenda:

- Important to get a balance of papers within the Workshop.
- Important to get a balance of discussants from member economies.
- The need to get a balance of speakers representing the three sectors of PECC membership.

All Sub-committees have been written to requesting them to confirm the chairs, speakers and discussants. To date 11 speakers have been confirmed with four yet to reply. Dr Simon said he needs to know the speakers no later than 15 July.

Technology Transfer Workshop Programme - The meeting went through the draft programme, and with the assistance of Dr Simon and Mr Wong, endeavoured to confirm the role to be played by the S&T Task Force members, ie chair, discussant, speaker.

It was confirmed that the deadline for confirming discussants was 1 August, and that conference papers needed to be sent to the Organising Committee by 1 October. These papers to be 25-30 pages in length and to be submitted on 3.5" disks in Word or Word Perfect. Alternatively they could be submitted through Internet.

Instructions on the preparation of papers were to be provided by the Organising Committee to paper presenters by 25 July. Copies will also be sent to Sub-committee members.

It was agreed that Task Force Sub-committees were to provide the Organising Committee with contact details of speakers, chairs and discussants. Also consideration should be given to possible speakers who could be used as alternatives in case all spots are not filled or there are withdrawals. It was suggested Dr Chi-ning Liu (ex Hewlett Packard) could be approached.

The Organising Committee is to provide instructions to the chairs and discussants on their role at the Workshop.

It was decided that the role of the Task Force Co-chairs would be to open and close the Workshop.

5. PECC X, Malaysia

It was reported that Dr Mark Borthwick (USPECC) was concerned about the passive view of the S&T Task Force's possible involvement in PECC X in Malaysia and considered that the PECC S&T Task Force should promote itself where possible.

It was proposed that the S&T Task Force should rethink its involvement in PECC X, drawing on the resources in the region. One possibility was a round table discussion in conjunction with another task force. Another possible theme for S&T involvement was to have a session on science and technology cooperation in the region, similar to the earlier proposal by JANPEC Sub-committee.

It was agreed that the Co-chair was to assess the outcome from the PECC Standing Committee meeting in Bali and then get back to the members for their comment on a possible proposal for the S&T Task Force's involvement in PECC X.

ACTION: Co-chair to write to S&T Sub-committees on S&T involvement in PECC X following the Standing Committee meeting in Bali.

6. PECC XI, Beijing

The meeting discussed a proposal from Mr Wu Yikang, CNPECC Sub-committee, that the Task Force activity at PECC XI should involve a half day visit to a high tech development park in Beijing, to study and discuss high tech development in China. After some discussion, it was considered that the theme for the Task Force's activity at PECC XI could concentrate on the micro-electronic sector. This could be achieved by holding a session, at a science park followed by detailed discussion on the micro-electronics industry within China and other PECC economies.

ACTION: Co-chair to write to Mr Wu outlining the suggestion to focus the Task Force activities on micro-electronics at PECC XI.

7. On-going PECC S&T Programmes - Future Workshops

Greenhouse Gas Project - Mr Robertson reported that no comment had been received from S&T Task Force members on the proposal for Stage 2 of the Greenhouse Gas Project, which was tabled at the last Task Force meeting in Hong Kong.

Following discussion there was some confusion over the actual objectives of the proposal for Stage 2 and it was decided that it should be redrafted clearly outlining the objectives of the proposal.

ACTION: Greenhouse Gas paper to redrafted by NZPEC S&T Sub-committee for distribution and discussion at the November S&T Workshop.

Science and Technology Industrial Parks - Mr Lin reported that the follow-up report to the Science and Technology Industrial Workshop will be published on 1 August.

Clean Technology - The Co-chair reported that he had received a proposal from Canada and Singapore to hold a Clean Technology Workshop in either Singapore or Vancouver in 1994.

Further to this the NZPECC S&T Sub-committee had received proposals for work in other environmental areas. For example, clean technologies in waste management, environmental auditing, and tertiary education on environmental issues. Following discussion it was considered that one possible way of incorporating all these suggestions was for the Task Force to conduct a workshop on regional environmental technologies, which could also include input from the Greenhouse Gas Project. It was also considered that this could be a combined APEC/PECC Workshop.

HRD Workshop - The Co-chair tabled a paper (attached) from Mr Mario Leviste of Philippines S&T Sub-committee reporting on the progress for organising the HRD Workshop to be held in the Philippines in November 1994.

The report indicated that the Philippine Sub-committee was receiving good local support for their Workshop and that some interim planning had been undertaken. As planning for this workshop was still in the early stages it was decided that the Task Force would fully review the organisation of the HRD workshop at its meeting in Hong Kong in November.

Some members also considered that the PECC HRD Sub-committee might have some ideas on the programme for the HRD workshop and there may be some possibility of holding a joint workshop between the two Task Forces.

Future Programmes - The meeting discussed a possible future programme for the Task Force taking into consideration:

- the on-going programmes
- the proposed Clean Environment Technologies Workshop
- proposed follow-up to Hong Kong Workshop
- Workshop on International Science Collaboration
- PECC X and XI, and Task Force meetings.

It was agreed that the attached draft programme should be used as a basis for the Task Force's future activities - and the programme to be updated at each Task Force meeting.

8. Planning for a Future Symposium re Task Force's Future Work Programme

The Co-chair said that as the Task Force was rapidly working through the recommendations from the first S&T Task Force Symposium held in Korea in 1990 it was suggested that consideration be given for holding another symposium to work out the future strategy and programme for the Task Force. It was suggested that it should be aimed to hold such a symposium in 1996.

9. Other Activities

The S&T Profile Update - JANPEC reported that the third issue of the S&T Profile will be published for PECC X and that the deadline for providing information will be the end of 1993. Notice will soon be sent out asking each economy for information for input into the profile. It was decided that the specialists in each economy would be approached first, followed on by an edited version being sent to S&T Task Force members for comment. Publication will proceed at the end of January whether comments have been received from Task Force members or not.

As mentioned earlier, KOPEC reported that they were planning to carry out a research project on technology policy in the Asia/Pacific region and will require some cooperation to collect the data. If the resulting publication is approved, it will be published in Korean and maybe a summary could be published in English by the S&T Task Force, if funds were made available from the PECC Secretariat.

However, if this was to be an official PECC publication each member economy would wish to approve its own material in the publication. It was considered that KOPEC should consider a proposal to prepare the publication on a PECC team approach and if it was agreed, they should then submit a proposal to the S&T Task Force for consideration.

Proceedings of Jakarta Workshop - It was reported that the proceedings of the HRD Workshop had been published. The Korean and US representatives said that they had not received their copy. It was agreed that all S&T Sub-committees should receive two copies of all Science and Technology publications from the PECC Secretariat and that the Secretariat should be informed of this request.

ACTION: S&T Secretariat to inform PECC Secretariat of the request to send two copies of publications to all Science and Technology Task Force members.

Other Publications - Future planned S&T publications are:

- a. Follow-up report to the Shanghai Workshop on Science and Technology Parks
- b. The third publication of the S&T Profile
- c. The publication on the Technology Transfer Workshop, Hong Kong.

Although the PECC publications are still issued free this will change when "Times Publishing" starts printing the publications.

Dr O'Shima commented that JANPECC's agreement to cover the costs of publishing the S&T Profile was an initial one and that this decision may need to be reviewed in future.

APEC Working Group Meeting on Expansion on Investment and Technology Transfer; Seoul - Dr Chung, KOPEC, spoke to a paper he tabled which was a summary for the 4th APEC Working Group meeting on Expansion on Investment and Technology Transfer in Seoul which he attended on behalf of the PECC S&T Task Force. (This paper is attached to the minutes.) Following his report Mr Robertson reported that the APEC Senior Officials meeting recently held in Seattle had approved the renaming of the APEC Working Group to Investment and Industrial Science and Technology.

There was some concern that some of the Governments were strengthening their interests in APEC and that this may result in a reduction in support for PECC activities.

It was considered that it was time to set PECC's role in relation to APEC and to determine who PECC's audience was. There was general consensus that PECC can help to drive APEC, being ahead of Government policy and officials in carrying out leading edge research on regional activities. As far as science and technology is concerned the PECC S&T Task Force can be a think tank to APEC, especially with its business, government and academia linkages, which is an extremely important part of PECC, ie the tripartite approach.

It was considered that future communications with APEC were very important and that some effort should be made for the PECC/APEC S&T organisations to meet together so each organisation is aware of each other's programme. This could put PECC in a good position to drive the future agenda. This agenda should not be driven by individual countries which seems to be happening within APEC. Accordingly, it was decided that the Co-chair should write to each of the four shepherds of the APEC Working Group on Investment and Industrial Science and Technology, including a copy of the PECC S&T Task Force's programme, future meeting dates, a copy of the S&T Profile and a list of the publications. In addition a request should be made to the APEC working group for a copy of their programme and meeting dates.

ACTION: Co-chair to write to the four shepherds of APEC Working Group on Investment and Industrial Science and Technology, providing the information outlined above and requesting copies of APEC working group's programme.

10. Other Business

Communications - The Co-chair reported that it was important to get an update of the current addresses of the S&T Task Forces and when these are received the Secretariat will send out copies to all Task Force members.

The Co-chair also reported that it would be useful to get a list of all the members of the various S&T Sub-committee members, location of the sector they represented. The Secretariat will send out a request for a copy of the Sub-committee list.

ACTION:

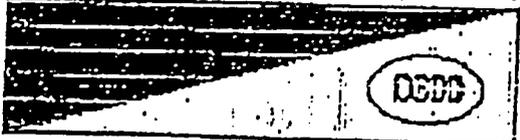
- a. Task Force members to provide current contact addresses to Secretariat.
- b. Secretariat to request Task Force members to provide a list of Sub-committee membership.

Programme of Task Force Advisory Group Meetings - The future programme for Task Force Advisory Group meetings was discussed earlier in the meeting. KOPEC raised the fact that as it was difficult to get approval to participate in one day meetings, ie the IAG meetings, they requested whether in future it was possible to make these two day meetings. The Co-chair said that he thought this was a very good request and with the agreement of the Task Force he suggested that in future all IAG meetings be expanded to full Task Force meetings. This was agreed.

Thanks from JANPEC - Dr O'Shima, JANPEC, thanked all S&T Task Force representatives for coming to Sapporo for the meeting and referred to the letter from the JANPEC S&T Chair in which he apologised for not being able to participate at the meeting. On behalf of JANPEC Dr O'Shima invited all Task Force members to dinner that evening.

11. Conclusion

The Co-chair closed the meeting thanking everyone for their input and their participation and most importantly thanked the JANPEC Committee for arranging such a good venue and for its organisation before the meeting. Special thanks went to Ms Yoshiko Takeuchi for all her help during and before the Task Force meeting. The Co-chair said that he would also like thanks to be passed on to Mr Atsushi Kuroda for his assistance in the early planning stages of the meeting and, as he was shortly to leave JANPEC, for all his past support to the Task Force.



PACIFIC ECONOMIC COOPERATION CONFERENCE
201 Fernan Sulas, Salcedo Street, Legaspi Village, Makati, Philippines
Telephone: 8162645 / 8174294 Fax 8162644

Date: July 6, 1993
To: Mike Collins
Chair, Science and Technology Task Force, PECC
c/o Mr. Vincent Wong, HKPECC
From: Mario "Sammy" Leviste
Subject: Science and Technology Conference in the Philippines November 1994

My apologies for not being able to attend the Japan Meeting. Very tight schedules here. Do have a good time. I'll see you in Hong Kong.

The Philippine Science and Technology Task Force has had four meetings since our meeting in February in Hong Kong. We have consulted Willy Ortaliz (PECC Yico Chair for the Philippines) and he is very excited about the prospects of holding the conference here. The National Committee will back up the project.

For now, the core group involved in the Science and Technology Task Force is collating and processing the different possibilities for next year's affair. The core group is composed myself and Dr. Osman Luis Ranit representing De La Salle University (Academe), Eng. Ceserino Dulay of San Miguel Corporation (Private Sector), and Dr. Veneranda L. Eclar of the Department of Science and Technology. Obviously, we have the support of our organizations for this endeavor within our own limitations.

More organizations have signified their support for the project. Among them are the Center for Social and Corporate Development, The Private Investment and Trade Opportunities - Philippines (PITO-P), SAZTEC Information and Technology Center. We expect more organizations to join the fray in the coming months specially when we have the materials ready for the PECC X in Malaysia.

Basic Parameters:

The ST Conference on November 1994 will be held over a period of three (3) days. There are two options for the venue:

- 1) it can be held in the traditional hotel setting in the urban center like the cities of Manila, Cebu, Bacolod, Baguio, Davao or Cagayan de Oro.
- 2) it can be held in a cruise ship since we will be in conference most of the time. In this option, we can start the meeting in say Cebu and have a 18 hour trip to Manila for the wind up.

A city based conference will make other places for visits possible. The cruise can have us stop in on the conference while travelling from one city to the other. Enough first class facilities may be a constraint except for the Super Ferry # 3, which has private cabins (2-4 per room with tb) for up to 68 persons. Private cabins for 136 persons (4 to a room w/o tb). Let me check this further.

Proposed Program Outline:

The following schedule was proposed during our last meeting:

Day 0 - Welcome Dinner for the participants (sponsored).

Day 1 -

Opening Ceremonies

Welcomer: Hon. Carlos G. Dominguez - PECU Chairman (Philippines)

Opening Speaker: Hon. Secretary Ricardo T. Gloria

-BREAK-

Plenary Session:

Common Issues for One World

IRD/TQM in one Lake (Pacific Lake)

The Science and Technology Perspective

-LUNCH-

Technical Sessions

-BREAK-

Technical Sessions (continuation)

-DINNER-

Day 2 -

Summary Presentations of:

Government

Academe

Private Sectors

-BREAK-

Open Forum

-LUNCH-

Integrative Discussions

-DINNER-

Day 3 -

Integrated Presentation

Resolutions

-BREAK-

Key Note Address - His Excellency President Fidel V. Ramos

Open Forum

-LUNCH- Task Force Meeting

Plant Visit / Visit of Malacanang

The above mentioned format is just a guide. Please advise us of the groups recommendations so that they can be adopted or integrated into the program.

Funding:

The National Committee is very supportive but is constrained by funds. The ST Task Force expects to be incurring more expenses towards the end of the year. We anticipate expenses to come up to roughly Ten Thousand Pesos (P10,000) per head for the three-four day affair. This would amount to about US\$ Sixty Thousand (\$60,000) for 150 persons. We will try to raise as much as we can on this end. We do expect the Central Committee to help.

In the next few months, we will have identified who the speakers will be. We intend to have the materials available for distribution by March 1994 in time for PECC X. Printing will be done in Manila starting January.

Please ask the National Committees to inform us ahead of time how many representatives they would be sending so that we can have a more accurate estimate of the people coming and locals to be invited. We would also appreciate very much your comments and suggestions. Since several new hotels are rising, changes will occur in costings. Listed below is a rough guide to present hotel rates for different services.

Other Matters:

Please inform the Hong Kong National Committee that Dr. Celerino Follusco (former Secretary of the Department of Science and Technology) has agreed this morning to be the discussant for Session V in Hong Kong Nov. 16, 1993. It took a while to catch him and convince him but he is well worth the effort because of his reputation, past performance and heavy endorsements.

HOTEL SERVICE COMPARISON
(In Philippine Pesos Approximately US\$ 1.00 to RP26.000)

	HOTEL	ROOM	SHUTTLE SERVICE	SNACK	COCKTAIL	LUNCH
01	HUSA PLAZA			80-150	230-170	SITDOWN 270-1375 BUFFET 185-780
02	HYATT		500 JTR. ACE	70-190++	140-260++	LUNCH/DINNER 230-800++
03	MANDARIN			50-335	265-1250	LUNCH 295-1100
04	MANILA DIAMOND			115++	300-550	SITDOWN 260-455 BUFFET 320-550
05	MANILA PEN			100-355	395-850	SITDOWN 500-850 BUFFET 425-800
06	NIKO		520			
07	PHILIPPINE PLAZA		990 BENZ			
08	SHANGRI-LA MAKATI		816 RIVER BIRD	100-120	350-450	LUNCH 490-550 DINNER 520-699
09	SHERATON		475 CROWN 660 BENZ			
10	SUPER FERRY 1 MANILA - LOLO	544 - 930				
11	SUPER FERRY 2 CEBU - MANILA SAT	2000 - 2400				
12	SUPER FERRY 3 ZAMBOANGA - MANILA ROXAS - MANILA	2500 - 3700 12X/12X 2X				

*Note: Philippine hotel rooms average US\$150/Day or P4040 pesos

PECC S&T TASK FORCE

DRAFT PROGRAMME

- November 15,16. 1993 Tech. Transfer Workshop Hong Kong
- November 17 1993 Task Force Meeting
- March 1994. PECC X Kuala Lumpur (and Task Force Meeting)
- July/August 1994 IAG Meeting Manila, Philippines ??
- November 1994 Workshop on HRD/TQA Manila Philippines
- May 1995 Workshop on "Clean Technologies" Vancouver Can.?
- July /August 1995 IAG Meeting New Zealand? / Korea?
- October 1995 PECC XI Beijing

OTHER SUGGESTIONS

- May 1994 Basic Research Review, Kuala Lumpur (PECC X)
- November 1994 Hong Kong follow-up Seoul, Korea

Summary for the PECC S&T Task Force of the Fourth APEC Working Group
Meeting on Expansion of Investment and Technology
Transfer, Seoul, Republic of Korea 18 - 20 May 1993 .

Sung Chul CHUNG
S&T Subcommittee, KOPEC

o The Fourth APEC Working Group Meeting on Expansion of Investment and Technology Transfer was held in Seoul on 18-20 May 1993. Delegates from Australia, Brunei, Canada, The People's Republic of China, Hong Kong, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Chinese Taipei, Thailand, and U.S. attended.

o Japan, Indonesia, and Philippines are Shepherds for the Working Group on Expansion of Investment and Technology Transfer.

o INDUSTRIAL SCIENCE AND TECHNOLOGY INITIATIVE

1. The APEC Secretariat brought to the attention of the Working Group members the "Science and Technology Initiative" which was discussed at Williamsburg SOM.
2. The Meeting reviewed the extract of the Summary Conclusions of the SOM held in Williamsburg, Virginia in March, 1993, in relation to the Science and Technology Initiative put forward by the People's Republic of China.
3. Confirming the consensus reached on the importance of science and technology in maintaining the industrial vitality and dynamism of the Asia-Pacific economy, the Meeting expressed its willingness to incorporate science and technology activities into this Working Group, and to submit it to the next SOM in Seattle for its consideration.
4. The Japanese delegation briefed the Meeting on the Informal Meeting of Industrial Science and Technology held in Tokyo in March this year. The Meeting recognized the importance of increasing mutual understanding in this field. The Meeting also expressed its appreciation to the Japanese delegation for its efforts. Japan proposed to establish a Round Table on

Industrial Science and Technology within this Working Group, and also expressed its willingness to initiate the first round table meeting in Japan this September. The meeting agreed to have a special meeting on industrial science and technology in Japan, and to inform the Senior Officials at their next meeting.

5. China reconfirmed its initiative to host a seminar on science and technology and industrial parks, discussions for the preparation of which was suggested for the upcoming special meeting on industrial science and technology in Japan.
6. In this connection, China expressed its interest in being one of the Shepherds of this Working Group. The Meeting agreed to this and to submit it to the next SOM for consideration.
7. In order to duly reflect the importance of industrial science and technology activities in this Working Group, it was also suggested that the present Working Group be renamed to "Investment and Industrial Science and Technology." The Meeting agreed to submit it to the next SOM for its consideration.

TRIP REPORT

Meeting Dates: 21-23 July 1993

Meeting Venue: Seattle, Washington

Participants: Janet Pearce
Deputy Director

Purpose: 4th APEC Working Group Meeting on Transportation

REPORT:

The responsibilities assumed by the US-PECC offices during this meeting of the APEC Transportation Working Group were numerous. The following is a brief list.

- 1) Presentation on existing PECC Work Programs and Proposal for a joint PECC-APEC project on transportation bottleneck alleviation in the Asia-Pacific region.

In addition to the presentation of a report on our last Triple-T task force meeting, I was also responsible for presenting a U.S. initiated proposal for a joint PECC/APEC bottleneck project and for responding to comments and suggestions. The delegates were quite interested and agreed that a project of the nature we had described would be useful. It was agreed that the Shepherd's office would work with PECC to find funding for the project and to arrange a network of contributors.

- 2) Support for an ICAO/PATA/IATA proposal for an APEC Transportation Ministers Meeting.

During the last PECC meeting it was agreed that a meeting of the Transportation Ministers of the APEC economies would be needed within the next few years to expand the dialogue between the APEC economies on a number of critical infrastructure and regulatory matters. PECC worked with the various aviation associations to form a presentation to the APEC Working Group and worked to enlist the support of representatives from other transportation modes.

3) Organization of private sector presentations in the APEC Facilitation Workshop and of private sector observers in the APEC Working Group meeting.

The Transportation Working Group is unique in its orientation in as much as it always arranges to have its working group meeting preceded by a workshop that is chaired by APEC delegates but open to the general public and that solicits private sector panels and presentation. It was our responsibility to publicize this workshop and help enlist participants in the meeting. Over 20 private sector representatives from the US attended. In addition to this, the APEC Working Group on Transportation encourages private sector observers in their meetings and has allocated an afternoon for private sector presentations. Five companies made presentations.

4) Development and coordination of private sector sponsored meals, receptions and tours for the visiting APEC delegates.

US-PECC was responsible for organizing the luncheon and reception for the facilitation workshop as well as the receptions on the first two evenings of the APEC Working Group meeting. The agendas and lists of sponsors are provided.

Report Prepared By: Janet Pearce

Date Prepared: August 15 1993

AGENDA
FOURTH MEETING OF THE APEC TRANSPORTATION WORKING GROUP
SEATTLE, WASHINGTON, UNITED STATES

July 21-23, 1993

Morning Session - July 21, 1993
(8:30 - 12:00)

EAST BALLROOM

- I. OPENING STATEMENT BY SHEPHERD (U.S.)
- II. ADOPTION OF AGENDA
- III. PROGRESS REPORTS ON WORK PROJECTS
 - a. SURVEY OF TRANSPORTATION BOTTLENECKS (JAPAN)
 - b. SURVEY OF EXISTING TRANSPORTATION DATA (CANADA)
 - c. SURVEY OF TRANSPORTATION SYSTEMS (U.S.)

BREAK

- IV. DISCUSSION OF PROPOSED BUDGET FOR WORK PROJECTS
- V. NEW INITIATIVES
 - a. AUSTRALIAN PROPOSAL
 - b. RELATIONS WITH OTHER WORKING GROUPS

LUNCH - HOSTED BY THE UNITED STATES
ASPEN ROOM

Afternoon Session - July 21, 1993
(1:30 - 5:00)

- VI. PRESENTATIONS
 - a. PRESENTATION BY JOHN MEREDITH, AIR TRANSPORT ACTION GROUP (ATAG), "ASIA PACIFIC INFRASTRUCTURE: THE NEED FOR ACTION."
 - b. PRESENTATION BY DALLAS-FORT WORTH AIRPORT AUTH.
 - c. PRESENTATION BY LOUIS BERGER INT'L INC.
 - d. ESCAP PRESENTATION - IMPLEMENTATION OF THE TRANSPORTATION & COMMUNICATION DECADE
 - e. PECC PRESENTATION - AIRPORT SURVEY

(6:30 - 8:00)

RECEPTION - HOSTED BY THE U.S. TRANSPORTATION INDUSTRY

Morning Session - July 23, 1993

(8:30 - 10:00)

WEST BALLROOM

VII. PRESENTATIONS BY EACH DELEGATION HIGHLIGHTING KEY
TRANSPORTATION DEVELOPMENTS AND ACTIVITIES IN THEIR ECONOMY

BREAK

Morning/Afternoon Session - July 23, 1993

(10:30 - 12:00)

VIII. DISCUSSION: "A STATEMENT OF TRANSPORTATION POLICY
OBJECTIVES" (PREVIOUSLY IDENTIFIED AS THE VISION PAPER)

LUNCH - HOSTED BY THE UNITED STATES
GRAND BALLROOM A

(1:15 - 3:30)

CONTINUATION OF DISCUSSION ON " A STATEMENT OF TRANSPORTATION
POLICY OBJECTIVES" (PREVIOUSLY IDENTIFIED AS THE VISION PAPER)

BREAK

(3:30 - 5:00)

VII. CLOSING

- a. CO-CHAIRMAN'S REPORT
- b. DETERMINATION OF NEXT MEETING

RECEPTION - HOSTED BY THE PORT OF SEATTLE

*JULY 23RD IS RESERVED FOR A TOUR OF THE PORT OF SEATTLE AND THE
BOEING AIRCRAFT PLANT

Industry Sponsors

The Boeing Corporation

Dallas Fort Worth Airport

Port of Seattle

United Parcel Service

U.S. Sprint

ASIAN PACIFIC ECONOMIC COOPERATION
TRANSPORTATION WORKING GROUP
FACILITATION MEETING
JULY 20-23, 1993
AGENDA

REGISTRATION: METROPOLITAN BALL ROOM

Morning Session
Passenger and Cargo Processing

July 20: 8:30 a.m.
METROPOLITAN BALL ROOM

Welcome: Chair, APEC Transportation Working Group

Vice-Chairs: Dan White - Canada
Cliff Woodward - United States

I. Passenger Processing

Panel Presentation:

- A. Advance Passenger Information System
 - 1. U.S. Customs Service
 - 2. U.S. Immigration and Naturalization Service
- B. Joint Advance Passenger Information System between U.S., Australia and New Zealand
 - 1. Australia and New Zealand Customs and Immigration
- C. Use of Biometric Technology in Passenger Processing
 - 1. Immigration and Naturalization Representatives
 - 2. Air transport Association

Problems and Issues: Summary by Chair

Questions and Answers

(Break)

Panel Presentation:

II. Cargo Processing

- A. Presentation on the Asean Cargo Transport Study
- B. Facilitation Issues in ESCAP (Economic and Social Commission for Asia and the Pacific)
- c. Use of New Inspection Technologies--X-rays and other Devices
 - 1. U.S. Customs Service
 - 2. Chinese Taipei
 - 3. Hong Kong

III. Questions and Answers

IV. Summary of Problems and Issues: Chair

Lunch: HOSTED BY U.S. INDUSTRY
SPEAKER: MR. JOHN MILLER
DISCOVERY INSTITUTE

Afternoon Session
Electronic Data Interchange (EDI)

Opening Comments: Chair, Transportation Working Group

Vice Chair

Panel Presentation

V. Electronic Data Interchange

- A. Implementation of UN/EDIFACT and its Contribution to Trade and Travel Facilitation

Pan American Rapporteur /UN/EDIFACT

(Break)

VI. EDIFACT Users - Panel Presentation

- 1. U.S. Customs Service
- 2. Transportation Industry Users
 - a. Air - Federal Express, UPS, Northwest Airlines, Air Transport Association
 - b. Maritime - Port of Seattle, APL, Empire

Go

Stevedoring (Vancouver)

VII. Telecommunication /Value Added Networks

1. Chair, APEC Telecommunication Working Group

VII. Questions and Answers

VIII. Summary of Problems and Issues: Chair

IX. Closing Comments

TRIP REPORT

Meeting Dates: 13-14 September 1993

Meeting Venue: Vancouver, Canada

Participants: Mr. G. Stephen Crane
President
Crane International

Other U.S. Participants:

Mark Freeburg, Vice President, Natural Resource
Consultants

Purpose: PECC Fisheries Task Force Workshop

REPORT:

This was the seventh workshop of the Task Force. The purpose was to review progress to date, draft future plans, and discuss major policy issues.

See attached report.

Report Prepared By: Mark Borthwick

Date Prepared: October 1, 1993

DRAFT

REPORT ON
THE SEVENTH WORKSHOP OF THE PECC TASK FORCE
ON FISHERIES DEVELOPMENT AND COOPERATION
SEPTEMBER 1993

Gordon R. Munro
Task Force Coordinator

October 1993

Introduction:

The Task Force on Fisheries Development Cooperation held its Seventh Workshop in Vancouver, Canada, on September 13-14, 1993. Twenty-one Pacific countries and entities were represented at the Workshop, as were six regional and international organizations. Of particular note was the presence of the delegation from Vietnam. This was the first occasion that Vietnam was represented at a Fisheries Task Force activity. The Task Force looks forward to ongoing participation by Vietnam in the future work of the Task Force.

At its Seventh Workshop, the Fisheries Task Force reviewed its progress to date, drafted general plans for the future, and discussed two major policy issues of interest to Pacific fisheries. This report, and the accompanying recommendations to the PECC, reflect the deliberations which took place at the aforementioned Workshop.

The Fisheries Task Force's Relations with Other PECC Task Forces and Fora and with APEC:

It was noted at the Task Force's Seventh Workshop that the Fisheries Task Force was approaching its tenth anniversary. The Task Force was established by the Third PECC in November 1983 as the Task Force on Agricultural and Renewable Resources. The Task Force was to address issues in fisheries, agriculture and forestry, but was given instructions by the PECC to give particular attention to fisheries issues. At the Fourth PECC, the Task Force was instructed to divest itself of all non-fisheries concerns and became the Task Force on Fisheries Development and Cooperation.

The objective of the Task Force in its early years was to demonstrate that it was capable of achieving practical results in fisheries cooperation. The Task Force did demonstrate such a capability, particularly in the realm of South-South cooperation. The Task Force has succeeded in establishing interregional cooperative links between the coastal states of the ASEAN, the Pacific Island Nations, and Pacific Latin America. Such links had not existed prior to the advent of the Fisheries Task Force. In developing these links, the Fisheries Task Force has enjoyed generous financial support from the Canadian International Development Agency, through the Agency's Asia Branch and Management For Change Program.

With the establishment of APEC, however, the Fisheries Task Force has entered a new phase. The Fisheries Task Force must both respond to the emergence of APEC and to the changes occurring with PECC, as a consequence of the advent of APEC.

APEC established a Working Group on Fisheries in 1991. The PECC Fisheries Task Force has had a strong working relationship with the APEC Fisheries Working Group, since the latter's inception. There is an extensive cross-over in membership between the two. Furthermore, the APEC Fisheries Working Group has asked for the assistance of its PECC counterpart. Thus, for example, the APEC Fisheries Working Group requested that the Fisheries Task Force undertake a survey of non-tariff barriers to trade in fisheries products. The survey will be discussed in detail at a later point in the report.

Moreover, also to be discussed at a later point in the report is a proposal for a possible joint Fisheries Task Force - Fisheries Working Group project pertaining to fisheries education and training. The project, if it were to come to fruition, would be based upon a need and opportunity identified by the Fisheries Task Force.

APEC has a second working group focusing on marine issues, namely, the APEC Working Group on Marine Resource Conservation. The concern of this working group is on marine pollution, which has obvious implications for fisheries management.

Representatives of the APEC Marine Resource Conservation Working Group were present at the Fisheries Task Force Seventh Workshop. It was agreed that the Fisheries Task Force could usefully establish links with this second APEC working group. From the perspective of the APEC Marine Resource Conservation Working Group, the only feasible means at present by which it can establish links with the PECC is through the Fisheries Task Force.

Participants in the Fisheries Task Force are anxious to cooperate with both aforementioned APEC working groups. At the same time, however, the participants are equally anxious to ensure that the Fisheries Task Force retains its full independence. Significant differences exist between the Fisheries Task Force and its counterparts in APEC. The Task Force is informal, non-official and has direct participation by the private sector. Furthermore, the Fisheries Task Force has a much broader membership than either the APEC Fisheries Working Group, or the Marine Resource Conservation Working Group.

It is, therefore, recommended that:

- I. The PECC should instruct the Fisheries Task Force to maintain cooperation with the APEC Working Group on Fisheries and to explore opportunities for cooperation with the APEC Working Group on Marine Resource Conservation on matters of common interest, while retaining its independence.

It was brought to the attention of the Fisheries Task Force Workshop that the PECC Standing Committee is searching for means to rationalize the work of the PECC task forces and fora. It was also reported to the Workshop, although the report could not be confirmed, that thought was being given to merging the Fisheries Task Force with another PECC task force or forum. While the members of the Fisheries Task Force are pleased to cooperate with other PECC bodies, e.g. the Pacific Agriculture and Food Forum, they would view with alarm any attempt to bring about an outright merger between the Fisheries Task Force and another PECC body. The Fisheries Task Force is well established and has a well developed program. It has now established a strong relationship with one APEC working group and looks forward to establishing links with a second. A forced merger of the Fisheries Task Force with another PECC body would threaten to dilute, if not undermine, the work of the Task Force. It is, therefore, recommended that:

- II. While the PECC should encourage the Fisheries Task Force to cooperate with other PECC task forces and fora, the PECC should give appropriate recognition of the uniqueness of the Fisheries Task Force as a separate and distinct body in any rationalization of the PECC task forces and fora.

It was agreed that the future relationship of the Fisheries Task Force with APEC and with other PECC bodies was somewhat uncertain because the future relationship of the PECC as a whole with APEC is far from certain. In light of this uncertainty, it was agreed that it would be very helpful for future planning if a careful analysis and assessment of the Task Force's achievements to date were undertaken. It is, therefore, recommended that:

- III. The PECC should instruct the Fisheries Task Force to document and analyze the achievements of the Task Force since its inception and to outline further directions and potential projects or work programs, for the Task Force.

Interregional Cooperation Among Pacific Developing Coastal States:

The Fisheries Task Force has for many years sought to enhance fisheries cooperation between and among three regional groups of Pacific developing coastal states, namely the coastal states of the ASEAN, the Pacific Islands Nations, and Pacific Latin America. These efforts have led to the establishment of two informal bodies to coordinate such cooperation, the Western Pacific Fisheries Consultative Committee (WPFCC), which has a secretariat in Manila, and the Trans Pacific Fisheries Consultative Committee (TPFCC), which has a secretariat in Santiago, Chile.

The Fisheries Task Force Workshop was presented with a report on successful attempts to foster cooperation in fisheries research between the Pacific Islands and the ASEAN. The cooperative research has given particular emphasis to immensely valuable tuna resources shared by the two regional groups of coastal states. Research undertaken by the Pacific Islands regional organization, the South Pacific Commission (SPC), in cooperation with Philippine and Indonesian scientists, has done much to clarify the nature of the sharing of tuna resources between the two regional groups. Contrary to earlier expectations, the sharing of tuna resources between the Pacific Islands and the Philippines is limited. The sharing of tuna resources between the Pacific Islands and Indonesia, on the other hand, is massive. Such cooperative research, which is essential for effective resource management, has been brought about by the joint efforts of the Fisheries Task Force and the WPFCC.

Furthermore, the WPFCC has been instrumental in enabling the South Pacific Commission to assist both the governments of Indonesia and the Philippines in research on their respective domestic tuna resources. The SPC has, moreover, undertaken to train ASEAN fisheries scientists in the collection and analysis of tuna research data.

Significant progress has, as well, been made in interregional fisheries cooperation in the area of fisheries education and trade. The WPFCC mounted a conference for Pacific Island Nations and ASEAN specialists in fisheries education and training in April 1992. This was followed in October/November 1992 by a study tour of ASEAN fisheries education and training institutions for Pacific Island officials and education/training specialists. The study tour, which was very successful, is already bearing fruit. Pacific Island students are now coming to be placed in ASEAN fisheries education/training institutions. An interregional conference for educators in

community based fisheries management is being planned, which will be held in the Pacific Island Region. The Pacific Islands are more advanced than their ASEAN neighbours in community based fisheries management.

In 1991, the TPFCC organized a successful study tour of Pacific Latin America fisheries post harvest (i.e. handling and processing) training institutions for Pacific Islands specialists. As a consequence of the study tour, a fisheries post harvest technologist from the Peruvian Instituto Tecnológico Pesquero spent two months during the first half of 1992 in the Pacific Islands Region, lecturing and participating in training programs. This was seen as a first step developing an ongoing transfer of fisheries post harvest technology between Pacific Latin America and the Pacific Islands Region. Plans are now being developed to bring Pacific Islands students to Pacific Latin America fisheries post harvest research and training institutions.

In light of the ongoing successful work of the two consultative committees, it was agreed that the Fisheries Task Force should continue to give maximum support to these two bodies. It is thus recommended that:

- IV. The PECC should instruct the Fisheries Task Force to continue to give full support to the Western Pacific Fisheries Consultative Committee and the Trans Pacific Fisheries Consultative Committee.

The discussion on South-South cooperation in the area of fisheries education and training brought the Task Force Workshop back to the question of cooperation with APEC. It was observed that the APEC Working Group on Fisheries has taken a strong interest in fisheries education and training. This led to the suggestion that the PECC and APEC might usefully explore opportunities for entering into a collaborative undertaking in fisheries education and training.

To take but one example of a possible opportunity, the Fisheries Task Force and the WPFCC have, as was indicated earlier, succeeded in revealing that there are extensive opportunities for mutually beneficial cooperation in fisheries education and training between the Pacific Islands and the ASEAN. Such cooperation, as well as being mutually beneficial to the two regions, could benefit donor countries by leading to greater integration of donor supported education/training programs in the Pacific Islands and the ASEAN. The integration could lead to more efficient use of donor funds. The likelihood of successfully effecting the desired integration would be much greater if APEC support and collaboration could be obtained.

The Fisheries Task Force does, as a consequence, recommend that:

- V. The PECC should encourage the Fisheries Task Force to continue fostering cooperation in fisheries education and training. The PECC should, in addition, encourage the Fisheries Task Force to explore opportunities for collaboration with the APEC Working Group on Fisheries in the promotion of fisheries education and training in the Pacific region.

It was agreed further that the Fisheries Task Force should build upon its past success to explore other opportunities for facilitating cooperation in Pacific fisheries. In so doing, the Task Force should seek to ensure active participation by both the private and academic sectors. It is, therefore, recommended that:

- VI. The PECC should instruct the Fisheries Task Force, being mindful of its independent character and its past success in linking sub-regional fisheries bodies, to encourage and support further cooperative activity, and to encourage greater participation by industry and academia in its work.

Barriers to Trade in Fisheries Products:

An ongoing concern of the Fisheries Task Force has been that of enhancing the flows of trade in fisheries products in the Pacific. The issue, which is of interest to both developed and developing fishing nations, was discussed at some length at the Task Force's Seventh Workshop. The point was made that issues in trade in fisheries product cannot be divorced from issues of resource management. Barriers to trade can exacerbate resource management problems, and vice-versa.

Several years ago the Task Force undertook a well received survey of tariff barriers to trade. Leadership was provided by New Zealand. At the request of the APEC Working Group on Fisheries, the Task Force undertook to conduct a survey of non-tariff barriers to trade in fisheries products. Once again, New Zealand offered to provide leadership.

This undertaking was a much more demanding task than the survey of tariff barriers. Non-tariff barriers are often difficult to identify. What is perceived by one country as non-tariff barrier will be seen by another as a necessary instrument to protect the health and well being of the citizens of the country imposing the so called "barrier."

At the Sixth Workshop of the Fisheries Task Force held in February 1992, the New Zealand delegation presented a first draft of the survey of non-tariff barriers. The survey was based upon the barriers which the New Zealand fishing industry perceived itself facing in Pacific markets. The New Zealand delegation readily conceded that its survey was incomplete and invited participating members to add to the survey.

Since that time, there has been some progress in expanding the survey, but progress has been slow. It was agreed, however, that the survey would not go on indefinitely. It was agreed further that the survey should be completed by no later than mid-December 1993.

Countries, other than New Zealand, participating in the Fisheries Task Force were not, and are not, called upon to prepare their own separate full surveys. They were rather called upon to review the New Zealand draft of the survey, to determine the non-tariff barriers faced by their respective exporters of fish products not included in the New Zealand draft, and to report their findings to the New Zealand organizers of the survey. If a particular country has not so reported by mid-December 1993, it will be assumed that the non-tariff barriers facing exporters of fish products of that country are fully accounted for in the New Zealand draft survey.

It is, therefore, recommended that:

- VII. The PECC should instruct the Fisheries Task Force to complete its survey of non-tariff barriers to trade in fisheries products by no later than December 15, 1993.

Among the most difficult and controversial non-tariff barrier issues confronting trade in fisheries is the issue of non-tariff barriers associated with so called "environmental concerns." These barriers typically arise when one country chooses to punish a second country for tolerating unacceptable environmental damage in its fishing operations. The first country's punishment consists of a severe restriction on imports of fisheries products from the second country. To the second country, the restriction is a non-tariff barrier, to the first country it is nothing of the kind.

There was a spirited discussion of this issue at the Workshop. There was general agreement that the problem has increased in severity and can be expected to become worse over time. Interestingly, it was an issue in which coastal states and distant water fishing nations found themselves making common cause.

The issue is one that is difficult to address effectively. Private sector participants in the Workshop were particularly concerned that steps might be taken to attempt to mitigate the problem, which could, in the end, have the effect of doing precisely the reverse.

In May 1992, the government of Mexico, in cooperation with the Food and Agriculture Organization of the U.N., mounted the Conference on Responsible Fishing in Cancun. Arising from the Conference was the Declaration of Cancun. One section of the Declaration, Part 15, addresses the issue of the environment and trade in fisheries products. Part 15 of the Declaration does not dismiss environmental concerns out of hand, but rather argues that environmental policies should be focused on the root causes of environmental degradation and should not be used as a disguised restriction on trade.

The Declaration of Cancun was to have a significant impact on the United Nations Conference on the Environment and Development (UNCED), held in Rio de Janeiro in June 1992. Principle 12 of the Rio Declaration, brought forth by UNCED, addresses the issue of environment and trade in general. Principle 12 was clearly influenced by Part 15 of the Declaration of Cancun.

The Workshop agreed that Part 15 of the Declaration of Cancun and Principle 12 of the Rio Declaration provide a useful and constructive framework within which to address and analyze the issue of the environment, trade in fisheries products and non-tariff barriers. It was agreed further that APEC should be encouraged to give appropriate recognition to the relevant parts of the Declaration of Cancun and the Rio Declaration. Part 15 of the Declaration of Cancun and Principle 12 of the Rio Declaration are attached to this report as an appendix.

It is recommended that:

- VIII. In light of growing concerns about the use of so called "environmental" issues as a basis for unilateral trade intervention in the area of fisheries affecting both coastal states and distant water fishing nations alike, the PECC should encourage APEC to give appropriate recognition to Part 15 of the Declaration of Cancun and to Principle 12 of the Rio Declaration.

The Management of High Seas Fishery Resources:

A major issue which has emerged over the past few years in international fisheries is the management of fishery resources that are to be found both in the coastal state Exclusive Economic Zone (EEZ) and the adjacent high seas. These fishery resources are divided into two broad categories. The first consists of the so called highly migratory species, the most important of which are the tuna species. The Pacific has major tuna fisheries in both the western and eastern parts of the region. The second category consists of so called "straddling" stocks. The term is, to a considerable degree, a catchall term covering fishery resources, found in both the EEZ and adjacent high seas, other than highly migratory species. Examples of "straddling" stocks in the Pacific are provided by pollock in the Bering Sea, jack mackerel off of Chile and orange roughy off of New Zealand.

The high seas portions of highly migratory and straddling stocks are usually exploited by distant water fishing nations. The issue of managing such resources is difficult because the Law of the Sea Convention, arising from the U.N. Third Conference on the Law of the Sea, is vague on the division of rights, duties and obligations between distant water fishing nations and coastal states with respect to the high seas portions of the resources.

In December 1992, the U.N. announced that it was to convene an intergovernmental conference on the issue: the U.N. Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks. A preliminary session of the Conference was held in April 1993. The first negotiating session was held in July of the same year. Further sessions of the Conference are planned for 1994.

The Workshop had a lengthy discussion on the significance of the issue to the Pacific and received a report on the first negotiating session of the U.N. Conference. Several participants in the Workshop had been participants in the July 1993 session of the U.N. Conference.

The significance of the issue for the Pacific is straightforward. There is no region of the world for which the issue is more important than the Pacific.

The purpose of the discussion on the U.N. Conference to monitor the Conference and provide information on its progress. During the discussion there were several expressions of appreciation for the information that was being provided through the session.

It was learned that the first full session of the U.N. Conference achieved some measure of success by producing a Negotiating Text. Not surprisingly, the alignment emerging in the Conference is, not between developing and developed states, but is rather between coastal states and distant water fishing nations. Several very difficult issues remain to be negotiated at future sessions of the Conference, e.g. the division of resource management powers between coastal states and distant water fishing nations.

The Fisheries Task Force has as participants all of the Pacific Coastal states most affected by highly migratory and straddling fish stocks and has all of the major Pacific distant water fishing nations. It was agreed that these facts, combined with the informal and tri-partite nature of the PECC, meant that the Fisheries Task Force Workshop provided an excellent forum within which to discuss the issues emerging from the aforementioned U.N. Conference and their implications for the Pacific.

It was agreed further that the Fisheries Task Force should continue to monitor the developments in the aforementioned U.N. Conference. It is, therefore, recommended that:

- IX. The PECC should instruct the PECC Fisheries Task Force to disseminate and to discuss relating to the management of Highly Migratory Stocks and Straddling Stocks in the Pacific.

Conclusions:

The Seventh Workshop of the Fisheries Task Force was successful and productive. The Task Force looks forward to continuing its efforts to enhance and encourage cooperation in Pacific fisheries and to doing so in collaboration with its partners in APEC.

APPENDIX

UNCED: Principle 12 of Rio Declaration:

"Trade policy measures for environmental purposes should not restrict international trade. Unilateral actions to deal with environmental challenges outside the jurisdiction of the importing country should be avoided. Environmental measures addressing transboundary or global environmental problems should, as far as possible, be based on international consensus."

International Conference on Responsible Fishing Part 15 of the Declaration of Cancun

"States recognize that environmental policies should deal with the root causes of environmental degradation, thus preventing environmental measures from resulting in unnecessary restrictions to trade. Trade policy measures for environmental purposes should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade. Unilateral actions to deal with environmental challenges outside the jurisdiction of the importing country should be avoided. Environmental measures addressing international environmental problems should, as far as possible, be based on an international consensus. Domestic measures targeted to achieve certain environmental objectives may need trade measures to render them effective. Should trade policy measures be found necessary for the enforcement of environmental policies, certain principles and rules should apply. These could include, inter alia: the principle of non-discrimination; the principle that the trade measure chosen should be the least trade-restrictive necessary to achieve the objectives; an obligation to ensure transparency in the use of trade measures related to the environment and to provide adequate notification of national regulations; and the need to give consideration to the special conditions and developmental requirements of developing countries as they move towards internationally agreed environmental objectives."

**PAPERS PREPARED FOR THE SEVENTH WORKSHOP
OF THE PECC FISHERIES TASK FORCE**

- Plinio Arias Arias, "Colombian Fisheries"
- Canada, Department of Fisheries and Oceans, "Non-Tariff Barriers to Seafood Trade"
- Hugo Llanos, "Notes on the United Nations Technical Consultation on High Seas Fishing for Fish Stocks Occurring Both Within and Beyond the Exclusive Economic Zones and Highly Migratory Species"
- Marshall Moñat, "The Opportunity to Improve Pacific Trade in Fish Products"
- Byron Moya Reyes, "The Ecuadorian Perspective"
- Ulises Munaylla Alarcon, "Peruvian Overview of the Role of the PECC Fisheries Task Force in Pacific Fisheries Cooperation"
- Gordon R. Munro, "The PECC Fisheries Task Force's First Decade and Future Directions: An Overview"
- New Zealand, Ministry of Agriculture and Forestry, "PECC Fisheries Task Force Survey on Non-Tariff Barriers to Seafood Trade"
- Particio Pavey Carrera, "Proposed Cooperation in Fisheries Training and Education"
- Pham Thuoc, "Some Data on Fisheries Production and Mariculture in Vietnamese Sea Waters"
- Tatsuo Saito, "Management of Highly Migratory Species"
- South China Sea Project, "Statement on the Fourth Workshop on Managing Potential Conflicts in the South China Sea"
- South Pacific Commission, "Interactions Amongst Tuna Fisheries of Philippines, Indonesia and Adjacent Western Pacific Areas, Based on Tagging Experiments"
- South Pacific Commission, "Pacific Island Nations (PIN) Fisheries Officers Study Tour to ASEAN Fisheries Education and Training Institutions and Prospects for Development of ASEAN/PINs Cooperation in this Area"
- South Pacific Forum Fisheries Agency, "The Management of High Seas Fisheries Resources and the Pacific"

*Copies of any of the papers listed are available from the
Task Force Coordinator upon request.*

**PARTICIPANTS IN THE SEVENTH WORKSHOP
OF THE
PECC FISHERIES TASK FORCE**

MEMBER COMMITTEE OR COUNTRY	PARTICIPANT	TITLE & ORGANIZATION
AUSPECC	Mr. David Barnes	Assistant Secretary, Fisheries Policy Branch, Minerals & Fisheries Group Department of Primary Industries and Energy
CANPEC	Dr. John Davis	Director, Institute of Ocean Sciences Department of Fisheries and Oceans Sidney, B.C.
	Mr. Roderick Forbes	Biologist, Ocean Environment and Fisheries, Institute of Ocean Sciences Department of Fisheries and Oceans Sidney, B.C.
	Mr. Richard Gregory	Senior Vice-President, Administration British Columbia Packers Ltd. Steveston, B.C.
	Mr. Robert Hand	Vice President, Tuna and Aquaculture British Columbia Packers Ltd. Steveston, B.C.
	Mr. Richard Heroux	General Manager, Tuna Development British Columbia Packers Ltd. Steveston, B.C.
	Mr. Stewart Lewis	Policy Advisor, Office of Canadian Ambassador for Fisheries Conservation Department of External Affairs
	Mr. Kenneth Lucas	President, Agrodev Canada Ltd., Ottawa
	Ms. Evelyne S. Meltzer	President, Meltzer Research and Consulting Ltd., Halifax, NS
	Dr. Gordon Munro	Professor, Department of Economics University of British Columbia

MEMBER COMMITTEE OR COUNTRY	PARTICIPANT	TITLE & ORGANIZATION
CANPEC	Mr. C. Michael Renwick	President, C.M. Renwick Consulting Ltd. Port Moody, B.C.
	Dr. William Saywell	Chair, Canadian National Committee on Pacific Economic Cooperation, and President, Asia Pacific Foundation of Canada
	Dr. Ian Townsend-Gault	Professor, Faculty of Law University of British Columbia
	Mr. Steven Wright	Program Planning and Economics Branch Department of Fisheries and Oceans Vancouver, BC
CHILPEC	Prof. Patricio Pavez-Carrera	Professor, School of Marine Resources Universidad Catolica de Valparaiso
COLPEC	Sr. Plinio Arias-Arias	Head, Technical Regulations Division Department of Agriculture
COSTA RICA	Sr. Herbert Nanne	Deputy Director General, Fisheries Department of Agriculture
ECUADOR	Sr. Byron Moya Reyes	Director General, Department of Fisheries
INCPEC	Ambassador Hasjim Djalal	Indonesian Ambassador to Germany
	Dr. Nurzali Naamin	Director, Research Institute for Marine Fisheries, Department of Agriculture
JANCPEC	Mr. Satoshi Kuwahara	Section Chief, Ministry of Agriculture, Forestry and Fisheries Fisheries Agency of Japan
	Mr. Hiromoto Watanabe	Fisheries Planning Officer, International Affairs Division, Oceanic Fisheries Department, Fisheries Agency Ministry of Agriculture, Forestry and Fisheries

MEMBER COMMITTEE OR COUNTRY	PARTICIPANT	TITLE & ORGANIZATION
KOPEC	Dr. Seong-Kwae Park	Department of Fishery Economics Korea Rural Economic Institute
MANCPEC	Mr. Brahim Saleh	Director, Fisheries Management Division Department of Fisheries
MXCPEC	Sr. Rolando Monroy Soto	Advisor to the Minister, Secretaria de Pesca
NZCPEC	Mr. Grant Bryden	Policy Analyst, Fisheries Policy Ministry of Agriculture and Fisheries
	Mr. Michael Riepen	Advisor-International, Fisheries Policy Ministry of Agriculture and Fisheries
REPUBLIC OF PALAU	Mr. Victorio Uherbelau	Presidential Legal Advisor Foreign Affairs Bureau and Chairman, Forum Fisheries Committee
PAPUA NEW GUINEA	Mr. Joseph Gabut	Secretary, Department of Fisheries and Marine Resources, and Deputy Chairman, Forum Fisheries Committee
PERUPEC	Dr. Ulises Munaylla Alarcon	Advisor, Ministry of Fisheries
	Sra. Lola Dulanto de Soldi	Assistant to Director, TPFCC
PPECC	Atty. Reuben A. Ganaden	Legal Officer IV, Bureau of Fisheries and Aquatic Resources Department of Agriculture
	Dr. Raphael Lotilla	Director, Institute of International Legal Studies, University of the Philippines

**MEMBER COMMITTEE
OR COUNTRY**

PARTICIPANT

TITLE & ORGANIZATION

MEMBER COMMITTEE OR COUNTRY	PARTICIPANT	TITLE & ORGANIZATION
RUSPEC	Mr. Vadim M. Broukhis	Deputy Chief, Department of Raw Materials and Fisheries, Fisheries Committee of Russian Federation
	Mr. Alexander Medwedev	Vice-Governor, Administration of Sakhalin Region
	Mr. Alexandre Popov	General Director, Binom Company Sakhalin Region
	Mr. Valery Shegnagaev	Chairman, Fishery Kolkov Vostok
CTPECC	Dr. Chien Chen Ming	Professor, National Taiwan University
	Mr. Tah-Wei Chu	Head, Department of Aquaculture National Koashiung Institute of Marine Technology
	Mr. Chuang-Ti Chueh	President, Taiwan Fisheries Consultants Inc.
	Dr. Shean-Ya Yeh	Professor, Institute of Oceanography National Taiwan University
	Ms. Ro-Chan Yu	Senior Assistant Research Fellow Taiwan Institute of Economic Research
TNCPEC	Mr. Chaipat Rojanavipart	Chief, Planning and Budgeting Sub-Division, Department of Fisheries Ministry of Agriculture and Cooperatives
USNPEC	Mr. Boris Alkhazov	President, Fishery Kolkoz Vostok
	Mr. G. Stephen Crane	President, Crane International Inc., Seattle
	Mr. Mark Freeberg	Vice-President, Natural Resources Consultants Inc., Seattle
	Mr. Mikhail Miasnikov	General Manager, Marine Resources Company International Inc., Seattle

**MEMBER COMMITTEE
OR COUNTRY**

PARTICIPANT

TITLE & ORGANIZATION

VIETNAM

Eng. Nguyen Van Chau

Deputy Director, Department of Fisheries
Management, Ministry of Fisheries

Mr. Hoang Ngoc Giao

Director of Ocean Management Information
Centre, Continental Shelf Committee

Dr. Pham Thuoc

Vice-Director, Institute of Aquatic
Products, Ministry of Fisheries

Dr. Tran Cong Truc

Vice-Chairman, Continental Shelf Committee

ORGANIZATION

PARTICIPANT

TITLE

**COMISION PERMANENTE
DEL PACIFICO SUR**

Ambassador Hugo Llanos M.

Secretary-General

FAO of the U.N.

Mr. Joaquin Cortez

FAO of the Fishery Planning Officer
Fisheries Department

**FORUM FISHERIES
AGENCY**

Mr. Andrew Wright

Deputy Director

**SOUTH PACIFIC
COMMISSION**

Mr. Julian Dashwood

Fisheries Coordinator

**TRANS-PACIFIC
FISHERIES CONSULTATIVE
COMMITTEE (TPFC)**

Ambassador Hugo Llanos M.

Director

**Western Pacific Fisheries
Consulate (WPFCC)**

Ms. Elvira Baluyut

Director

TRIP REPORT

Meeting Dates: 14-16 September 1993

Meeting Venue: Manila, The Philippines

Participants: Janet Pearce
Deputy Director

Purpose: 8th APEC Working Group Meeting on Telecommunications

REPORT:

In addition to our responsibility for the organization of private sector presentations and general attendance in the APEC Working Group meeting, I was also responsible for leading discussions in the sub-group on Data Compilation (DC) and for the construction of a report by this sub-group to the plenary working group. Since the U.S. Chair of the Working Group was experiencing staff shortages, and since the US-PECC offices have worked closely with the Shepherd's office to both construct the data compilation questionnaire and to convene meetings where the results of the government's data compilation efforts are studied by industry representative, I was included as a member of the U.S. APEC delegation and given responsibility for the DC sub-group.

Beneficial discussion occurred in the sub-group as to ways to assist those economies who had not yet been able to make submissions to the APEC group and suggestions were noted for future improvement of the questionnaire. The PECC's efforts to organize a second Pacific Telecommunications Roundtable were widely supported. In addition, during a presentation on general PECC work programs identified with telecoms, numerous economies expressed their support for the continuing association of PECC and APEC working groups.

Manila Trip Report
Page Two

In addition to the convening, rapporteuring, and presentation responsibilities, I was held responsible for liaising with the U.S. business representatives observing the meeting. Among this group we had representatives from AT&T, NYNEX, United Parcel Service, PanAmSat, IBM and Comsat.

Report Prepared By: Janet Pearce

Date Prepared: November 1, 1993

OPENING CEREMONIES
APEC WORKING GROUP ON
TELECOMMUNICATIONS
(EIGHTH MEETING)
MANILA, PHILIPPINES
14-16 SEPTEMBER 1993

P R O G R A M M E

- I. PHILIPPINE NATIONAL ANTHEM

- II. OPENING REMARKS - FEDERICO M. MACARANAS
Undersecretary for Economic, Science
and Technology, and Development
Cooperation
Department of Foreign Affairs (DFA)

- III. WELCOME ADDRESS - JOSEFINA T. LICHAUCO
Undersecretary for Communications
Department of Transportation and
Communications (DOTC)

- IV. KEYNOTE ADDRESS - HON. JESUS B. GARCIA, JR.
Secretary
Department of Transportation and
Communications (DOTC)

APEC: EIGHT MEETING OF THE WORKING GROUP ON TELECOMMUNICATIONS - ANNOTATED AGENDA

APEC WORKING GROUP ON TELECOMMUNICATIONS
EIGHTH MEETING, MANILA PHILIPPINES
SEPTEMBER 13-16, 1993
DRAFT ANNOTATED AGENDA

MONDAY, SEPTEMBER 13

DELEGATES ARRIVE P.M. REGISTRATION
EARLY EVENING-MEETING OF WGT SHEPHERD WITH PROJECT
RAPPORTEURS

TUESDAY, SEPTEMBER 14

PROJECT GROUPS MEET CONCURRENTLY

8:00 - 9:30 REGISTRATION

9:30 - 12:20 MEETINGS

CONFERENCE ROOM A DATA COMPILATION
REVIEW SUBMISSIONS BY MEMBER
ECONOMIES FOR THE 1993 STATE OF
TELECOMMUNICATIONS INFRASTRUCTURE
AND REGULATORY ENVIRONMENT OF
APEC ECONOMIES WITH A VIEW TOWARD
FINALIZING SUBMISSIONS TO GO TO THE
PRINTER.

CONFERENCE ROOM B - EDI
SUGGESTED TOPICS - EDI/APEC INITIATIVE WITH BROKEN HILL
PROPRIETARY CO. LTD.; UPDATES OF EDI
ACTIVITIES IN MEMBER ECONOMIES; EDI
INITIATIVE WITH SMALL BUSINESSES;
ANALYSIS OF ELECTRONIC COMMERCE IN
APEC; EDI TRAINING FACILITIES IN
REGION.

CONFERENCE ROOM C - HRD
REVIEW OF USG FUNDED APEC TRAINING
NEEDS ASSESSMENT BASED ON THE
PHILIPPINES, INDONESIA AND THAILAND,
REVIEW OF OTHER HRD PROJECTS.

CONFERENCE ROOM D - INFRASTRUCTURE
FURTHER DISCUSSION ON THE PROPOSED
APEC MANUAL ON INFRASTRUCTURE AND
REVIEW OF THE PROPOSED MANUAL'S
OUTLINE.

12:00 - 2:00 - LUNCH

2:00 - 5:00 - RESUMPTION OF PROJECT MEETINGS

WEDNESDAY, SEPTEMBER 15 AND THURSDAY, SEPTEMBER 16
PLENARY SESSIONS

1. WELCOME AND INTRODUCTION
WELCOMING REMARKS FROM THE PHILIPPINES HOST AND CO-
CHAIRMAN OF THE MEETING, INTRODUCTION BY THE SHEPHERD.
2. ADOPTION OF AGENDA
3. REVIEW AND PROGRESS SINCE SEVENTH MEETING (MARCH, 1993)
AND APEC DEVELOPMENTS
4. VOLUNTARY REPORTS OF MEMBER ECONOMIES ON NEW
POLICIES/REGULATIONS/INFRASTRUCTURE DEVELOPMENT SINCE
MARCH, 1993
5. DRAFT MINISTERIAL STATEMENT
REVIEW AND FINALIZE PROPOSED MINISTERIAL STATEMENT FOR
APPROVAL BY THE SENIOR OFFICIALS MEETING IN HONOLULU.

6. POLICY, PRIORITIES, PARTICIPATION
 - (A) REQUEST FOR PARTICIPATION IN WGT ACTIVITIES REVIEW APEC POLICY ON GUEST AND CONSIDER THE POSSIBILITY OF INVITING GUESTS TO ATTEND OR PARTICIPATE IN FUTURE WGT ACTIVITIES.
 - (B) COORDINATION WITH OTHER APEC WGS
 - (C) PUBLICATIONS POLICY REVIEW APEC SECRETARIAT'S PUBLICATIONS POLICY
 - (D) USE OF CONSULTANTS/EXPERTS REVIEW APEC SECRETARIAT'S POLICY ON EXPERTS AND CONSULTANTS.
7. BUDGET ISSUES
 - (A) STATUS OF DISBURSEMENTS FOR 1993
 - (B) PROJECT PROPOSALS FOR 1994 FUNDING & PRIORITIZATION
8. REPORT OF THE APEC WGT PROJECT GROUPS
 - (A) DATA COMPILATION
 - (B) ELECTRONIC DATA INTERCHANGE (EDI)
 - (C) INFRASTRUCTURE
 - (D) HUMAN RESOURCE DEVELOPMENT (HRD)
9. OTHER PROPOSED PROJECTS
 - (A) STANDARDS
10. FUTURE MEETINGS
11. OTHER BUSINESS
12. REVIEW OF CHAIRMAN'S REPORT

TRIP REPORT

Meeting Dates: 15-16 November 1993

Meeting Venue: Hong Kong

Participants: Dr. Denis Fred Simon
Director, Center for Science & Technology Policy
Fletcher School of Law and Diplomacy
Tufts University

Other U.S. Participants:

Alan Bickell, Vice President, Hewlett-Packard Co.
Norman Neureiter, Vice President, Texas Instruments, Inc.
Mahal Mahan, Director, Technology Infrastructure, AT&T

Purpose: PECC Science & Technology Workshop
on Technology Transfer Issues

REPORT:

The purpose of this meeting was to foster a tripartite (business, government, academic) examination of issues in technology transfer, particularly as they relate to the "software" dimensions. Denis Simon served as program chair. Business participants were all session presenters or leaders.

See the attached preliminary report. A publication of some of the discussion and presentations is planned.

Report Prepared By: Mark Borthwick

Date Prepared: December 1, 1993



Pacific Economic Cooperation Council

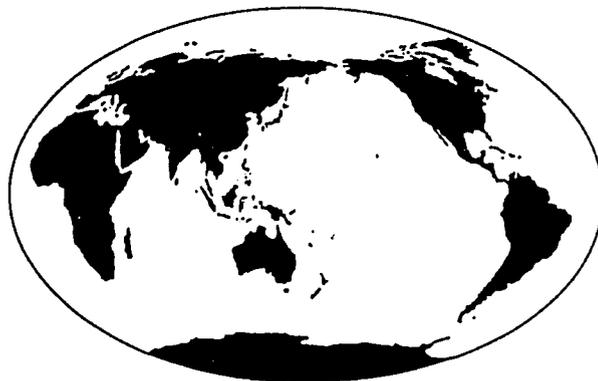
Science and Technology Task Force

Workshop for

Technology Transfer

*A Tripartite Approach to International Technology Transfer
An Examination of the "Software" Dimension*

15 - 16 November 1993
New World Harbour View
HONG KONG



Organized By:

PECC Science and Technology (S&T) Task Force
Hong Kong Committee for Pacific Economic Cooperation (HKCPEC)
United States National Committee for Pacific Economic Cooperation (USNCPEC)
Hong Kong Industry Department
Hong Kong Industrial Technology Centre Corporation

Sponsors:



China Venturetechno International Co., Ltd



Hayes Microcomputer Products, Inc



Hewlett-Packard Company



Lam Soon Hong Kong Group



Motorola Semiconductors Hong Kong Ltd

NEC N E C Technologies Hong Kong Limited



The British Council

Objectives of Technology Transfer Workshop

During the past two decades, the role of science and technology has gained greater importance in the process of economic development and national competitiveness. This has resulted in increased attention to technology transfer.

Technology transfer raises many trends and issues which must be addressed:

- (1) Globalization of the international technology market
- (2) Moving technologies across borders at a much earlier point in the product life cycle
- (3) Proliferations of international technology transfer mechanisms: accelerating "techno-nationalism"
- (4) "Software" as an increasing focus of negotiation in technology transfer
- (5) The widening gap between the technology "haves" and "have nots"

This Workshop will re-examine many of the common assumptions regarding cross-border technology transfer in view of these five major highlighted trends; and highlight the tripartite roles of business, government, and universities.

The Workshop will demonstrate the importance of upgrading technology industries for the Asia Pacific Rim. The focal point of the workshop will be on the "software" dimension of international technology transfer -- the intangible information that provides the commands for the hardware.

The products of the Workshop will include (a) a conference report with a set of recommendations to the PECC Secretariat for improving technology transfer among the PECC members and (b) an edited volume containing the best papers from the conference.

Co-Chair:

Dr. Winston W. Liang
Hong Kong Industrial Technology Centre Corporation

Professor Denis Fred Simon
Tufts University, USA

Members of the Organising Committee:

Mr. Raymond Young
Hong Kong Government Industry Department

Mr. Stephen So
Rayovac Far East Limited

Mr. Michael Denny
City Polytechnic Hong Kong

Mr. Ronald Cheung
Hong Kong Productivity Council

Mr. Vincent Wong
Hong Kong Industrial Technology Centre Corporation

Secretariat:

Ms Kathleen Ng



Monday, 15 November, 1993

8:00 a.m. - 8:30 a.m.
Registration

8:30 a.m. - 9:00 a.m.
Introduction

Welcome Address

9:00 a.m. - 11:00 a.m.

Overview of the Technology Transfer Issue

Session One

1. Government Perspectives on the Transborder Flow of Technology
2. Corporate Perspectives on the Evolving Structure of International Technology Markets
3. Universities and Their Roles in International Technology Access
4. Discussion

11:00 a.m. - 11:30 a.m.
Break

11:30 a.m. - 1:30 p.m.

Key Players in the International Technology Transfer Game

Co-Chair:

Hong Kong
Dr. Winston W. Liang
Chief Executive Officer, Hong Kong Industrial Technology Centre Corporation

China
Professor Wu Yikang
Vice Chairman, China Association for International Science & Technology Cooperation
Co-Chair, PECC Science & Technology Task Force

Speaker:

Hong Kong
Dr. The Hon. Raymond Ch'ien
Group Managing Director, Lam Soon Hong Kong Group
Chairman, Industry and Technology Development Council

Chair:

New Zealand
Dr. Alan Frampton
Chairman, New Zealand Pastoral Agricultural Research Institute

Speaker:

USA
Dr. Mahal Mohan
Technology and Infrastructure Director, AT & T

Chinese Taipei
Mr. Chin-Lung Yeh
Vice President, Chinese Petroleum Corporation

Hong Kong
Professor Charles K. Kao, CBE
Vice Chancellor, Chinese University of Hong Kong

Discussant:

Canada
Dr. Karen Minden
Associate Professor/Director, Policy Studies,
Centre for Higher Education Research and Development,
The University of Manitoba

Hong Kong
The Hon. Professor Edward Chen
Director, Centre of Asian Studies,
University of Hong Kong

Chair:

Chinese Taipei
Dr. Ling Yuan Chen
Vice President/General Director of Energy & Resource
Laboratory, Industrial Technology Research Institute,
Hsinchu

Session Two

1. The Multinational Firm as a Purveyor of Technology in an Age of Globalization
2. Buyer-Supplier Relationships in International Technology Transfer
3. Brokering Technology for Global Markets: The Role of Technology Transfer Intermediaries
4. Discussion

Speaker:

Singapore
Mr. Kai-Thye Goh
Manager, Technology Transfer, Institute of Systems Science, National University of Singapore

Japan
Mr. Yasukuni Kotaka
Vice President, NEC

Hong Kong
Mr. Michael Denny
Senior Lecturer, Department of Computer Science, City Polytechnic of Hong Kong

Discussant:

Korea
Dr. Andrew Chanho Sonu
Attorney at Law & Patent Attorney, Shin & Shin Law Offices

Hong Kong
Mr. Andy Ng
General Manager - Asia Pacific, Hayes Microcomputer Products, Inc

1:30p.m. - 2:30p.m.

Lunch

2:30 p.m. - 4:30 p.m.

**Sourcing Technology:
The Dialectic Between Liberalization
& Techno-Nationalism**

Chair:

Japan
Professor Eiji O' Shima
Professor Emeritus, Tokyo Institute of Technology

Speaker:

Korea
Dr. Yoo Soo Hong
Research Fellow, Korea Institute for International Economic Policy

USA
Professor Denis Fred Simon
Associate Professor of International Business, Fletcher School of Law and Diplomacy, Tufts University

Japan
Dr. Shujiro Urata
Professor of Economics in School of Social Science, Waseda University

Discussant:

Malaysia
Dr. Hamzah Kassim
Director of Science and Technology, Ministry of Science, Technology & Environment

Hong Kong
Professor Gareth Thomas
Director, Technology Transfer Centre, The Hong Kong University of Science & Technology

Session Three

1. Leveraging Technology for Strategic Advantage in Global Market
2. The Impact of "Techno-Nationalism" on Access to Technology
3. Alternative Methods of Sourcing Technology: An Analysis of the Costs and Benefits
4. Discussion

6:00 p.m.

Boat Trip to Aberdeen Marina Club

7:00 p.m.

Dinner Programme

Chair:

Hong Kong
Miss Denise Yue, JP
Director-General, Industry Department

China Venturetechno International Co., Ltd
Hayes Microcomputer Products, Inc
Hewlett-Packard Company

Sponsors' Night

Systems

8:30 a.m. - 10:30 a.m.

Acquisition: Critical Issues Regarding the Acquisition of Technology

Chair:

China
 Professor Wu Yikang
Vice Chairman, China Association for International Science & Technology Cooperation
Co-Chair, PECC Science & Technology Task Force

Science,

Session Four

1. The Growing Role of Intellectual Property Rights in Technology Transfer

Speaker:

United Kingdom
 Mr. Hugh Cameron
Senior Research Fellow, Centre of Policy Research in Engineering, Science & Technology, University of Manchester

2. Evolving Regulatory Frameworks for Acquisition of Foreign Technology: A Comparative Perspective

Mexico
 Mr. Jorge Amigo
Director-General for Technology Department, Ministry of Trade and Industry

3. The Meaning of Technological Self-Reliance in an Increasingly Interdependent World Economy

China
 Ms. Qiu Xiaoling
Deputy Director, Software Division, Torch High Technology Industry Development Centre, State Science & Technology Commission of China

4. Strategic and Legal Perspectives on International Technology Licensing

Korea
 Dr. Andrew Chanho Sonu
Attorney at Law & Patent Attorney, Shin & Shin Law Offices

5. Discussion

Discussant:

Indonesia
 Dr. Amru Hydari Nazif
Assistant to the Vice Chairman, Indonesian Institute of Sciences

nology

ational

ss,
 's University

Korea
 Dr. Yoo Soo Hong
Research Fellow, Korea Institute for International Economic Policy

Science,

10:30 a.m. - 11:00 a.m.

Break

11:00 a.m. - 1:00 p.m.

The Adaptation and Diffusion of Technology

Chair:

USA
 Mr. Alan Bickell
Senior Vice President, Managing Director, Worldwide Geographic Operations, Hewlett-Packard Company

ry of Science,

Session Five

1. Critical Requisites for Effective Digestion of Imported Technology

Speaker:

China
 Mr. Yin Zhihe
Vice-Chairman, Beijing Association for Software Industry

2. The Role of Industrial Standards in Technology Transfer

Australia
 Mr. Bob McCluskey
Managing Director, Quality Assurance Services (Subsidiary of Standard Australia)

3. Human Resources Issues and the Assimilation of Foreign Know-How

Canada
 Professor Rosalie Tung
Faculty of Business Administration, Simon Fraser University

chnology



4. Discussion

1:00 p.m. - 3:00 p.m.

Lunch (With Keynote Speech)

**Building Trans-border Alliances for Technology
Collaboration across the Pacific Rim**

3:00 p.m. - 3:30 p.m.

**Special Topic:
Potential Technology Cooperation within
"Greater China"**

3:30 p.m. - 4:15 p.m.

Wrap-up Discussion

4:15 p.m. - 5:00 p.m.

Conclusion & Recommendations

5:00 p.m. - 5:10 p.m.

Closing

Discussant:

Philippines

Dr. Ceferino Follosco

*Chairman, Agro-Industrial Management and
Consultation*

Chinese Taipei

Professor Chi Schive

*Director, Department of Economics,
National Taiwan University*

Chair:

Singapore

Dr. Wong Poh Kam

*Director, Centre for Management of Technology,
National University of Singapore*

Speaker:

USA

Dr. Norman P. Neureiter

Vice President, Texas Instruments Asia Ltd

Speaker:

Hong Kong

Professor Poon Chung Kwong, OBE, JP

Director, Hong Kong Polytechnic

Co-Chair:

New Zealand

Mr. Mike A. Collins

*Executive Director, New Zealand Association of Crown
Research Institutes (Inc.)*

Co-Chair, PECC Science & Technology Task Force

Hong Kong

Mr. Raymond Young

*Assistant Director-General of Industry,
Technology Development, Industry Department*

Germany

Dr. Detlef Rehn

Taipei Correspondent, Foreign Trade News Cologne

Co-Chair:

Hong Kong

Dr. Winston W. Liang

*Chief Executive Officer, Hong Kong Industrial
Technology Centre Corporation*

USA

Professor Denis Fred Simon

*Associate Professor of International Business,
Fletcher School of Law and Diplomacy, Tufts University*

Chair:

New Zealand

Mr. Mike A. Collins

*Executive Director, New Zealand Association of Crown
Research Institutes (Inc.)*

Co-Chair, PECC Science & Technology Task Force

PECC SCIENCE AND TECHNOLOGY TASK FORCE

REPORT TO COORDINATING GROUP

KUALA LUMPUR, NOVEMBER 1993

SUMMARY OF CURRENT ACTIVITIES

CONCLUSIONS AND RECOMMENDATIONS OF LAST MEETINGS

Since the last Coordinating Group (CG) meeting in January 1993 the Science and Technology Task Force (STTF) has held the following meetings and Workshops:

- 1 An Advisory Group meeting in Hong Kong, 25/26 February 1993
- 2 An Advisory Group meeting in Sapporo, Japan, 9 July 1993.
- 3 A Workshop on Technology Transfer, Hong Kong, 15/16 November 1993.
- 4 A full Task Force meeting, Hong Kong, 17 November 1993.

Advisory Group Meetings, Hong Kong and Sapporo

The main conclusions and recommendations of these meetings were followed up at the recent Task Force meeting held in Hong Kong. Consequently, the items discussed in these meetings will be covered in the report of the recent full Task Force meeting.

S&T Task Force Meeting, Hong Kong, 17 November 1993

Technology Transfer Workshop in Hong Kong

The Science and Technology Task Force held a successful Workshop in Technology Transfer in Hong Kong between 15/16 November 1993. The Workshop was entitled "A Tripartite Approach to International Technology Transfer - An Examination of the 'Software' Dimension". One hundred and forty delegates (including 74 from overseas) attended the Workshop. These delegates included 78 (56%) representing the private/business sector.

The themes of the Workshop were:

- the overview of the technology transfer issue
- key players in the international technology transfer game
- acquisition: critical issues regarding the acquisition of technology
- building transborder alliances for technology collaboration across the Pacific Rim
- potential technology cooperation within "greater China".

The main recommendations to come out of the Workshop were:

1. The importance of human resource development as it applies to and affects the transfer of technology within the Asia/Pacific region.
2. The need for governments to take a more flexible approach as regards to regulations involving the transfer of technology within the Asia/Pacific region.

One of the successes of the Workshop was that it was totally funded by sponsorship from the private sector. The Workshop provided a very good example of how the S&T Task Force can bring together the three sectors of PECC in a subject area which is of importance to them all. The excellent representation by the private sector, from both Hong Kong and other economies was also extremely encouraging and showed that the Task Force can play an important future role for the private sector, as PECC looks to build a closer relationship with APEC.

**Workshop on International Cooperation in Science and Technology:
the Human Resource Development Dimension**

Planning continued for the above Workshop which will be held in the Philippines between 10/12 November 1994. The final themes for the Workshop were refined at the meeting and it will concentrate on: high level mobility of trained manpower within the region, movement of people from large and medium sized companies, training and education in science and technology, including the role of the private sector, brainwave transmission and the basic research dimension. Sponsorship for the Workshop has already been confirmed, including San Miguel Corporation. A representative of this company attended the Task Force meeting to ensure that preparations were proceeding to plan. The Workshop will be co-chaired by the Philippines and Chinese Taipei with assistance from Hong Kong, Japan and Canada S&T Sub-committees.

A full Task Force meeting will be held following this Workshop.

International Cooperation in Environmental or Clean Technologies

The Task Force has started initial planning for a Workshop on "International Cooperation in Environmental or Clean Technologies" to be held in Canada in mid 1995. Although the main topic areas have yet to be agreed, all 13 member economies represented at the Task Force meeting supported the Workshop and recommended it should proceed. The Task Force will be presenting a proposal to PECC in the near future.

International Research Cooperation: Guidelines to Establish a Mentor System for Monitoring Atmospheric Greenhouse Gases

A paper recommending the publication of guidelines to establish a mentor scheme for monitoring atmospheric greenhouse gases was tabled for discussion. It was agreed at the meeting that members should take the paper back to their sub-committees for discussion. The recommendations would be further considered at the next Task Force meeting at PECC X.

TRIP REPORT

Meeting Dates: 29-30 November 1993

Meeting Venue: Kuala Lumpur, Malaysia

Participants: Adlai Stevenson, President
Mark Borthwick, Executive Director
Janet Pearce, Deputy Director

Purpose: PECC Coordinating Group & Standing Committee Meetings

REPORT:

Borthwick chaired the meeting of the Coordinating Group, Pearce reported on telecommunications and S&T activities in that meeting.

The meetings reviewed further progress on a restructuring plan for PECC by the Standing Committee as well as general planning and financial matters related to the administration of PECC. A final agenda for PECC X was agreed upon.

Subsequent to the meetings, Borthwick stopped in Singapore to work with the Secretariat on plans for PECC X as well as the Food & Agriculture Forum.

See attached meeting minutes.

The three participants also held meetings in Singapore with government officials associated with APEC and PECC as well as at the PECC Secretariat in Singapore.

Report Prepared By: Mark Borthwick

Date Prepared: December 15, 1993

MB

Draft

**Report of the Coordinating Group
November 29, 1993**

The Coordinating Group held its initial meeting through the morning of Monday, November 29, with a concluding meeting on Tuesday, November 30. This schedule enabled the coordinators to focus their initial discussion on the work of the Committee on the Future of the Pacific, followed by discussion of the PEDR, Task Force activities, and preparations for PECC X.

Task Forces and PECC Reorganization

The Chair suggested that there are at least three key factors causing change in PECC: 1) limits to overall financial resources in PECC, 2) new pressures to involve the private sector more fully, and 3) the gravitation of governmental resources toward APEC. The challenge this presents to the Task Forces is reflected in the initial drafts from the Committee on the Future of the Pacific, particularly following the July meeting of the Committee in Bali.

The APEC process has been a critical factor in this regard, both in terms of the increased government resources it has required and the growing emphasis it has placed on private sector inputs. The Coordinating Group supports the principle of ongoing change and adaptation in PECC, particularly with reference to this new environment, but suggests that care be taken to preserve those elements of PECC that have been critical to its success so far; namely, the human networks that undergird the Task Forces and Fora as well as the financial structures that have emerged to support them.

Business Participation

Some Task Forces now have achieved a very strong business component while others are steadily improving the proportion of business representation. Coordinators suggest that the Secretariat make a summary tabulation of the rate of business participation, based on current reports and records of the Task Forces and Fora. This summary also should take note of projects currently being undertaken or sponsored by businesses within Task Forces.

Regarding the nature and purpose of business participation in PECC, it was noted that most businesses are looking not only for access to the APEC network, but for opportunities to discuss "real" issues in a forum that involves research experts and key government agencies. For this reason, it is important for PECC meetings to specifically note the views of the private sector in their reports as was done recently in the Trade Policy Forum. APEC representatives observed further that, as far as APEC interests are concerned, the fundamental contribution of PECC will be judged most of all by the usefulness of its final "product" to APEC.

Lastly, it was noted that there are some areas of PECC activity in which the research community should be predominant, such as the Pacific Economic Outlook, but even these required a follow-up interaction with the private sector at some point.

As regards resource availability, it was agreed that the self-financing of projects would help soften the overall problem of resource limitations, but there remain basic limits to how many projects can be supported in PECC and that these will require some further prioritization. One encouraging note was the observation by the Korea Member Committee that as a result of its work in coordinating research in support of APEC activities, its resource allocation from the government had actually increased. Discussion suggested that the demand on APEC-related government funding in PECC is relatively minor when set against the overall base of other support that has been developed by the PECC Task Forces.

Operations of Task Forces

As noted above, the suggestion from the Committee on the Future of the Pacific that PECC activities be more "project" driven than "Task Force" driven raised concern among some coordinators. They felt that these changes should not undermine the effective participation in and funding of currently successful activities in PECC. Thus, a further clarification might be useful which notes that the planning and development of a "project" can be initiated by a Task Force or, in cases where the topic area lies outside current Task Force constructs, from an ad hoc team. In either case, a project should be rigorously designed and approved within the guidelines set forth by the Pacific Future Committee. It was recognized that the Standing Committee would need to reassert its role in this regard.

Pacific Economic Development Report (PEDR)

The Chairman noted the receipt of many last minute submissions from Task Forces to the manuscript of the PEDR. It was agreed that earlier reminders and guidelines would alleviate this problem in the future. In the meantime, the editing of the Task Force submissions will take place as rapidly as possible, with consultations via fax and e-mail. The PEDR will allocate a section to these Task Force submissions to the extent that they effectively crystallize a key trend or issue effectively. Other parts of the PEDR will be devoted, as previously agreed, to articles contributed on infrastructure development in ASEAN, current trends in Indochina, coastal China, and the Russian Far East.

PECC X Concurrent Sessions

A discussion of the PECC X concurrent sessions focused on conclusions arrived at on Sunday, November 28 by a committee of the coordinators for PECC X. Some modifications of the agendas for sessions were suggested and it was agreed that each session should develop not only a summary paragraph of the issues it plans to address, but also the target audience of participants that would appropriately be represented in each PECC delegation.

Possible New Initiatives

In addressing suggestions for new initiatives in PECC, the coordinators discussed project proposals in the areas of 1) small and medium enterprises (SME), 2) capital markets and financial services, 3) developing economy airlines and the international air transport system, and 4) a co-venture with the Economist Intelligence Unit (EIU) on an HRD publication.

The proposal on SMEs was submitted by Dr. Chris Hall, an independent consultant to the OECD, which would build upon his already extensive work in this area. It was noted that there is an upsurge of activity and interest in this area in APEC, signaling its timeliness but also the need to ensure that APEC and PECC activities do not duplicate one another. It was agreed that AUSPEC at its next national meeting (in two weeks) would review the proposal with a view toward further action either in terms of an AUSPEC sponsorship or other possible options for PECC in this area.

The proposal for an initiative on capital markets and financial services, suggested by USNCPPEC, would pursue a strategy similar to that used in developing the draft Pacific investment agreement; i.e., beginning with a core team of participants to develop ideas for development. The concurrent session at PECC X on this topic could usefully serve as an initial meeting for such a group, serving as a springboard for further activity if agreed at PECC X.

Similarly, the concurrent session in PECC X on regional air transportation could serve as the initial stimulus for a succeeding meeting in 1994 on the concerns of developing economy airlines. Substantial interest having already been expressed by some carriers in the region, it is anticipated that a natural impetus is building behind this concurrent session.

The opportunity for a cooperative venture with the EIU to publish a survey and atlas of human resources in the region was discussed. Inasmuch as the proposal from EIU includes some but not all PECC economies, and includes some non-PECC economies, it was agreed that PECC representatives would have to negotiate a wider coverage. To make this produce more marketable and digestible, it was agreed that PECC should recommend a series of publications be developed around the HRD of subregions (ASEAN, Latin American, Northeast Asia, etc.) rather than a within the scope of a single, comprehensive, publication. Specific profit sharing arrangements remain to be negotiated, pending final approval by the Finance Committee.

PECC SCIENCE AND TECHNOLOGY TASK FORCE

REPORT TO COORDINATING GROUP

KUALA LUMPUR, NOVEMBER 1993

SUMMARY OF CURRENT ACTIVITIES

CONCLUSIONS AND RECOMMENDATIONS OF LAST MEETINGS

Since the last Coordinating Group (CG) meeting in January 1993 the Science and Technology Task Force (STTF) has held the following meetings and Workshops:

- 1 An Advisory Group meeting in Hong Kong, 25/26 February 1993
- 2 An Advisory Group meeting in Sapporo, Japan, 9 July 1993.
- 3 A Workshop on Technology Transfer, Hong Kong, 15/16 November 1993
- 4 A full Task Force meeting, Hong Kong, 17 November 1993.

Advisory Group Meetings, Hong Kong and Sapporo

The main conclusions and recommendations of these meetings were followed up at the recent Task Force meeting held in Hong Kong. Consequently, the items discussed in these meetings will be covered in the report of the recent full Task Force meeting.

S&T Task Force Meeting, Hong Kong, 17 November 1993

Technology Transfer Workshop in Hong Kong

The Science and Technology Task Force held a successful Workshop in Technology Transfer in Hong Kong between 15/16 November 1993. The Workshop was entitled "A Tripartite Approach to International Technology Transfer - An Examination of the 'Software' Dimension". One hundred and forty delegates (including 74 from overseas) attended the Workshop. These delegates included 78 (56%) representing the private/business sector.

The themes of the Workshop were:

- the overview of the technology transfer issue
- key players in the international technology transfer game
- acquisition: critical issues regarding the acquisition of technology
- building transborder alliances for technology collaboration across the Pacific Rim
- potential technology cooperation within "greater China"

The main recommendations to come out of the Workshop were:

1. The importance of human resource development as it applies to and affects the transfer of technology within the Asia/Pacific region.
2. The need for governments to take a more flexible approach as regards to regulations involving the transfer of technology within the Asia/Pacific region

One of the successes of the Workshop was that it was totally funded by sponsorship from the private sector. The Workshop provided a very good example of how the S&T Task Force can bring together the three sectors of PECC in a subject area which is of importance to them all. The excellent representation by the private sector, from both Hong Kong and other economies was also extremely encouraging and showed that the Task Force can play an important future role for the private sector, as PECC looks to build a closer relationship with APEC.

Workshop on International Cooperation in Science and Technology: the Human Resource Development Dimension

Planning continued for the above Workshop which will be held in the Philippines between 10/12 November 1994. The final themes for the Workshop were refined at the meeting and it will concentrate on: high level mobility of trained manpower within the region, movement of people from large and medium sized companies, training and education in science and technology, including the role of the private sector, brainwave transmission and the basic research dimension. Sponsorship for the Workshop has already been confirmed, including San Miguel Corporation. A representative of this company attended the Task Force meeting to ensure that preparations were proceeding to plan. The Workshop will be co-chaired by the Philippines and Chinese Taipei with assistance from Hong Kong, Japan and Canada S&T Sub-committees.

A full Task Force meeting will be held following this Workshop

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International Research Cooperation: Guidelines to Establish a Mentor System for Monitoring Atmospheric Greenhouse Gases

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This project is Stage 2 of the joint project between the Science and Technology Task Force and the Minerals and Energy Forum. Copies of the proposal have also been sent to the Secretariat of MEF for its consideration

PECC X

Although the Science and Technology Task Force at this stage does not have any official involvement in the concurrent sessions at PECC X it will hold a full Task Force meeting in Kuala Lumpur during that time.

Cooperation with APEC

Both at the Sapporo meeting and the recent Task Force meeting in Hong Kong the importance of future cooperation and communication with APEC was discussed. Also, the Task Force discussed the Work Plan drafted at the first APEC Special Meeting on Industrial Science and Technology (SMIST) held recently in Japan. Further comment on the PECC/APEC relationship is contained in the report on "Relationship with APEC Working Groups"

PECC S&T Profile

The Editorial Board for the PECC Science and Technology Profile reported that final S&T statistics and drafts of copy on S&T policies are being obtained from PECC member economies. The next issue of the PECC S&T Profile will be published in time for PECC X.

The APEC SMIST indicated in their draft workplan that it was interested in S&T indicators and policies with APEC member economies and therefore the PECC S&T profile will be able to contribute to this activity

Developing and Utilisation of International Techno Markets

The Korean PECC S&T Sub-committee indicated that they would like to hold a Workshop on the development and utilisation of international techno markets in July/August 1994 or early 1995. The Task Force said that they needed to receive a proposal on this Workshop. As the future programme for the Task Force was already fairly committed, if the proposal was approved, the workshop could use the Task Force name but it would not be an official Task Force activity. The Korean PECC S&T Sub-committee has confirmed that funding will be available for the Workshop

Marketing Plan

The Task Force approved the establishment of a marketing sub-committee to consider the need for the preparation of a marketing plan to promote the Task Force, its activities and future programme

Review of PECC

The Task Force noted the current review of PECC and agreed that it was important that the projects of PECC Task Forces needed to meet the objectives of the organisation, and that the Coordinating Group needed to be aware of, and consider programmes arising from the Task Forces. It was also equally important that PECC tries to identify and preserve the advantages and assets that have been generated by the present Task Force system, as it is at the Task Force level that most of the outputs of PECC occur, these mostly being produced on a voluntary basis. It was therefore agreed that any recommendations or decisions made at the November Coordinating Group and Standing Committee meetings, should avoid putting this system at risk.

Role of the Secretariat

There was some concern expressed by members of the actual role of the Secretariat and exactly how it relates to assisting the Task Forces.

PECC Research Institute

The proposal for a PECC Research Institute was raised at the Task Force meeting, and apart from Chinese Taipei who abstained, it was unanimously opposed on a number of grounds by the other 12 economies represented.

Conclusion

The Science and Technology Task Force continues to be active with good participation by the majority of member economies. The past meetings and workshops have been successful and well attended and the future programme has a well developed and strategic look about it, with the objective of maintaining the cooperation within the region between the three sectors of PECC and towards developing a closer association with APEC. The future outlook for the Task Force looks extremely positive.

PUBLICATIONS OF SCIENCE AND TECHNOLOGY TASK FORCE IN THE LAST 18 MONTHS

- 1 The PECC Science and Technology Profile was published in September 1992, and distributed to all PECC member economies and other interested organisations
2. The proceedings for the PECC S&T Task Force Workshop held in Jakarta in May 1992 entitled "Integrating Technology in Management: A Tripartite Approach" was completed in early 1993 and sent to the PECC Secretariat for distribution. Information to date indicates that the Secretariat has yet to distribute this report.
- 3 The S&T Task Force publication "Science and Technology Parks, Successful Experience in the Asia/Pacific Area" will be published in time for PECC X.
4. The proceedings of the Workshop on Technology Transfer "A Tripartite Approach to International Technology Transfer - an Examination of the 'Software' Dimension" held in Hong Kong, November 1993, is at present being assembled and will be available in early-mid 1994. This publication may be followed up with a book which will include edited versions of the key papers from the Workshop.
- 5 The next version of the PECC Science and Technology Profile will be published in time for PECC X.
6. The joint paper between the Science and Technology Task Force and the Minerals and Energy Task Force entitled "A Pacific Perspective on Greenhouse Gas Effect and Policy Responses" was published in the Minerals and Energy Forum proceedings held in Sydney, 13/15 May 1992

STATE OF THE BUSINESS SECTOR INVOLVEMENT

The state of the business sector involvement in the Science and Technology Task Force activities and Task Force meetings is very encouraging if not impressive. As mentioned above the business sector made up 58% of representatives at the Task Force Workshop held in Hong Kong. Also of the 20 attendees at the full Task Force meeting held in Hong Kong 7 were representatives from the business sector.

This involvement by the business and private sector in Task Force activities is also reflected in the various Science and Technology Sub-committees of member economies, all of which have reasonable private sector representation.

PARTICIPATION OF MEMBER COMMITTEES

Of the known 17 member economies who have S&T Sub-committees, 13 were represented at the recent full Science and Technology Task Force meeting in Hong Kong. In addition apologies were received from Australia and the United States. Malaysia and Chile were the only economies not to attend or table apologies

Report of the HRD Task Force

- 1 The HRD Task Force published the HRD Outlook, 1993 - 1994 under a commercial publisher, Times Academic Press of Singapore in October 1993. This would help the marketing and dissemination of the Outlook.
- 2 The Third HRD Task Force Meeting was held in Singapore, 28 - 29 October 1993. The theme was on "The Relationship between Direct Foreign Investment and High Level Manpower Policies". Twelve national committees participated and a total of 15 papers were presented including one by the APEC Secretariat. The list of papers are appended below.
- 3 A press conference was also held during the HRD Task Force Meeting on 29 October 1993 to launch the HRD Outlook, 1993 - 1994.
- 4 The HRD IAG held a meeting on 29 October 1993, following the HRD Task Force Meeting in Singapore. Besides the 12 PECC national committees attending the HRD Task Force Meeting, Mr David Parsons (PECC Secretariat) and Mr Peter Richards (APEC Secretariat) gave insights on PECC and APEC activities. The meeting discussed how to complete the next HRD Outlook, 1994 - 1995, to be published in time for release at the PECC X Meeting in Kuala Lumpur in March 1994. In view of possible changes in the structure of PECC task forces, the HRD Task Force decided to firm up future work activities at a later date. However, the consensus of the HRD IAG was to continue to explore further the theme "The Relationship between Direct Foreign Investment and High Level Manpower Policies".

Papers presented at the PECC HRD Task Force Meeting in Singapore, 28 - 29 October 1993.

Australia (AUSPECC)

"Foreign Direct Investment, Technology and Skill Transfers: The Case of Australia", by Charles Stahl (University of Newcastle), Pamela Gutman (Research Institute for Asia & the Pacific) and Glen Maguire (University of Newcastle).

Canada (CANPECC)

"Direct Foreign Investment: The Impact on Human Resource Development in Canada", by David Shepherdson (The Conference Board of Canada).

China (CNDPECC)

"Foreign Investment and Human Resource Development in China", by Zhang Ren Liang (Comprehensive Planning Division of Shanghai Municipal Bureau of Personnel).

Chinese Taipei (CTPECC)

"Impacts of Foreign Direct Investment in the Employment Structure", by Chiang Shui Ping (Taiwan Institute of Economic Research).

Chile (CHILPEC)

"Foreign Direct Investment and Manpower in Chile", by Carmen Luz Latorre (Interdisciplinary Program for Educational Research) and Werner Gesswein (National Service of Training and Employment).

Indonesia (INCPEC)

"The Relationship between Direct Foreign Investment and High Level Manpower Policies", by Onny S Prijono (Centre for Strategic and International Studies).

Japan (JANCPEC)

"Foreign Direct Investment and Human Resource Development: The Case of Japan", by Yoichi Suzuki (Japan International Cooperation Agency).

"High Skilled Workers in the Pacific Region: A Link between Technology Transfer and Human Resource Development in Transnational Corporations", by Dennis S Tachiki (Sakura Institute of Research).

"Foreign Direct Investment and Human Resource Development in Manufacturing Industries: The Case of Japan," (Data and References), JANCPEC.

Korea (KOPEC)

"Industrial Relations and Human Resource Development: Policies in Foreign Direct Investment Firms", by Chonghoon Rhee (Korea Development Institute).

Malaysia (MANCPEC)

"Malaysia: Relationship between Direct Foreign Investment and High Level Manpower Policies", by Patrick Pillai (Institute of Strategic and International Studies).

Singapore (SINCPEC)

"Relationship between Direct Foreign Investment and High Level Manpower Policies: Singapore Case Study", by Linda Low and Toh Mun Heng (National University of Singapore).

Thailand (TNCPEC)

"Relationship between Direct Foreign Investment and High Level Manpower Policies: Thailand's Case Study", by Chira Hongladarom (Thammasart University).

US (USNFEC)

"Selected Data on High Level Manpower in Affiliates of Multinational Firms Operating in the PECC Region", by Eric D Ramstetter (Kansei University).

APEC Secretariat

"Activities of the APEC HRD Working Group", by Peter Richards, (APEC Secretariat).

Submitted by
Linda Low, Coordinator
HRD Task Force, November 1993