



**Asia-Pacific  
Economic Cooperation**

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Agenda Item: 5b

## **Economic Committee's Progress Report on Structural Reform 2011**

Purpose: Information  
Submitted by: EC Chair



**Concluding Senior Officials' Meeting  
Hawaii, United States  
8-9 November 2011**

## **EXECUTIVE SUMMARY**

The Economic Committee (EC) has made a good start in the first year of the APEC New Strategy for Structural Reform (ANSSR) initiative being undertaken in 2011-2015, building on the progress made under the previous initiative, Leaders' Agenda to Implement Structural Reform (LAISR) in 2004-2010.

The "Economic Committee's Progress Report on Structural Reform 2011", which will replace the former EC Chair's Update to CSOM, summarises the EC's achievements in 2011 in facilitating structural reform in the APEC region. This report is submitted to CSOM that will take place on 8-9 November 2011.

### **Required Action/Decision Points**

Senior officials are recommended to:

1. Note the EC's discussion on possible contribution to ANSSR.
2. Note the EC's activities relevant to regulatory convergence and cooperation.
3. Note the progress in the EC's Agenda to Implement Structural Reform.
4. Acknowledge the preparation of the EoDB Interim Report.
5. Endorse Mr. Louis Bono as the Chair to serve 2012-13.

# Economic Committee's Progress Report on Structural Reform 2011

8-9 November 2011

Honolulu

## 1. Overview

The Economic Committee (EC) has made a good start in the first year of the APEC New Strategy for Structural Reform (ANSSR) initiative being undertaken in 2011-2015, building on the progress made under the previous initiative, *Leaders' Agenda to Implement Structural Reform (LAISR)* in 2004-2010.

While other international fora, including the G20 and OECD, have also emphasised the importance of international cooperation in structural reform, APEC's work in this area since LAISR has targeted "behind-the-border" barriers to accelerate regional economic integration. The approach is unique to APEC, focusing on information sharing, capacity building, and technical assistance among economies at different stages of development. These activities take account of the individual circumstances of different economies.<sup>1</sup>

In November 2010, APEC Leaders reaffirmed the importance of structural reform as an integral part of APEC's efforts toward achieving higher quality growth and endorsed ANSSR as part of the action plan to implement the APEC Leaders Growth Strategy.<sup>2</sup> ANSSR provides for APEC-wide support activities to help economies undertake structural reforms through 2015. ANSSR also calls on the EC to lead the work to promote more open, well-functioning, transparent and competitive markets, in addition to continuing its horizontal approach as pursued under LAISR.<sup>3</sup> As such, the EC's work currently has two streams.

First, the EC will continue to facilitate structural reforms, begun during LAISR, in five priority areas (discussed below). The EC named this work stream the *EC's Agenda to Implement Structural Reform 2015 (ECA/ISR 2015)*. The work has involved activities at the Friends of the Chair (FotC) level, as well as in the Competition Policy and Law Group (FotC), and the EC itself. The EC's Plenary meetings in 2011 provided an opportunity for members to discuss this work. Major achievements in 2011 are summarised below, while information on individual activities are available in the work plans of the FotCs/CPLG, which are attached to this report. Some of the activities conducted by the EC are also relevant to Regulatory Convergence and Cooperation (RCC), a priority for APEC 2011 (see below).

Second, the EC discussed possible contributions it could make to the broader ANSSR initiative, another priority for APEC 2011. These contributions could include assisting with implementation of the ANSSR economy plans prepared for Leaders in November 2011 (see below).

These two work streams will be more or less unified as APEC begins support activities to facilitate the ANSSR economy plans and the EC modifies its FotC/CPLG work plans accordingly.

## 2. EC's Discussions Concerning "Priorities for APEC 2011"

In addition to conducting the activities listed in the FotC/CPLG work plans, which are planned to be

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<sup>1</sup> See the *APEC Economic Policy Report 2011 - Taking Stock of the Progress in the Leaders' Agenda to Implement Structural Reform (LAISR) Initiative and Structural Policies in APEC Economies*, which was submitted to the Ministers Responsible for Trade Meeting 2011, for more details about the progress in structural reform under LAISR (2011/MRT/002).

<sup>2</sup> "Structural reform is an integral part of our efforts toward higher quality growth. In support of the Growth Strategy, and building upon significant progress made since 2005 on the Leaders' Agenda to Implement Structural Reform (LAISR), we pledge to continue such efforts and undertake demonstrable and significant structural reform in our economies, consistent with the objective of achieving strong, inclusive, and balanced growth. We endorse the APEC New Strategy for Structural Reform (ANSSR) and instruct our officials to steadily implement it, encouraging the use of quantitative and qualitative indicators as appropriate, toward 2015" (*18th APEC Economic Leaders' Meeting 2010 - The Yokohama Vision - Bogor and Beyond*, 2010/AELM/DEC).

<sup>3</sup> See also *The APEC New Strategy for Structural Reform (ANSSR)* (2010/AMM/011).

revised biannually through 2010-2015, the committee makes efforts to contribute to the key issues of the time that are of interest to APEC Ministers and other APEC fora.<sup>4</sup> For 2011, the EC had active discussions on ANSSR and RCC among the “Priorities for APEC 2011” set by the United States as the host economy, since these topics are highly relevant to the committee’s activities. The outcomes of such discussions were reported at the SOM FotC on ANSSR as well as that on Regulatory Cooperation by the EC Chair.

#### **(a) Possible contribution to implementing ANSSR economy plans**

At EC2, the EC members discussed how best to assist economies in facilitating reforms identified in the ANSSR economy plans.<sup>5</sup>

It was agreed that all EC members and FotCs/CPLG would examine the economy plans intersessionally after the Leaders meeting in 2011. Each EC member will be asked to consider if his/her economy would like to request specific support activities by the EC. FotCs/CPLG will be asked to consider possible support activities by looking into the existing projects and to examine if they could be modified to cover the issues identified in the economy plans, or by introducing new projects with a focus on issues that are of common interest to economies and/or on which explicit requests for support activities have been made by economies. In considering specific activities that would be effective in facilitating the ANSSR initiative, the experience under LAISR would provide useful insights (see Part 1 of the AEPR 2011). The result of the discussion at EC1 in 2012 will be reflected in the revised FotC/CPLG work plans.

#### **(b) Work already in progress**

The EC has already launched projects that could assist economies in implementing their individual plans.

- **Regulatory impact assessment** is an evidence-based approach to policy making and can be instrumental to a government when seeking public input during its rulemaking process. It will assist economies in developing or enhancing domestic frameworks for best practice regulation. A workshop was held in March 2011 and a training course is proposed for 2012 (see below).
- ANSSR requires each economy to report by the end of 2015 on its own progress in achieving its stated objectives of implementing structural reform. To help member economies develop and use appropriate qualitative and quantitative measures of progress, the EC held a Workshop on Approaches to Assessing Progress on Structural Reform in San Francisco on 19-20 September, which was preceded by the Residential Training Workshop on Structural Reform, held in Singapore on 10-12 August.

#### **(c) Promoting Regulatory Convergence and Cooperation (RCC)**

The EC is well-placed to advance the RCC agenda, since it is the committee with greatest representation of government agencies that have overarching responsibility for regulatory practices and reform. Delegates have knowledge and expertise to discuss RCC at both the strategic and the implementation level.

Accordingly, the EC discussed regulatory matters both at the EC1 and EC2 Plenary meetings in 2011,

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<sup>4</sup> The EC’s Terms of Establishment sets the objectives of the committee as the following:

1. Support the APEC Ministers and other APEC fora by providing better understanding of the economic trends and issues through the provision of distinct perspectives and in depth analysis on economic trends and issues affecting the region.
2. Support the work of APEC in promoting Structural Reform by coordinating and contributing to relevant work in APEC in consultation with the relevant APEC fora and the Finance Ministers’ Process.
3. Serve as a forum for member economies to engage in policy oriented discussion and analysis on economic issues in the region.

<sup>5</sup> The discussion note prepared by the EC Chair (2011/SOM3/EC/020) was revised reflecting discussion at EC2 and was submitted to SOM FotC on ANSSR, which was held in the margin of SOM3.

with OECD experts on regulatory reform participating in the latter.<sup>6</sup> Although the role of relevant fora in implementing RCC is subject to discussion by SOM, the EC will continue to contribute to facilitation of good regulatory practices through the following activities.

- Using the APEC-OECD Integrated Checklist on Regulatory Reform as a self-assessment tool
- Promoting good regulatory practices, such as internal coordination of rulemaking, regulatory impact assessment, and public consultation Improving public sector governance
- Conducting case studies on green investments
- Engaging the OECD on regulatory policy and governance

### **3. Progress in the EC's Agenda to Implement Structural Reform 2015 (ECAISR 2015)**

The major achievements in the five priority areas of *ECAISR 2015* in 2011 can be summarised as follows.

#### **(a) Competition Policy (CPLG Convener: Japan, FotC Coordinator: Australia)**

The *CPLG* works to promote an understanding of regional competition laws and policies, to examine the impact on trade and investment flows, and to identify areas for technical cooperation and capacity building among APEC member economies.

- **The 2<sup>nd</sup> CPLG-ABAC Roundtable**, held in Washington, D.C. on 7 March, focused on the importance of procedural fairness to competition proceedings .
- **The APEC Training Course on Competition Policy**, held in Penang, Malaysia on 10-12 October, focused on effective mechanism against cartel offences.
- **The Survey on Information Exchange on Competition in APEC Region** is being conducted in 2011-12 to exchange information on competition enforcement within the APEC region.
- **Measures of Competition Development in APEC** is a research project being conducted in 2011-12 on the development of competition policy and law in the APEC region, focusing on institutions, competition advocacy and simplification of access to infrastructure.

Meanwhile, the *Competition Policy FotC*, which is responsible for considering the role that government should play in facilitating and encouraging competition, is considering competition policy reform as a potential theme or case study in the series of ANSSR support workshops to be delivered in 2011 and 2012.

#### **(b) Corporate Law and Governance (FotC Coordinator: Viet Nam)**

The *Corporate Law and Governance FotC* provides a platform for economies to discuss and exchange information on corporate law and corporate governance issues in APEC. Viet Nam assumed the coordinator's role during EC2 in 2011.

- **A Workshop on Advancing Good Corporate Governance by Promoting Utilization of the OECD Principles of Corporate Governance**, held in Washington, D.C. on 2 March, fostered a dialogue among relevant officials and private sector representatives from APEC economies to enhance regimes for corporate governance with reference to the OECD's Principles.

#### **(c) Ease of Doing Business (EoDB) (FotC Coordinator: The United States)**

To further deepen economic integration in the APEC region, it is necessary to improve the business environment. APEC Leaders therefore set an APEC-wide aspirational target in November 2009 of

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<sup>6</sup> The discussion note prepared by the EC Chair (2011/SOM3/EC/022) was revised to reflect discussion at EC2 and was submitted to SOM FotC on Regulatory Cooperation, which was held in the margin of SOM3.

making it cheaper, faster and easier to do business by 25 per cent by 2015 in five priority areas (see chart below), with an interim five per cent improvement target by 2011. The EC was assigned oversight of the whole EoDB initiative, as was tasked to implement capacity-building activities in four of the five priority areas. The *EoDB FotC* helps build and sustain momentum for EoDB Phase 2 programmes and other EoDB work. The innovative combination of (1) an aspirational APEC-wide quantitative target and (2) the extensive, tailor-made capacity building activities has demonstrated how international cooperation can improve the business environment.

***Promising Progress in the Phase 2 Activities Implemented by the EC***

Following the completion of the Phase 1 activities to share information and experiences, Phase 2 programmes, which include diagnostic studies by technical experts tailored to an individual economy's priority area for improvement and developing customised, practical recommendations, are actively conducted. Promising progress has been reported in the four of the five priority areas, for which the EC is directly responsible.

**Ongoing Phase 2 Activities**

Priority areas	Champion economies	Participating economies
Starting a business	NZ, the US	Indonesia, Peru, Thailand
Enforcing contracts	Korea	Peru, Indonesia
Trading across borders (CTI)	Singapore	Mexico, Peru
Getting credit	Japan	Thailand
Dealing with permits	Singapore	Indonesia

***Interim Progress Assessment of the EoDB Action Plan***

Since the World Bank's Doing Business indicators for year 2011 are not available at the time of this year's assessment, the interim assessment uses a pro rata benchmark of 2.5 per cent to evaluate APEC's progress (measured by a simple average across member economies). APEC's combined improvement across the five priority areas between 2009 and 2010 was 2.8 per cent, exceeding the pro rata benchmark. APEC demonstrated the strongest improvements in *Starting a Business* and *Getting Credit*, well above the pro rata benchmark. Meanwhile, the APEC-wide performance has not improved in terms of *Enforcing Contracts*, and declined in *Dealing with Permits*.

Although APEC is making good overall progress toward the 5 per cent interim improvement target, achieving the 25 per cent target by 2015 will require considerably more work.

***Upcoming projects***

- **A multi-year capacity-building project** to facilitate tailored capacity building activities, especially for developing economies, has received in-principle approval. Specific activities will include Phase 2 diagnostics and follow-on implementation assistance to be conducted on a rolling basis and stock-take workshops in 2012 and 2014.
- Work has started on the **2012 APEC Economic Policy Report (AEPR)**, which will focus on progress on the EoDB Action Plan. It will incorporate the World Bank's 2011 indicators and updated qualitative information to assess APEC's full-year 2011 progress toward the 5 per cent interim target. It will also include individual economy reports which describe the developments in improving the business environment in each member economy.

**(d) Public Sector Governance (FotC Coordinator: Chinese Taipei)**

The *Public Sector Governance FotC* provides a platform for economies to discuss and exchange practical experiences in public sector governance and to promote the application of the principles of

good governance in the public sector.

- **The Good Practice Guide on Public Sector Governance**, which aims to help economies deal with various aspects of public sector institutions, governments and state-owned enterprises, has been finalised.
- **Roundtable Discussion on Improving Public Sector Transparency: Good practices and Reform Experiences**, held in San Francisco on 22 September, focused on the mechanisms and practices economies are using to build a more open and productive government and to respond to expectations of the citizens and the private sector. Economies shared their open government projects on enhancing government accountability and policy quality, including proactively releasing government information and innovatively reusing data, emphasising public participation and consultation in the policy process, and reducing corruption and fraud in public procurement.
- A preliminary agreement has been made that the **2013 APEC Economic Policy Report (AEPR)** will focus on public sector governance.

#### **(e) Regulatory Reform (FotC Coordinator: Japan)**

The *Regulatory Reform FotC* promotes regulatory reform by helping APEC economies implement the APEC Leaders' Growth Strategy, ANSSR, and good regulatory practices.

- **The APEC Workshop: Using Regulatory Impact Analysis to Improve Transparency and Effectiveness in the Rulemaking Process** was held in Washington, D.C. on 3-4 March. Participants examined technical approaches and practical applications in utilising regulatory impact analysis and shared experiences of APEC member economies.
- **The Case Studies on Green Investments**, being conducted in 2011-12 with the support of PSU, will evaluate regulatory practices concerning the promotion of green investments in renewable energy and energy-efficient technologies.
- OECD experts participated in the EC2 Plenary meeting and presented the **Draft OECD Recommendation on Regulatory Policy and Governance** to seek comments from EC members.
- **Enhancing Regulatory Impact Analysis within APEC** is a series of training courses to be held in 2012 (received BMC's in-principle approval). It will emphasise the principles of good regulatory practice and encourage the development of evidence-based, transparent and participatory regulatory systems for analysing proposed regulatory measures.

## **4. Others**

### **(a) Strengthening capacity building activities**

- The EC Webpage in the APEC Official Website has been modified to make the various materials for structural reform developed by the EC easy to find and access (can be found under a new heading *Toolkit for Structural Reform*).
- The EC has actively collaborated with relevant fora in APEC, such as the Committee on Trade and Investment (CTI) and its Sub-Committee on Standards and Conformance (SCSC), the Human Resources Development Working Group (HRDWG), the Small and Medium Enterprises Working Group (SMEWG), and the Finance Ministers' Process, as well as the APEC Business Advisory Council (ABAC).
- Active collaboration has also been made with international organisations, including OECD,

ADB and the Pacific Economic Cooperation Council (PECC).

**(b) Election of the Chair and one of the Vice-Chairs**

Because the term of the current Chair, Mr. Takashi Omori (Japan), expires at the end of this year, the EC agreed on the election of Mr. Louis Bono (US) as the next Chair to serve 2012-13, and also re-elected Ms. Huda Bahweres (Indonesia) as one of the Vice-Chairs for the term 2012-13. The other Vice-Chair is Mr. Rory McLeod (New Zealand).

**(c) Future steps**

For next year, the EC will continue to play a pivotal role in promoting structural reform in the APEC region by implementing *ECAISR 2015* and support activities to facilitate ANSSR economy plans as appropriate. The EC also wishes to contribute to the priorities for 2012, the Russian year.

**Required Action/Decision Points by SOM**

Senior officials are recommended to:

1. Note the EC's discussion on possible contribution to ANSSR.
2. Note the EC's activities relevant to regulatory convergence and cooperation.
3. Note the progress in the EC's Agenda to Implement Structural Reform.
4. Acknowledge the preparation of the EoDB Interim Report.
5. Endorse Mr. Louis Bono as the Chair to serve 2012-13.

**Annex: Work Plans of the FotCs and CPLG**



## Work Plan for the Competition Policy FotC Group

**Name of the FotC:** Competition Policy

**Coordinating Economy:** Australia

**Participating Economies<sup>1</sup>:** Australia; Brunei Darussalam; Japan; Korea; Mexico; New Zealand; Peru; Chinese Taipei, Russia and the United States of America.

### Objectives:

Responsible for considering the role that government should play in facilitating and encouraging competition including through pro-competition policies and government decision-making processes aimed at enhancing, protecting and preserving competitive processes in order to enhance consumer welfare and improve economic outcomes.

This will include consideration of ways to facilitate behaviour which is pro-competitive and prevent behaviour which is anti-competitive. This may include consideration of:

- the role of political support for competition;
- how government has regard to competition during policy making processes;
- how the general state of competition and any case for government intervention can be judged by policy advisors;
- institutional responsibility for policy advice and enforcement;
- the processes by which increasing competition can occur and how transitional issues can be ameliorated; and
- options outside of anti-trust law to increasing competition, including for example, reducing barriers to entry and asymmetric information.

### Scope:

The Competition Policy FotC would consider competition policy matters from a broad, high level perspective. Consideration of technical elements of anti-trust law and enforcement would be the responsibility of CPLG. CPLG would effectively be a group of experts mainly focused on operationalising competition policy. Competition Policy FotC and CPLG will work closely together and consider joint activities and workshops where appropriate.

### List of Individual Activities to be Succeeded (Also see Appendix 1)

- The APEC Policy Support Unit's (PSU) research on the impacts and benefits of structural reforms in the transport, energy, and telecommunications sectors.<sup>2</sup>

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<sup>1</sup> These economies are participating in this group but all economies are invited to attend and/or contribute.

### **List of Possible New Activities**

1. Consider competition policy reform as a potential theme or case study in the series of ANSSR support workshops to be delivered in 2011 and 2012, potentially drawing on the PSU research. For example:
  - (i) members exploring to what extent competition policy reform in transport, energy telecommunications or other sectors could form part of their economy's structural reform plan during 2011 under ANSSR, which may include sharing experiences and lessons learned in the context of structural reform; and/or
  - (ii) providing economies with increased practical understanding of how to undertake structural reforms in particular sectors based on the findings of the PSU research.
2. Discuss the role of competitive neutrality in government policy, which aims to ensure that state owned enterprises do not enjoy competitive advantages over their private sector competitors as a result of state ownership. Member(s) could discuss their approach to competitive neutrality and its effect in a policy discussion style format, and discuss the potential relevance to economies' structural reform plan under ANSSR.

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<sup>2</sup> APEC Policy Support Unit, *The Impacts and Benefits of Structural Reforms in the Transport, Energy and Telecommunications Sectors in APEC Economies*, January 2011.

## **Work Plan for the Corporate Law and Governance FotC Group**

**Name of the FotC:** Corporate Law and Governance

**Coordinating Economy:** Vietnam

**Membership Principles and Member Economies:** Chinese Taipei; Hong Kong, China; Korea;  
Thailand; USA; and Vietnam

### **Objectives:**

The new Corporate Law and Governance FotC group aims to maintain a platform for economies to discuss and exchange information on corporate law and corporate governance issues in APEC.

### **Scope:**

The scope of the new Corporate Law and Governance FotC group will largely overlap with that of the former Corporate Governance FotC and the Strengthening Economic and Legal Infrastructure (SELI) FotC.

**List of Individual Activities to be Succeeded** (See Appendix 2)

**List of Ideas on Possible New Projects** (See Appendix 3)

## Work Plan for the Ease of Doing Business (EoDB) FotC Group

**Name of the FotC:** Ease of Doing Business (EoDB) FotC

**Coordinating Economy:** The United States

### **Membership Principles and Member Economies:**

Membership is not intended to be exclusive, and broad participation by interested economies is highly encouraged. Ideally, three groups of economies will actively participate in the FotC:

- EoDB Champion economies
- Economies participating in, or that are interested in pursuing, EoDB Phase 2 diagnostics
- Economies that are willing to provide assistance in conducting Phase 2 diagnostics

The FOTC Coordinator extends an initial welcome to the following economies that have expressed interest in participating: Brunei Darussalam; Chile; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Peru; the Philippines; Singapore; Chinese Taipei; Thailand; the United States (FotC Coordinator); and Viet Nam. The broad range of expertise required to advance EoDB programs and the range of other fora, such as CTI and SMEWG, involved in EoDB work calls for close cross-fora cooperation as well.

### **Objectives:**

- Help build and sustain momentum for EoDB Phase 2 programs and other EoDB work in support of progress toward the interim target of a 5 percent improvement in making it easier, faster, and cheaper to do business by 2011 and a 25 percent improvement by 2015, as measured by the World Bank's *Doing Business* indicators.

### **Scope:**

The immediate focus of the FotC centers on effectively implementing Phase 2 diagnostics in each of the five priority areas in volunteering economies and monitoring progress in the APEC region by 2011 in light of the World Bank's *Doing Business* indicators. The medium term scope of the EoDB FOTC also could include, but is not limited to:

- Considering potential directions beyond Phase 2 diagnostics in the five priority areas
- Exploration of work in EoDB areas other than the five priority areas

### **List of completed activities:**

#### **Starting a Business** *championed by New Zealand and the United States*

- Workshop on reducing start-up and establishment time of businesses (March 2010, Hiroshima)
- Phase 2 program in Indonesia (July 2010, Indonesia)

- Seminar on the First Steps of successful reform in Doing Business<sup>3</sup> hosted by Chinese Taipei (October 2010, Taipei)

**Enforcing Contracts** *championed by Korea*

- Workshop on enforcing contracts (June 2010, Seoul)

**Trading Across Borders** *championed by Singapore and Hong Kong China*

- Workshop on Trading Across Borders (September 2010, Sendai)

**Getting Credit** *championed by Japan*

- Workshop on Getting Credit for SMEs (September 2010, Sendai)

**Construction Permits** *championed by Singapore*

- Workshop on reforming the regulatory system for Construction Permits (October 2010, Singapore)

**List of ongoing activities:**

**Starting a Business** *championed by New Zealand and the United States*

- Phase 2 diagnostic underway with Peru and Thailand
- Phase 2 diagnostic planning underway with Chile

**Enforcing Contracts** *championed by Korea*

- Phase 2 activities with Peru
- Phase 2 activities with Indonesia

**Trading Across Borders** *championed by Singapore*

- Phase 2 activities with Mexico and Peru

**Getting Credit** *championed by Japan*

- Phase 2 initiative with Thailand

**Construction Permits** *championed by Singapore*

- Phase 2 activities with Indonesia

**List of Upcoming Projects**

- Interim report in collaboration with the Policy Support Unit in 2011 on progress made under the EoDB Action Plan
- APEC Economic Policy Report on EoDB in 2012
- A multi-year project concept note was submitted for consideration at project session 3.

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<sup>3</sup> The seminar focused on Starting a business, Getting Credit, and Construction Permits

**List of Ideas on Possible New Projects:**

- Additional Phase 2 diagnostics in the five priority areas
- EoDB Stock-Take Workshop, possibly at EC1 in 2012, to share best practices and lessons learned, with a view to improving the framework and operation of future EoDB programs. The workshop could support development of the APEC Economic Policy Report (AEPR) on EoDB in 2012 and might explore interest in new areas for EoDB work beyond the current five priorities. It may also be useful to consider sessions on the World Bank's *Doing Business* methodology and panel discussions to facilitate information/experience sharing among economies regarding how they have set institutional frameworks for improving their *Doing Business* ranking.
- Invite Phase 2 consultants to speak about their diagnostic experiences thus far
- Small-group breakout sessions for economies that share similar geography or similar EoDB challenges to help transmit progress across APEC

## Work Plan for the Public Sector Governance FotC Group

**Name of the FotC:** Public Sector Governance

**Coordinating Economy:** Chinese Taipei

**Membership Principles and Member Economies:**

Economies with the intention of sizable/substantial contribution will be members, while other economies will be CC-ed when FotC e-mail discussion is conducted among such members. The eight start-up members include Canada, Indonesia, Korea, New Zealand, Chinese Taipei, Thailand, USA, and Vietnam.

**Objectives:**

Good public sector governance strengthens the national economic environment and improves public service performance. APEC Economic Committee has been in charge of promotion of structural reform and established a set of principles of public sector governance. The 2007 APEC Economic Policy Report highlighted nine generalized high-level principles of good public sector governance to economies. As the progress of structure reform steps into a new phase in 2011-2015, the new PSG FotC aims to maintain a platform for economies to discuss and exchange practical experiences on public sector governance and to promote the application of the principles of good governance in the public sector. It will facilitate ANSSR and support APEC Growth Strategy by improving the quality of public sector governance via providing opportunities for benchmark learning and best practices sharing among economies.

**Scope:**

In order to deepen and widen dialogues among economies, Chinese Taipei suggests that the new PSG FotC group develops the priority areas on the basis of its past achievements and the interests of member economies. With references to the results of the *Stock-take of activities against the nine high-level principles for good public sector governance* and the *LAISR Reformulation Survey*, economies agree the five themes for advanced discussions in the new PSG FotC as follows:

- **Strengthening public administration for the future**  
Coping with changes of the market, the political situations, and the natural environment within and beyond the boundaries, economies have adjusted their governmental structures to enhance competitiveness and to strengthen governance capacity in the past decade. In order to update lessons of government restructuring from economies, the new PSG FotC focuses on the experiences and the results of public administration reforms. Discussions in this area will concentrate on approaches and outcomes of organizational restructuring in the public sector promoting across boundary governance, reduction of administrative process and burden, and establishment of an effective government. This area aims to facilitate experience sharing of administrative reforms and expects to promote economic, social, and political performance and good public sector governance among economies.
- **Improving the quality of public service**  
Quality public service delivery is essential when promoting citizen trust and satisfaction toward the public sector. Seeking ways to advance the efficiency and

quality of the public service delivery, APEC member economies have developed various innovative measures in recent years. This area aims to exchange the incentive mechanisms or initiatives economies designed to evaluate the quality of public service and to encourage the citizen-oriented public service.

- **Leveraging ICTs to strengthen public sector governance**  
ICTs are becoming an essential part of many economies' governance initiatives. Active uses of ICTs for improving government process (e-administration), connecting citizens (e-citizens and e-services), and building external interactions (e-society) are beneficial to public participation and government transparency. This area expects to deepen experience sharing on how economies utilize new ICTs to promote government efficiency and responsiveness. Key issues in this area include agile and friendly access of public service, real-time government information and services, and applications of social networking to enhance interactions between the government and the public.
- **Enhancing fiscal transparency and public accountability**  
Promoting fiscal transparency is one of the government's focal responsibilities to articulate the achievements of value for money. This area focuses on the practical measures and tools economies took to enhance public spending management, to improve government productivity, and to assess the quality of fiscal transparency. This area aims to develop a paper of fiscal transparency and public accountability.
- **Strengthening trust, integrity, and ethics**  
Corruption erodes public trust towards the government and the performance of public governance. Therefore, to build a clean government and to construct public service ethic codes have been major concerns among economies. This area aims to promote further discussions on the systematic and organizational design and regulations of anti-corruption in the public sector. Economies will also have opportunities to exchange experiences on surveying the public perception of corruption and on training programs of the public service ethics.

**List of Individual Activities to be Succeeded** (see Appendix 4)

**List of Ideas on Possible New Projects** (see Appendix 5)

- Seminar, workshop, and roundtable discussion on priority areas
- Tailor-made project to assist member economies to improve governance quality in the public sector
- Paper on fiscal transparency and public accountability



## Work Plan for Regulatory Reform FotC Group

**Name of the FotC:** Regulatory Reform

**Coordinating Economy:** Japan

**Membership Principles<sup>4</sup> and Member Economies:**

Indonesia, Korea, Malaysia, Mexico, New Zealand, Chinese Taipei, Thailand, the U.S. and Vietnam

**Objectives:**

Promote regulatory reform in APEC economies to:

- increase social welfare by better balancing and more effectively delivering government policies over time;
- boost economic development and consumer welfare by encouraging market entry, innovation and competition and thereby promoting competitiveness;
- control regulatory costs so as to improve productive efficiency by reducing unnecessary costs, particularly for entrepreneurs and small, medium, and micro sized businesses;
- improve public sector efficiency, responsiveness, and effectiveness through public management reforms;
- rationalize and simplify law; and
- improve the rule of law and democracy through legal reform, including improved access to regulation and reduced discretion, where excessive, for regulators and enforcers.

**Scope:**

The Regulatory Reform FotC will work to promote regulatory reform bearing in mind that all the FotC's activities will help implement the APEC Leaders' Growth Strategy and the ANSSR initiative.

**List of Individual Activities to be Succeeded** (see Appendix 6)

1. APEC-OECD Integrated Checklist on Regulatory Reform

<sup>4</sup> FotC coordinators are expected to propose as to how the membership can be organized. Possible examples include:

A: Economies with the intention of sizable/substantial contribution will be members, while other economies will take part in decision making at the Plenary.

B: Two kinds of membership, with core members and non-core members.

C: Economies with the intention of sizable/substantial contribution will be members, while other economies will be CC-ed when FotC e-mail discussion is conducted among such members.

- The Checklist is a voluntary tool that member economies may use to evaluate their respective regulatory reform efforts. Based on the accumulated knowledge of APEC and the OECD, the Checklist highlights key issues that should be considered during the process of development and implementation of regulatory policy, while recognizing that the diversity of economic, social, and political environments and values of member economies require flexibility in the methods through which the checklist shall be applied, and in the uses given to the information compiled.
  - So far, six economies (the U.S.; Hong Kong, China; Chinese Taipei; Korea; Australia; and Japan) have conducted self assessments.
  - This exercise would contribute to “Regulatory Cooperation and Convergence”, one of the proposed priorities for APEC2011.
2. APEC Voluntary Reviews of Institutional Frameworks and Processes for Structural Reform
- A process for voluntary self review was developed and endorsed at the EC2 meeting held on 23 – 24 July 2009 in Singapore.<sup>5</sup> The key features of effective reform institutions or processes that were agreed to be important for supporting reform are: Mandate, Governance, Budget, Independence, Authority, Transparency, and Economy-wide mandate/perspective.
  - The overall purpose of the review is to examine the extent to which these key features are present in the institutions and processes for structural reform within the reviewed economy. This review complements the APEC-OECD Integrated Checklist on Regulatory Reform.
3. Benchmarking Survey
- The benchmarking survey was intended to gather information on the current regulatory state of play in APEC economies to provide a base level (the benchmark) against which to measure progress - with a follow up to be conducted in approximately five years to examine progress.
  - The benchmarking survey was also intended to assist economies in setting domestic targets, tracking the success of regulatory initiatives over time and allocating APEC’s capacity building resources in this area. The questions attempted to capture the framework and processes which assist in achieving good regulatory outcomes by taking a ‘snapshot’ of the regulatory processes in place in each economy.
  - In 2010, the results of the survey have been reported to EC members. So far, twelve economies (Australia; Hong Kong, China; Japan; Korea; Malaysia; Mexico; New Zealand; Russia; Singapore; Chinese Taipei; Thailand; and the U.S.) have conducted self assessments.

## **Possible New Projects**

### Promoting Regulatory Reform Contributing to APEC Leaders’ Growth Strategy and APEC New Strategy on Structural Reform (ANSSR)

In the past, Regulatory Reform FotC have supported regulatory reform activities in APEC economies by horizontal approach through developing and utilizing practical tools such as the Good Practice Guide on Regulatory Reform, the benchmarking survey and APEC-

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<sup>5</sup> PSU prepared HANDBOOK FOR “THE APEC VOLUNTARY REVIEWS OF INSTITUTIONAL FRAMEWORKS AND PROCESSES FOR STRUCTURAL REFORM” in October 2009.

OECD Integrated Checklist on Regulatory Reform, and editing the APEC Economic Policy Report 2009 which focused on regulatory reform.

We continuously seek horizontal approach to share good practices on regulatory reform and improve the quality of regulation among economies.

And after 2011, in addition to utilizing these horizontal approach, we plan to focus on the priority areas contributing to APEC Leaders' Growth Strategy (which consists of balanced growth, inclusive growth, sustainable growth, innovative growth and secure growth), APEC New Strategy on Structural Reform (ANSSR) and regulatory cooperation, and share best practices through figuring out regulations which could be driving force or disincentive to promoting activities on these areas and enforcing case studies. The priority policy areas are as follows:

- i. Improving business environment for Small and Medium Enterprises such as international trade
- ii. Promoting sustainable growth such as promoting investment on green industries
- iii. Promoting innovation such as developing a skilled, adaptable, and professional workforce

We plan to make use of following activities as a means of sharing best practices:

- A) Survey on regulations which could be driving force or disincentive to promoting activities of these areas  
With reference to PSU researches, we plan to implement surveys of these areas, collaborating with PSU where appropriate.
- B) Policy dialogue or workshops  
To be held in order to identify the necessary works by economies and to share the best practices.
- C) Dialogue with ABAC
  - Cooperation with ABAC is indispensable in this field to promote regulatory reform in alignment with business needs. Also we might derive benefits through sharing and examining best practices. For this purpose, we plan to hold workshops.
- D) Joint sessions with other fora
  - It is important to make our discussion more professional and technical through cross-fora collaboration. Possible ideas include joint sessions with the HRDWG or SMEWG to discuss regulatory reform for Inclusive Growth or with the ISTWG to discuss it for Innovative Growth.

## Work Plan for the Competition Policy and Law Group

**Name of the FotC:** Competition Policy and Law Group (CPLG)

**Coordinating Economy:** Japan

**Membership Principles<sup>6</sup> and Member Economies:**

The CPLG membership remains open to all economies as in the past.

**Objectives:**

The CPLG works to promote an understanding of regional competition laws and policies, to examine the impact on trade and investment flows, and to identify areas for technical cooperation and capacity building among APEC member economies.

**Scope:**

The CPLG is responsible for technical aspects of competition law and enforcement to develop and enhance competition law and policy in APEC member economies. It covers the legal and regulatory issues of competition law and enforcement, including sharing new developments in the law, comparative aspects of competition law, the role of the courts, the degree of autonomy granted to competition authorities, better methods to improve success of monitoring and enforcement of the law and appropriate remedies. It requires high degree of technical expertise, in-depth understanding and ability to analyze the legal and regulatory issues from the members involved.

**List of Individual Activities to be Succeeded** (see Appendix 1)

- APEC Training Course on Competition Policy in 2011  
APEC Training course in 2011 will be held in Pulau Pinang, Malaysia, focusing on “Effective Mechanism against Cartel Offences” in October 2011. Malaysian Competition Commission will host this training course which is designed to join around 50 officials from the CPLG members.
  
- The Competition Policy and Law Database  
For the purpose of sharing information/experiences and discussions among APEC member economies regarding updates and recent developments in competition law and policy, the website “The Competition Policy & Law Database” has been managed by Chinese Taipei. The website has been updated periodically for providing latest information since its establishment in 1999.

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<sup>6</sup> FotC coordinators are expected to propose as to how the membership can be organized. Possible examples include:  
A: Economies with the intension of sizable/substantial contribution will be members, while other economies will take part in decision making at the Plenary.  
B: Two kinds of membership, with core members and non-core members.  
C: Economies with the intension of sizable/substantial contribution will be members, while other economies will be CC-ed when FotC e-mail discussion is conducted among such members.

- **Members' Report/Presentation on Up-dated and Development of Competition Policy**  
In order to exchange information, promote dialogue and encourage cooperation among the authorities for competition policy of member economies, each economy will make presentations in the CPLG meeting on up-dates and development of competition policy and law, which may cover the following items;
  - 1) Introduction of competition law and change to competition law and policy;
  - 2) Enforcement of competition law and policy (featuring recent cases);
  - 3) Challenges being faced in the area of competition policy and competition advocacy efforts;
  - 4) Provision or needs of technical assistance activities, if any, (what kind of technical assistance is needed or useful)
  
- **Survey on Information Exchange on Competition in APEC region**  
The main target of the project is to conduct a survey on information exchange on the competition enforcement within the APEC region that would enhance enforcement effectiveness, save resources of competition authorities. Federal Antimonopoly Service of the Russian Federation hosts this project and will conduct it from July 2011 to November 2012.
  
- **Measures of Competition Development in APEC**  
The main purpose of this project is to research on the development of competition policy and law in the APEC region and to provide an opportunity for member economies to get acquainted with the measures of competition policies taken in APEC economies, thereby to contribute to the development of competition policy in each economy. The measures which are going to be considered are: institutional ones, on competition advocacy and on simplification of access to infrastructure. Ministry of Economic Development of the Russian Federation hosts this project and will conduct it from July 2011 to December 2012.

### COMPETITION POLICY 2011 COLLECTIVE ACTION PLAN

Collective Action	Steps to Implement	Time Frame
<p>a) Gather information and promote dialogue on and study:</p> <p>i) The objectives, necessity, role and operation of each APEC economy's competition policy and/or laws and administrative procedures, updating on a permanent basis the database on competition policy;</p> <p>ii) Competition Policy Issues that impact on trade and investment flows in the Asia Pacific region</p> <p>iii) Exemptions and exceptions from the coverage of each APEC economy's competition policy and/or laws in an effort to ensure that each is no broader than necessary to achieve a legitimate and explicitly identified objective;</p> <p>iv) Areas for technical assistance and the modalities thereof, including exchange and training programs for officials in charge of competition policy, taking into account the availability of resources; and</p> <p>v) The interrelationship between competition policy and/or laws and other policies related to trade and investment.</p>	<p>A. Continue policy dialogue and information exchange and study on competition policy, competition laws and their enforcement and their interrelationship with other policies related to trade and investment, including through further workshops if members so decide.</p>	Continuous
	<p>B. Utilize the common/united format for reporting on members' respective up-dates and developments of competition policy and law.</p>	Continuous
	<p>C. Individual economies to provide further information (update) on their competition policies, competition laws and their enforcement, exemptions and exceptions from the coverage of competition policy and/or law, thereby enhancing transparency and contributing to the development and enhancement of the APEC database on competition law and policy.</p>	Continuous
	<p>D. Individual economies to seek technical assistance and/or consider providing training programs with a view to sharing their experience in operating competition policies and laws with other Members.</p>	Continuous
	<p>E. For sharing information/experiences and discussions among APEC member economies regarding recent developments and updates in competition law and policy, the website "<i>The Competition Policy &amp; Law Database</i>" has been managed by Chinese Taipei.</p>	Continuous
	<p>F. For raising APEC member economies' awareness of possibilities, rules and procedures of obtaining information regarding antitrust enforcement and merger review, etc., a survey will be conducted by the Russian Federation.</p>	From July 2011 to November 2012
	<p>G. For developing the competition policy among APEC member economies by disseminating a survey of measures of competition development, the project called "Measures of Competition Development in APEC" will be conducted by the Russian Federation.</p>	From July 2011 to December 2012

Collective Action	Steps to Implement	Time Frame
b) Deepen competition policy dialogue between APEC economies and relevant international organizations.	Maintain dialogue with other international organizations considering competition policy and law issues.	Continuous
c) Continue to develop understanding in the APEC business community of competition policy and/or laws and administrative procedures.	<p>A. Individual economies to further develop dialogue, on a permanent basis, with the business community on competition policy and/or laws and administrative procedure</p> <p>B. Having an opportunity to discuss between the CPLG and private sector including ABAC on Procedural Importance to Competition Proceedings.</p>	<p>Continuous</p> <p>March 2011</p>
d) Continue to develop an understanding of competition policies and/or laws within their respective governments and within relevant domestic constituencies, thereby fostering a culture of competition.	<p>A. Individual economies will develop and implement strategies to explain the benefits of competition policy and/or laws to their citizens and government agencies.</p> <p>B. Formulate a capacity building project (The APEC Training Course on Effective Mechanism against Cartel Offences) to assist members in promoting competition policy</p>	<p>Continuous</p> <p>October, 2011</p>
e) Encourage cooperation among the competition authorities of APEC economies with regard to information exchange, notification and consultation.	<p>A. Consider further actions for promoting cooperation among competition authorities.</p> <p>B. Individual economies to list and update contact points of competition authorities periodically with a view to transparency and information exchange where deemed appropriate.</p> <p>C. Formulate a capacity building project (The APEC Training Course on Effective Mechanism against Cartel Offences) to assist members in promoting competition policy</p>	<p>Continuous</p> <p>Continuous</p> <p>October, 2011</p>
f) Contribute to the use of trade and competition laws, policies and measures that promote free and open trade, investment and competition.	A. Interaction with other APEC Sub-fora with regard to the issue of Competition Policy.	Continuous
g) Encourage all APEC economies to implement the "APEC Principles to Enhance Competition and Regulatory Reform".	Individual Economies to take action oriented undertakings directed to the implementation of the "APEC Principles to Enhance Competition and Regulatory Reform" by APEC Fora and Sub-fora.	Continuous

Collective Action	Steps to Implement	Time Frame
h) Encourage all APEC economies to utilize “the APEC-OECD Integrated Checklist on Regulatory Reform” as a self-assessment tool on a voluntary basis.	<p>A. Disseminating the APEC-OECD Integrated Checklist on Regulatory Reform, particularly the Competition Policy element of the checklist.</p> <p>B. Following the endorsement of the APEC-OECD Integrated Checklist on Regulatory Reform by the 17<sup>th</sup> APEC Ministerial Meeting in 2005, members will voluntarily report on utilizing the Checklist.</p>	<p>Continuous</p> <p>Continuous</p>
i) Undertake capacity building programs to assist economies in implementing the “APEC Principles to Enhance Competition and Regulatory Reform”.	Formulate a capacity building project (The APEC Training Course on Effective Mechanism against Cartel Offences) to assist members in promoting competition policy	October 2011



(Appendix 1)

Items in the Forward Work Programme for LAISR and Their Transition to the New FotC Groups (Competition Policy)

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
1. Provide context for the discussion on competition policy within APEC, identifying areas of need for competition policy	APEC Economic Policy Report 2008	Completed	Peru, EC Chair	[Competition Policy, CPLG]
2. Provide guidance for good practice	Good practice principles for competition and regulatory reform	Completed	Hong Kong, China; EC Chair	[Competition Policy]
	Seminar on Good Practices in Regulation and the Promotion of Efficiency in Transport Infrastructure Facilities	Completed	Peru, Australia, Singapore, CPLG, EC Chair	[Competition Policy, CPLG]
3. Set the stage for productive discussion on competition policy within APEC.	Share information and experiences on competition policy	On-going	Chinese Taipei; CPLG	[CPLG]
4. Stock-take of progress in competition policy and set direction of future work.	LAISR Stock-take Report	Completed	Hong Kong, China; EC Chair	[Competition Policy, CPLG, whole of the EC]
	Ministerial Meeting on Structural Reform	Completed	Australia, Peru, Singapore, EC Chair	[Whole of the EC]
5. Capacity building to implement practical measures.	Study on the impacts and benefits of structural reforms in transport, energy and telecommunication sectors	Completed	PSU	[Competition Policy]
	Seminar on Impacts of Structural Reforms and LAISR Stock-take	Completed	HKC, Japan	[Competition Policy]

<b>6. Promote better understanding of practical measures to strengthen competition policy</b>	<b>Training course on Advocacy of Competition Policy</b>	Completed	CPLG (Vietnam, Japan)	[CPLG]
	<b>Training course on Effective Mechanism against Cartel Offences</b>	Oct 2011	CPLG (Malaysia, Japan)	[CPLG]
	<b>Roundtable Discussion on Procedural Fairness in Competition Cases</b>	Completed	CPLG, ABAC	[CPLG]
	<b>Roundtable Discussion on Procedural Importance to Competition Proceedings</b>	Completed	CPLG, ABAC	[CPLG]
	<b>Training course on Vertical Restraints and Interrelations between Competition Policy and Consumer Protection Policy.</b>	Completed	Chinese Taipei, Japan, CPLG	[CPLG]
<b>7. Activities on competition policy in specific area/sector, etc</b>	<b>Survey on Information Exchange on Competition</b>	Completed by Nov 2012	Russia, CPLG	[CPLG]
	<b>Measures of Competition Development</b>	Completed by Dec 2012	Russia, CPLG, EC	[CPLG, Competition Policy]

(Appendix 2)

Items in the Forward Work Programme for LAISR and Their Transition to the New FotC Groups (Corporate Law and Governance)

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
1. Set the stage for productive discussion on corporate governance within APEC.	Good practice principles for corporate governance	Completed	United States	Corporate Law and Governance
	Agenda on corporate governance	Completed	United States	Corporate Law and Governance
	Review work on corporate governance	Completed	United States	Corporate Law and Governance
2. Identify areas of need for strengthening corporate governance.	Review progress on corporate governance	Completed	United States	Corporate Law and Governance
3. Build consensus on best practices in corporate governance.	Roundtable discussion on corporate governance	Completed	United States	Corporate Law and Governance
4. Build capacity to implement practical measures.	Technical assistance as necessary	Completed	United States	Corporate Law and Governance
	APEC Training Course on Corporate Governance	Completed	Viet Nam	Corporate Law and Governance
	Workshop on corporate governance reform	Completed	United States	Corporate Law and Governance
5. Increase awareness of the elements of sound corporate governance.	Seminar on promoting good governance for SMEs	On-going	Vietnam	Corporate Law and Governance
	Workshop on Implementing the OECD Principles of Corporate Governance	Completed	United States	Corporate Law and Governance
	Workshop on Identifying Capacity Building Needs for Implementation of the OECD Principles of Corporate Governance	On-going	United States	Corporate Law and Governance

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
6. Stocktake of progress in strengthening corporate governance and set direction of future work.	APEC Economic Policy Report on corporate governance	Completed	United States, Japan	Corporate Law and Governance, whole of the ECONOMIC
7. IFRS and financial reporting issues.	Policy discussion at EC1 2012	On-going	New Zealand	Corporate Law and Governance

**Items in the Forward Work Programme for LAISR and Their Transition to the New FotC Groups  
(Strengthening Economic and Legal Infrastructure (SELI) )**

<b>Objectives</b>	<b>Action items/Specific products</b>	<b>Status</b>	<b>Led by</b>	<b>Suggested New FotC /Subfora</b>
<b>1. Set the stage for productive discussion on strengthening economic and legal infrastructure within APEC.</b>	<b>Share reports on strengthening economic and legal infrastructure</b>	Completed	SELI Chair (SELI Coordinating Group)	Corporate Law and Governance
	<b>Build a network for information exchange on strengthening economic and legal infrastructure</b>	Completed	Australia	Corporate Law and Governance
<b>2. Identify areas of need for strengthening economic and legal infrastructure.</b>	<b>Review progress on strengthening economic and legal infrastructure</b>	Completed	SELI Chair (SELI Coordinating Group), ABAC	Corporate Law and Governance
	<b>Report on cross-border mergers and acquisitions</b>	Completed	Hong Kong, China	Corporate Law and Governance
<b>3. Build consensus on best practices in strengthening economic and legal infrastructure</b>	<b>Information sharing on best practices for strengthening economic and legal infrastructure</b>	Completed	SELI Chair, United States (SELI Coordinating Group)	Corporate Law and Governance
<b>4. Promote better understanding of practical measures to strengthen economic and legal infrastructure.</b>	<b>Seminar and/or Roundtable discussion on strengthening economic and legal infrastructure theme</b>	Completed	Japan	Corporate Law and Governance
<b>5. Capacity building to implement practical measures.</b>	<b>Capacity building as necessary</b>	On-going	To be decided	Corporate Law and Governance
<b>6. Increase awareness of the elements of sound economic and legal infrastructure.</b>	<b>Ministerial Meeting on Structural Reform</b>	Completed	Australia, Peru, Singapore, EC Chair	Whole of the EC
	<b>APEC Growth Strategy High Level Policy Round Table</b>	Completed	Japan	Whole of the EC

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
7. Stocktake of progress in strengthening economic and legal infrastructure and set direction of future work.	Summary of outputs and outcomes of work programme	Completed	Japan, EC Chair	Whole of the EC

(Appendix 3)

List of Ideas on Possible New Projects of the Corporate Law and Governance FotC

Issue/idea	Lead economy	Suggested next step	Timeframe	Format
<p><b>1. Lessons from the financial crisis for corporate governance and law.</b> The first step in this work would be to pick out corporate governance themes and issues from recent G20 statements and assess how they are relevant to APEC economies. A second step would be to discuss which issues should be explored further (for example in policy discussions, workshops or papers).</p>	Chinese Taipei?	A volunteer economy to examine G20 statements and assess what corporate governance themes or issues may be relevant for APEC	?	Theme report
<p><b>2. Corporate Law and Governance for SMEs.</b> This work would involve sharing experiences on how to assist SMEs to implement corporate law and governance. Due to the extent of global trade flows, SMEs now interact with a number of economies who may have approaches to corporate governance. This work could assist business to know about the approaches taken in different economies, and this could also contribute to the “regulatory coordination and cooperation” theme of 2011.</p>	Vietnam	<p>Vietnam will develop this idea further with a more detailed proposal.</p> <p>New Zealand, Chinese Taipei, and other economies support the activity.</p>	EC1 2012	Proposal
<p><b>3. IFRS and financial reporting issues.</b> At EC1 2011, ABAC noted that they did not have a link into APEC to discuss IFRS and other important financial reporting issues.</p>	New Zealand/ABAC	New Zealand to further discuss with ABAC their interest in leading a policy discussion. New Zealand also to discuss with the EC Chair's office regarding the availability of time on 2012 EC agenda.	EC meeting 2012	Policy discussion

(Appendix 4)

Items in the Forward Work Programme for LAISR and Their Transition to the New FotC Groups (Public Sector Governance)

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
1. Set the stage for productive discussion on public sector governance within APEC.	Seminar on public sector governance	Completed	New Zealand, Japan, Malaysia	Public Sector Governance
	APEC Economic Policy Report on public sector governance	Completed	New Zealand, EC Chair	Public Sector Governance
	Bibliography of resources on public sector governance	Completed	New Zealand	Public Sector Governance
2. Identify areas of need for strengthening public sector governance.	Review APEC Economic Policy Report on public sector governance	Completed	Canada, EC Chair	Public Sector Governance
3. Promote better understanding of practical measures to strengthen public sector governance.	Good practice principles for public sector governance	Completed	Canada	Public Sector Governance
	Policy dialogues on public sector governance ( Improving Public Sector Transparency: Good Practices and Reform Experiences)	Completed	Chinese Taipei, New Zealand (2011 EC2)	Public Sector Governance
	Management Performance: Towards Effective Government	Completed	Canada	Public Sector Governance
	Workshop on e-governance	Completed	Chinese Taipei, New Zealand	Public Sector Governance
	Workshop on government performance and results management	Completed	Chinese Taipei, New Zealand	Public Sector Governance
4. Capacity building to implement practical measures.	Workshops on public sector governance as appropriate	On-going	To be decided	Public Sector Governance



5. Increase awareness of the elements of sound public sector governance.	Ministerial Meeting on Structural Reform	Completed		Whole of the EC
6. Stocktake of progress in strengthening public sector governance and set direction of future work.	Summary of outputs and outcomes of work programme	Completed	New Zealand	Public Sector Governance, whole of the EC

(Appendix 5)

**Work Plan Details of Public Sector Governance FotC Group**

<b>Priority areas</b>	<b>Action items/Specific products</b>	<b>Timeframe</b>	<b>Led by</b>	<b>Format</b>
<b>1. Strengthening public administration for the future</b>	<b>Good practice principles for public sector governance</b>	<b>2011 EC1</b>	<b>Canada</b>	<b>Theme report</b>
<b>2. Improving the quality of public service</b>				
<b>3. Leveraging ICTs to strengthen public sector governance</b>				
<b>4. Enhancing fiscal transparency and public accountability</b>	<b>Improving Public Sector Transparency: Good Practices and Reform Experiences</b>	<b>2011 EC2</b>	<b>Chinese Taipei, New Zealand</b>	<b>Roundtable discussion/ Policy dialogue</b>
<b>5. Strengthening trust, integrity, and ethics</b>				

(Appendix 6)

Items in the Forward Work Programme for LAISR and Their Transition to the New FotC Groups (Regulatory Reform)

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
1. Provide context for the discussion on regulatory reform within APEC	Roundtable discussion on regulatory reform	Completed	Australia	[Regulatory Reform]
2. Provide guidance for good practice regulation principles and practices within APEC	Good Practice Guide on Regulatory Reform	Completed	Australia, Peru, Mexico, New Zealand	[Regulatory Reform]
	Workshop on Improving Public Consultation in the Rulemaking Process	Completed	United States, Indonesia, Japan, Mexico, Vietnam	[Regulatory Reform]
	Survey of incentive schemes for civil servants	Completed	Chinese Taipei	[Regulatory Reform]
	Ministerial Meeting on Structural reform	Completed	Australia, Peru, Singapore, EC Chair	[Whole of the EC]
3. Enhance APEC economies' regulation making, review and enforcement processes and systems.	AEPR 2009: Regulatory Reform theme	Completed	Australia	[Regulatory Reform]
	Benchmarking Survey	will be conducted in 2015		[Regulatory Reform]
	APEC Voluntary Reviews of Institutional Frameworks and Processes for Structural Reform	On-going		[Regulatory Reform]
	APEC-OECD Integrated Checklist on Regulatory Reform	On-going		[Regulatory Reform]
	Regulatory impact analysis training within APEC	On-going	Australia, Mexico, New Zealand, Russia	[Regulatory Reform]

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
4. Improve APEC economies' regulation in key sectors of the economy.	Desktop research on the current cost and quality of transport, telecommunication services, and energy to consumers in APEC economies	Completed	PSU	[Regulatory Reform]
	Case Studies on Green Investments	On-going	Japan, PSU	[Regulatory Reform]
5. Address key regulatory burden on businesses in APEC economies.	Study of regulatory burden within APEC economies	Completed	Singapore	[Regulatory Reform]
6. Assess overall progress in regulatory reform amongst APEC economies and set direction for future work.	Report to APEC Leaders for endorsement	Completed by Nov 2010	Australia, EC Chair	[Regulatory Reform, whole of the EC]