



**Asia-Pacific  
Economic Cooperation**

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**2013/SOM1/EC/011**  
Agenda Item: 6

**Lessons from the Financial Crisis for Corporate  
Governance and Law– Roles and Duties of  
Enforcement Bodies on Corporate Governance  
Implementation**

Purpose: Information  
Submitted by: Chinese Taipei



**First Economic Committee Meeting  
Jakarta, Indonesia  
1-2 February 2013**

# Lessons from the Financial Crisis for Corporate Governance and Law—

roles and duties of enforcement bodies  
on corporate governance implementation

By Financial Supervisory Commission, Chinese Taipei  
2013/02/01

## Project Objectives

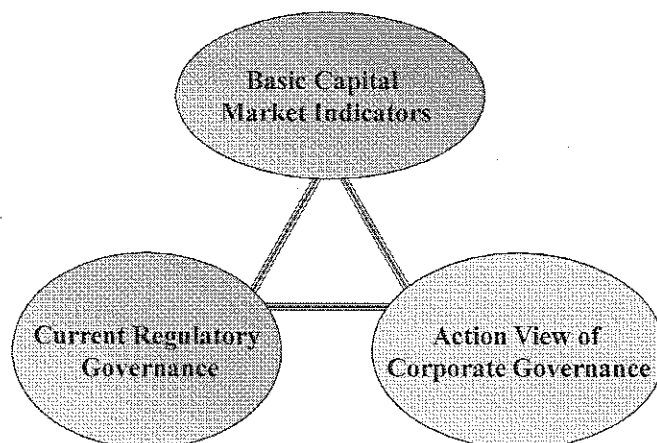
- Principles
- Measures
- Practices
- Experience Sharing
- Action Plan

## Status Report

- Questionnaire to be sent to members
- In-depth interview with S. Korea

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## Questionnaire Design



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## Questionnaire Structure

- Reference
- Priorities
  - Public- and private-sector institutions should continue to make the business case for the value of good corporate governance.
  - All jurisdictions should strive for active, visible and effective enforcement of corporate-governance laws and regulations.
  - The quality of disclosure should be enhanced and made in a timely and transparent manner.
  - Board performance needs to be improved by appropriate further training and board evaluations.
  - The legal and regulatory framework should ensure that non-controlling shareholders are adequately protected from expropriation by insiders and controlling shareholders.
  - Shareholder engagement should be encouraged and facilitated, in particular by institutional investors

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## Questionnaire Structure

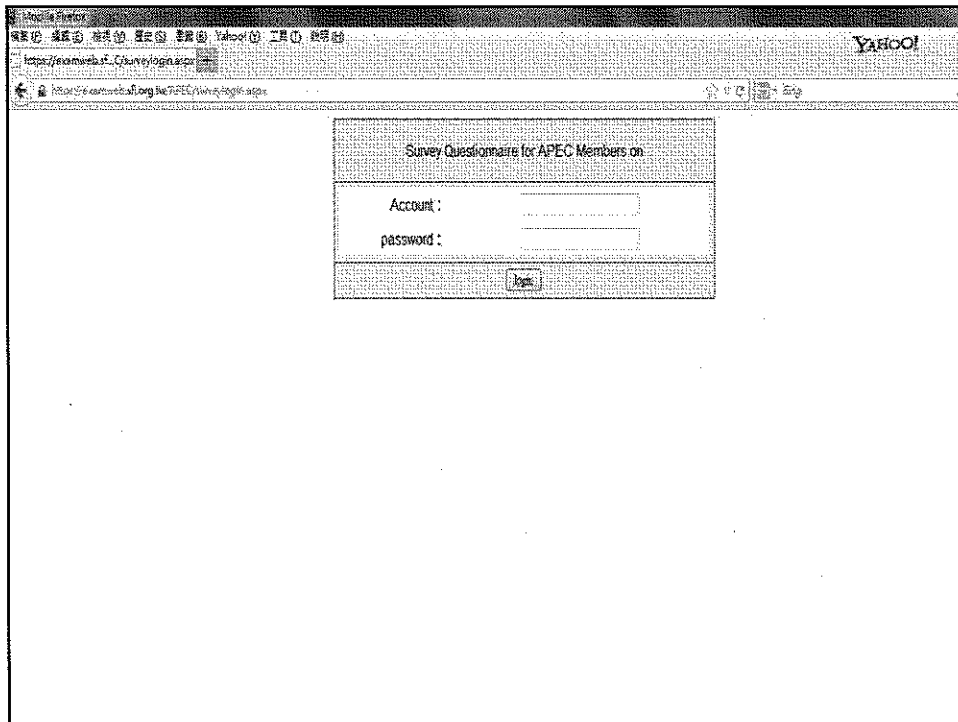
Intensity/Concentration design

Multiple choices, open questions

- e.g. financial information disclosure
- mandatory for disclosing annual financial reports
- mandatory for disclosing semi-annual financial reports
- mandatory for disclosing quarter financial reports

Fill in answers through website

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Survey Questionnaire for APEC Members on

**Lessons from the Financial Crisis for Corporate Governance and Law: Roles and Duties of the Enforcement Bodies on Corporate Governance Implementation**

Since implementation of good corporate governance practices are rarely touched by research, this project will try to investigate APEC principles, analyze approaches that accomplish success or lead to failure, and then sum up effective and workable practices that help member governance. The survey will examine reforms made by EB after the financial crisis with information contributed by APEC members, and for and operational approaches are to be collected and shared.

The purpose of this questionnaire is not only to gather information relevant to the APRC mandate but also offers a chance for member practices. By learning from other economies' experiences, members could adopt or modify approaches that encourage companies to value and take corporate social responsibility.

**Directions for completing this questionnaire:**

1. Please indicate on the first page of your response:

Name(s) of the regulator(s) responsible for completing the survey in your jurisdiction	
Names of other regulators or responsible authorities that have contributed to the preparation of the response	
Name(s) of person(s) who may be contacted for follow-up questions	

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**IV. OECD 2011 Reform Priorities in Asia- Priority 4**  
 Board performance needs to be improved by appropriate further training and board evaluations. The board nomination process should be prospective board members, including their qualifications, with emphasis on the selection of qualified candidates. Boards of directors must monitoring of internal control and risk oversight systems. Boards should ensure independent reviews of transactions involving managers, d

1A. Before the 2008 financial tsunami, what functional committees did your jurisdiction require to be established by the boards of directors?

None  
 Compensation (remuneration) committee(  Compulsory  Voluntary)  
 Audit committee(  Compulsory  Voluntary)  
 Nominating committee (  Compulsory  Voluntary)  
 Risk management committee(  Compulsory  Voluntary)  
 Corporate governance committee(  Compulsory  Voluntary)  
 Other relevant organizations for ensuring the independence of the board of directors. Please briefly describe:

1B. After the 2008 financial tsunami, what functional committees does your jurisdiction require to be established by the boards of directors?

None  
 Compensation (remuneration) committee(  Compulsory  Voluntary)  
 Audit committee(  Compulsory  Voluntary)  
 Nominating committee(  Compulsory  Voluntary)  
 Risk management committee(  Compulsory  Voluntary)  
 Corporate governance committee(  Compulsory  Voluntary)  
 Other relevant organizations for ensuring the independence of the board of directors. Please briefly describe:

2A. Before the 2008 financial tsunami, which person or body was responsible for proposing the compensation of management and board n jurisdiction?

CEO or chairman of the board

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**VIII. Experiences sharing**

1. Please list the six priorities set out in the OECD's 2011 "Reform Priorities in Asia" in the order of the importance with which they are view tsunami:

2. Please give examples of the challenges that your jurisdiction currently faces in corporate governance (please give at least three examples):

3. On which topics is your jurisdiction most interested in learning the experience and recommendations of other countries relating to the dev

4. Please describe any experiences your jurisdiction would like to share relating to corporate governance:

Previous Final

## Possible Output--Statistics Analysis

Basic & Secondary Data  
Status: (6+1, 1)

→  $A_{6+1,i}$

TW R Year	Q1	Q2	Q3	Q4(IPO)	Q5(ROA%)
2004				125	4.81
2005				69	3.30
2006				51	0.95
2007				70	2.76
2008				55	0.81
2009				50	2.36
2010				56	2.87
2011				90	2.71

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## Possible Output--Statistics Analysis

Basic & Secondary Data  
Status: (6+1, 1)

→  $A_{6+1,i}$

Year	Q4(IPO) 2-YR Moving Average
2005	97
2006	60
2007	60.5
2008	62.5
2009	52.5
2010	53
2011	73

→  $\frac{\text{IPO}(2004)+\text{IPO}(2005)}{2}$

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## Possible Output--Statistics Analysis

Basic & Secondary Data  
Status : (6+1, 1)

$$\longrightarrow A_{6+1,i}$$

Ans.	OSIRDA % 12-1R Moving Average
2005	4.06
2006	2.12
2007	1.86
2008	0.98
2009	0.79
2010	2.62
2011	2.79

$$\longrightarrow \frac{\text{ROA}(2004)+\text{ROA}(2005)}{2}$$

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## Possible Output--Statistics Analysis

Basic & Secondary Data  
Status : (6+1, 1)

$$\longrightarrow A_{6+1,i}$$

Ans. of Q	Q4(IPO) 3-YR Moving Average
2005	81.7
2006	63.3
2007	58.7
2008	58.3
2009	53.7
2010	65.3

$$\longrightarrow \frac{\text{IPO}(2004)+\text{IPO}(2005)+\text{IPO}(2006)}{3}$$

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## Possible Output--Statistics Analysis

Basic & Secondary Data  
Status: (6+1, 1)

$$\longrightarrow A_{6+1,i}$$

Ans	BSIFCA % of 3-4 F Moving Avg
2005	3.02
2006	2.34
2007	0.97
2008	1.44
2009	1.48
2010	2.65

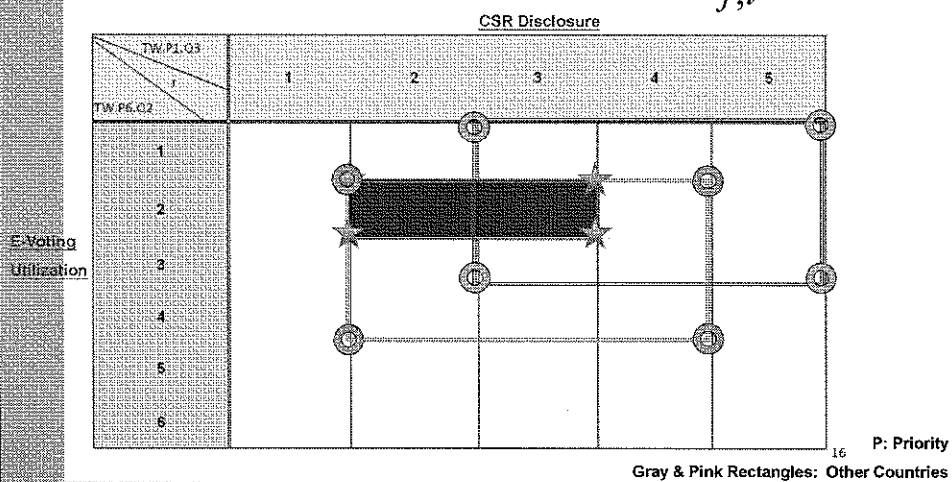
$$\frac{\text{ROA}(2004)+\text{ROA}(2005)+\text{ROA}(2006)}{3}$$

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## Possible Output-- Contrast

Cross Analysis: (6+1, 2)

$$\longrightarrow A_{j,i}$$



## Possible Output--Cluster Analysis

Cluster Analysis : (6+1, 3 or more)

→  $\Pi A_{j,i}$

	1	2	3	4	5		1	2	3	4	5
1	1	19	13	5	0	1	5	9	1	8	5
2	4		2	15	12	2	3	2	4	13	0
3	7	14	6	3	7	3	3	17	6	15	7
4	10	1	8	20	3	4	14	9		10	2
5	12	4	11	19	18	5	8	2	13	1	4
	1	2	3	4	5		1	2	3	4	5
1	2	4	20	3	10	1	0	14	8	4	0
2	9	17	11	6	1	2	9	6	18	21	20
3	13	12	8	8	5	3	12	19	14	16	7
4	17	15	14	9	0	4	21	11	20	9	3
5	5	1	2	19	4	5	1	22	5	10	9

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## Roundtable Experience Sharing

- To be held on EC2
- Tentative topics for experience sharing
  - Investor class action suits
  - Education programs for independent director
  - Shadow directors
  - IFRS implementation
  - Separation of financial sector from other industries
  - NGO' s function

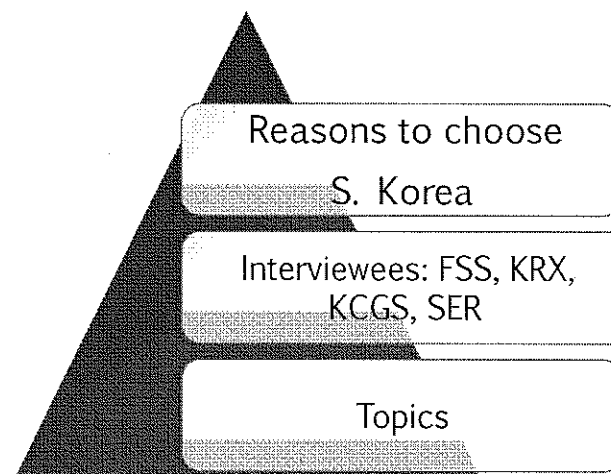
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## Implication and Action Plan

- Not comment on each economy' s policies or implementation results
- Focus on CG implementation' s influences on capital markets
- Inspiration/implication acquired from analysis and experience sharing:
  - **ADVICE:** other' s experience was good, and we need to change.
  - **WARNING:** other' s experience was a warning to us, and we have to change.
  - **COMPLIMENT:** we were doing well, and will stay as it is in future.
  - **SUGGESTION:** we were doing badly, but need to live with it.
- Action Plan:
  - Important/Urgent
  - Planning

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## In-depth Interview with S. Korea



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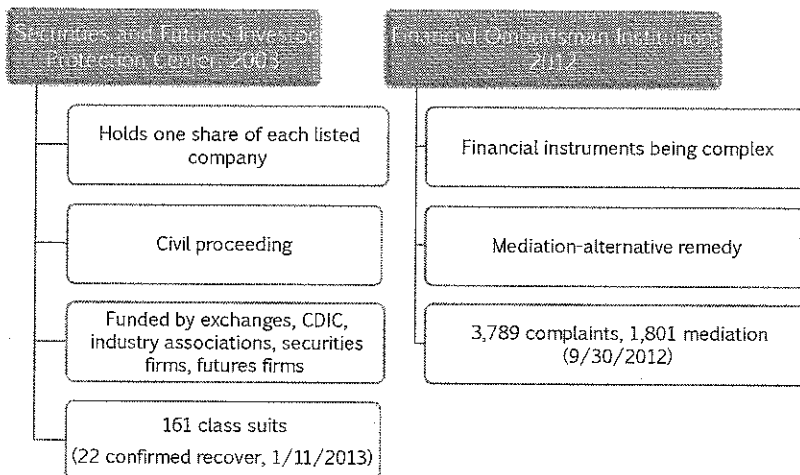
## In-depth Interview with S. Korea

### Observations

- High level recognition
- NGOs play important roles
- Minimize influences of majority shareholders on outside directors
- Chaebol issues
- Shareholder protection—less class action suits
  - Chinese Taipei's experience sharing
- Financial sector involves in non-financial businesses
  - Chinese Taipei's experience sharing

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## Chinese Taipei's Class Action Suit and Ombudsman system



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## Chinese Taipei' s Separation Policy of Financial vs. non-Financial industry

- Very controversial
- Banking Act stipulates clear separation

Different development approaches  
should be reviewed in different cultures

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## Seeking assistance ...

- Valuable research paper depends on adequate and good quality data
  - Please request related agencies to fill in questionnaires in time
- Experiences sharing benefits self and others
  - Please voluntarily be our in-depth interviewees
- Roundtable topics
  - Please tell us what interests you

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Comments?  
Questions?

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**Asia-Pacific  
Economic Cooperation**

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**2013/SOM1/EC/011anx**

Agenda Item: 6

**Lessons from the Financial Crisis for Corporate  
Governance and Law – Roles and Duties of  
Enforcement Bodies on Corporate Governance  
Implementation (Attachment - Questionnaire)**

Purpose: Information  
Submitted by: Chinese Taipei



**First Economic Committee Meeting  
Jakarta, Indonesia  
1-2 February 2013**

## **Survey Questionnaire for APEC Members on**

### **Lessons from the Financial Crisis for Corporate Governance and Law: Roles and Duties of the Enforcement Bodies on Corporate Governance Implementation**

Since implementation of good corporate governance practices are rarely touched by research, this project will try to investigate APEC members' execution of corporate governance principles, analyze approaches that accomplish success or lead to failure, and then sum up effective and workable practices that help member economies boost the level of corporate governance. The survey will examine reforms made by EB after the financial crisis with information contributed by APEC members, and focus on Enforcement Bodies (EB) reforms. Experiences and operational approaches are to be collected and shared.

The purpose of this questionnaire is not only to gather information relevant to the APRC mandate but also offers a chance for members to review their corporate governance rules and practices. By learning from other economies' experiences, members could adopt or modify approaches that encourage companies to value shareholders' rights, honestly manage businesses, and take corporate social responsibility.

#### **Directions for completing this questionnaire:**

- 1. Please indicate on the first page of your response:**

<b>Name(s) of the regulator(s) responsible for completing the survey in your jurisdiction</b>	
<b>Names of other regulators or responsible authorities that have contributed to the preparation of the response</b>	
<b>Name(s) of person(s) who may be contacted for follow-up questions</b>	

- 2. The following are some guidelines to help you complete the survey questionnaire.**



1. The survey will be most useful if you answer as candidly and completely as possible, to give a clear picture of corporate governance enforcement in your jurisdiction.
2. Every question contains multiple answers. You are encouraged to select more than one answer which correspondent with the circumstances of your country.
3. Some questions call for a "yes" or "no" answer. You are encouraged, however, to explain your answers in more detail and to comment on proposed changes to the current regulatory framework.
4. Respondents should consider providing a specific example to illustrate a feature of their regulation where that would be helpful.

**I. Basic information**

1. Please provide the basic information requested in each of the following items regarding the overall economic scale of all listed companies in your jurisdiction. (Please provide the information as of the end of 2011.)

⊙ The market capital of all listed companies was \_\_\_\_\_ million US dollars (USD).

⊙ The equity (or net asset value) of all listed companies was \_\_\_\_\_ million USD.

⊙ The average return on assets (ROA) of all listed companies was \_\_\_\_\_%.

⊙ The average price-to-book (P/B) ratio of all listed companies was \_\_\_\_\_%.

⊙ The average dividend pay-out ratio of all listed companies was \_\_\_\_\_%.

2. Please provide the basic information requested in each of the following items regarding the economic scales of specific types of listed companies in your jurisdiction. (Please provide the information as of the end of 2011, in units of million USD.)

⊙ State-owned enterprises:

Market capital was \_\_\_\_\_. Equity (or net asset value) was \_\_\_\_\_.

⊙ "Small and medium enterprises" as defined in your jurisdiction:

Market capital was \_\_\_\_\_. Equity (or net asset value) was \_\_\_\_\_.

(For example, in Taiwan, small and medium enterprises are defined as follows: enterprises in the manufacturing, construction, or mining & quarrying industries that have paid-in capital of New Taiwan dollars (NTD) 80 million or less, or enterprises in other industries that had sales revenues of NTD 100 million or less in the last fiscal year, or alternatively, enterprises in the manufacturing, construction, or mining & quarrying industries that have less than 200 regular employees or enterprises in other industries that have less than 100 regular employees.)

⊙ Other. Please briefly describe: \_\_\_\_\_.

Market capital was \_\_\_\_\_. Equity (or net asset value) was \_\_\_\_\_.

3. As of the end of 2011, please specify the percentage of shareholdings of all listed companies in your jurisdiction by each of the following types of ownership. (The sum of the items below is 100%)

☉ State holdings: \_\_\_\_\_%.

☉ Domestic investor holdings (State holdings excluded): \_\_\_\_\_%.

☉ Foreign investor holdings: \_\_\_\_\_%.

☉ Other. Please briefly describe: \_\_\_\_\_%.

4. Please specify the number of companies that had IPOs on stock exchanges in your jurisdiction in each of the years leading up to and following the 2008 financial tsunami below (unit: number of companies):

☉ The total number of companies in 2004 was \_\_\_\_\_.

☉ The total number of companies in 2005 was \_\_\_\_\_.

☉ The total number of companies in 2006 was \_\_\_\_\_.

☉ The total number of companies in 2007 was \_\_\_\_\_.

☉ The total number of companies in 2008 was \_\_\_\_\_.

☉ The total number of companies in 2009 was \_\_\_\_\_.

☉ The total number of companies in 2010 was \_\_\_\_\_.

☉ The total number of companies in 2011 was \_\_\_\_\_.

☉ The total number of companies in 2012 was \_\_\_\_\_.

5. For all listed companies in your jurisdiction that fall in the category of financial institutions, please specify the overall average return on assets (ROA) in each of the years leading up to and following the 2008 financial tsunami below:

☉ The ROA was \_\_\_\_\_ in 2004.

ⒸThe ROA was \_\_\_\_ in 2005.

ⒸThe ROA was \_\_\_\_ in 2006.

ⒸThe ROA was \_\_\_\_ in 2007.

ⒸThe ROA was \_\_\_\_ in 2008.

ⒸThe ROA was \_\_\_\_ in 2009.

ⒸThe ROA was \_\_\_\_ in 2010.

ⒸThe ROA was \_\_\_\_ in 2011.

## II. OECD 2011 Reform Priorities in Asia- Priority 2

**All jurisdictions should strive for active, visible and effective enforcement of corporate-governance laws and regulations. Regulatory, investigative and enforcement institutions should be adequately resourced, credible and accountable, and work closely and effectively with other domestic and external institutions. They should be supported by a credible and efficient judicial system.**

1. What judicial system is your jurisdiction based on?

Common law system

Civil law system

Bijuridical system (combination of common law and civil law)

Fiqh, Islamic jurisprudence

Other. Please briefly describe:

2. What is the basis for the exercise of corporate governance in your jurisdiction?

Considering to enact a legal basis to strengthen corporate governance.

Law passed by parliament (congress). Please specify the name of the law:

Administrative regulations (or guidelines) adopted by administrative regulatory authorities. Please

give examples:

Rules adopted by self-regulatory organizations in the market (e.g., stock exchanges). Please give examples:

Rules adopted by institutions (or juristic persons) responsible for corporate governance. Please give examples:

Other. Please describe:

3. What are the organizations or institutions in your jurisdiction with primary responsibility for the execution of measures related to the corporate governance of listed companies?

The regulatory authorities for commercial activities (e.g., Ministry of Economic Affairs). Name(s) of the regulatory authorities:

The regulatory authorities for finance (e.g., Financial Supervisory Commission). Name(s) of the regulatory authorities:

Self-regulatory organizations in the market (e.g., stock exchanges). Name(s):

Authorized organization(s). Name(s):

They are executed individually by companies themselves

Other organization(s). Please specify the name(s) and describe the scope in which they execute such measures:

4. With respect to disputes between companies and shareholders or third parties, which of the following kinds of claims are currently available under the laws of your jurisdiction to protect the rights and interests of the parties?

Claims for breach of contract or torts

Claims of derivative lawsuits (brought by shareholders on behalf of the company against board members or senior officers who breach legal duties)

- Claims for civil liability under anti-fraud provisions (e.g., false information disclosures or misrepresentation in prospectuses or financial reports)
- Claims for civil liability of insider trading and market manipulation
- Claims brought by creditors for their damage under insolvency or bankruptcy laws .
- Other rights of claim. Please describe:

5. What channel does the law of your jurisdiction provide to investors or shareholders for the resolution of disputes with companies?

- Resolution through internal company procedures
- Actions for trial by ordinary courts (e.g., district courts)
- Actions for trial by special courts (e.g., courts specializing in financial or corporate matters)
- Alternative Disputes Resolution (ADR) mechanisms, e.g., settlement, mediation, or arbitration
- Ombudsman schemes or consumer (investor) protection organizations

(Please specify the name(s) of the organization(s):

\_\_\_\_\_ )

- Other. Please briefly describe:

6. What kind of litigation procedure is available in your jurisdiction for multiple petitioners or a group of plaintiff?

- Civil cases could be handled according to ordinary civil litigation procedure.
- Representative Action (or Select Leading Plaintiff )
- Class action provided.
- Collective redress procedures brought by a specific organization (e.g. Investors protection center).
- Ombudsman schemes or arbitration institutions could be substitute.

Other. Please briefly describe:

7. Following the 2008 financial tsunami, did your jurisdiction adopt any new provisions or measures to strengthen corporate governance? Please briefly describe:

### III. OECD 2011 Reform Priorities in Asia- Priority 3

**The quality of disclosure should be enhanced and made in a timely and transparent manner. Jurisdictions should promote the adoption of emerging good practices for non-financial disclosure. Asian Roundtable jurisdictions should continue the process of full convergence with international standards and practices for accounting and audit. The implementation and monitoring of audit and accounting standards should be overseen by bodies independent of the profession.**

1. To increase the frequency of information disclosure, does your jurisdiction require listed companies to provide any regular financial reports (statements)? Are these required to be audited or reviewed by certified accountants? By what methods are they disclosed?

Annual financial reports ( No audit or review required

Reviewed by certified accountant

Audited by certified accountant)

Disclosed by newspaper or magazine ( Compulsory  Voluntary)

Disclosed on the company website ( Compulsory  Voluntary)

Disclosed through an electronic system designated by the regulatory authorities or stock exchange ( Compulsory  Voluntary)

Other. Please briefly describe:

Semi-annual financial reports ( No audit or review required

Reviewed by certified accountant

Audited by certified accountant)

Disclosed by newspaper or magazine ( Compulsory  Voluntary)

Disclosed on the company website ( Compulsory  Voluntary)

Disclosed through an electronic system designated by the regulatory authorities or stock exchange ( Compulsory  Voluntary)

Other. Please briefly describe:

Quarterly financial reports

No audit or review required

Reviewed by certified accountant

Audited by certified accountant)

Disclosed by newspaper or magazine ( Compulsory  Voluntary)

Disclosed on the company website ( Compulsory  Voluntary)

Disclosed through an electronic system designated by the regulatory authorities or stock exchange ( Compulsory  Voluntary)

Other. Please briefly describe:

2. To enhance the quality of information disclosure, which methods does your jurisdiction require for listed companies to disclose information that would have a material influence on shareholder rights and interests or the prices of securities?

Financial information

Disclosed by newspaper or magazine ( Compulsory  Voluntary)

Disclosed on the company website ( Compulsory  Voluntary)

Disclosed through an electronic system designated by the regulatory authorities or stock exchange ( Compulsory  Voluntary)

Other. Please briefly describe:

Non-financial information



Disclosed by newspaper or magazine ( Compulsory  Voluntary)

Disclosed on the company website ( Compulsory  Voluntary)

Disclosed through an electronic system designated by the regulatory authorities or stock exchange ( Compulsory  Voluntary)

Other. Please briefly describe:

3. To enhance the quality of information disclosure, it is necessary to have mechanisms for supervising the content of information reporting. In your jurisdiction, what body or organization is responsible for the information supervision?

None

Company's board of directors

Company's shareholder meeting

Stock exchange

Regulatory authorities

Other. Please briefly describe:

4. If there is any error in the content of information reporting, what measures can be imposed or pursued by the body or organization responsible for supervision of information reporting in your jurisdiction?

None

Correction of the content

Administrative liability (e.g., remediation order, administrative fine)

Civil liability (e.g., breach penalties, damages)

Criminal liability

Other. Please briefly describe:

5. Does your jurisdiction require compliance of corporate accounting principles with the IFRSs?

- No
- Companies may decide their accounting principles at their individual discretion
- Accounting principles are prescribed by the regulatory authorities, and are partially converged with the IFRSs
- Listed companies are required to adopt the IFRSs
- Public companies are required to adopt the IFRSs
- All companies are required to adopt the IFRSs
- Accounting principles are prescribed by the regulatory authorities, and are fully adoption the IFRSs
- Listed companies are required to adopt the IFRSs
- Public companies are required to adopt the IFRSs
- All companies are required to adopt the IFRSs
- Other. Please briefly describe:

6. To enhance the independence of certified accountants, what body or organization, if any, has responsibility in your jurisdiction for supervision of whether companies regularly rotate their attesting certified accountants?

- None
- Board of directors
- Audit committee
- Shareholder meeting
- Stock exchange(s)
- Regulatory authorities
- Other. Please briefly describe:

7. In your jurisdiction is there a ranking system for company information disclosure?

None

A ranking system for company information disclosure is currently in the process of planning/development/establishment

with respect to listed companies

with respect to public companies

with respect to all companies

A ranking system for company information disclosure is conducted by non-governmental organizations on their own initiative

with respect to listed companies

with respect to public companies

with respect to all companies

A ranking system for company information disclosure is conducted by non-governmental organizations cooperated with the regulatory authorities or stock exchange(s)

with respect to listed companies

with respect to public companies

with respect to all companies

A ranking system for company information disclosure is conducted by the regulatory authorities themselves

with respect to listed companies

with respect to public companies

with respect to all companies

8. Following the 2008 financial tsunami, has your jurisdiction encountered any issues, or any

difficulties in execution, in the course of enhancing information disclosure and transparency, and in the adoption of the IFRSs? Please briefly describe:

9. What primary measures has your jurisdiction taken to deal with the issues or difficulties addressed in the preceding question? Please briefly describe:

10. Regarding the primary measures your jurisdiction has taken to deal with the issues or difficulties addressed in the preceding question, what experiences and opinions can you share with other countries? Please briefly describe:

#### IV. OECD 2011 Reform Priorities in Asia- Priority 4

**Board performance needs to be improved by appropriate further training and board evaluations. The board nomination process should be transparent and include full disclosure about prospective board members, including their qualifications, with emphasis on the selection of qualified candidates. Boards of directors must improve their participation in strategic planning, monitoring of internal control and risk oversight systems. Boards should ensure independent reviews of transactions involving managers, directors, controlling shareholders and other insiders.**

1A. Before the 2008 financial tsunami, what functional committees did your jurisdiction require to be established by the boards of directors of listed companies?

None

Compensation (remuneration) committee ( Compulsory  Voluntary)

Audit committee ( Compulsory  Voluntary)

Nomination committee (Compulsory Voluntary)

Risk management committee (Compulsory Voluntary)

Corporate governance committee (Compulsory Voluntary)

Other relevant committees for ensuring the independence of the board of directors. Please specify:

1B. After the 2008 financial tsunami, what functional committees has your jurisdiction required to be established by the boards of directors of listed companies?

None

Compensation (remuneration) committee (Compulsory Voluntary)

Audit committee (Compulsory Voluntary)

Nomination committee (Compulsory Voluntary)

Risk management committee (Compulsory Voluntary)

Corporate governance committee (Compulsory Voluntary)

Other relevant committees for ensuring the independence of the board of directors. Please specify:

2A. Before the 2008 financial tsunami, which person or body was responsible for proposing the compensation of the management and board members of listed companies in your jurisdiction?

CEO or chairman of the company

Board of directors

Compensation (remuneration) committee

Audit committee

Shareholder meeting

2B. Before the 2008 financial tsunami, which person or body was responsible for deciding the compensation of the management and board members of listed companies in your jurisdiction?

- CEO or chairman of the company
- Board of directors
- Compensation (remuneration) committee
- Audit committee
- Shareholder meeting

2C. After the 2008 financial tsunami, which person or body is responsible for proposing the compensation of the management and board members of listed companies in your jurisdiction?

- CEO or chairman of the company
- Board of directors
- Compensation (remuneration) committee
- Audit committee
- Shareholder meeting

2D. After the 2008 financial tsunami, which person or body is responsible for deciding the compensation of the management and board members of listed companies in your jurisdiction?

- CEO or chairman of the company
- Board of directors
- Compensation (remuneration) committee
- Audit committee
- Shareholder meeting

3. Does your jurisdiction require board members to have pre-directorship and directorship education/training?

- No

Law or regulation provides that company board members may voluntarily take part in education/training (implemented from the fiscal year of \_\_\_\_)

pre-directorship

directorship

Law or regulation requires company board members to obtain a certain number of hours of education/training per year (implemented from the fiscal year of \_\_\_\_)

pre-directorship

directorship

4. Does your jurisdiction require a listed company's board of directors to have independent board members?

No

A system of supervisors is used, thereby no independent board members

A dual system is used, simultaneously comprising supervisors and independent board members

Law or regulation requires the board of directors to have a certain number or percentage of independent board members (implemented from the fiscal year of \_\_\_\_)

Please specify the number or percentage

5. Who are eligible for nominating independent board members of listed companies?

None

Chairman of the board

Board of directors

Functional committee of the board of directors (Name of the committee: \_\_\_\_\_)

Minority shareholders is allowed (the minimum shareholding percentage for a minority shareholder with nomination rights is \_\_%)

Other. Please briefly describe:

6. Does your jurisdiction have regulations concerning voting methods for the board members of listed companies?

Law or regulations require one vote per share

Law or regulations require a cumulative voting system

Law or regulations require a one-vote-per-shareholder system

Law or regulations provide for another voting system. Please briefly describe:

7. For the election of independent board members of listed companies, are there any legal restrictions imposed on voting power to reduce the influence of majority shareholders and respect the rights and interests of minority shareholders?

No

Yes

The voting power of a majority shareholder whose shareholding exceeds \_\_\_% is deemed to be (is capped at) \_\_\_%.

Other. Please briefly describe:

8. Has your jurisdiction adopted good-faith best practice principles for listed companies?

No

Yes

Companies are required to adopt such principles internally by laws

Chambers of commerce or industry associations are required to adopt such principles

The stock exchange(s) are required to adopt standard principles

The regulatory authorities adopt standard principles



Other. Please briefly describe:

9. Following the 2008 financial tsunami, has your jurisdiction encountered any issues, or any difficulties in execution, in the course of enhancing the responsibilities of boards of directors and the independence of independent board members? Please briefly describe:

10. What primary measures has your jurisdiction taken to deal with the issues or difficulties addressed in the preceding question? Please briefly describe:

11. Regarding the primary measures your jurisdiction has taken to deal with the issues or difficulties addressed in the preceding question, what experiences and opinions can you share with other countries? Please briefly describe:

#### **V. OECD 2011 Reform Priorities in Asia- Priority 5**

**The legal and regulatory framework should ensure that non-controlling shareholders are adequately protected from expropriation by insiders and controlling shareholders. Gatekeepers such as external auditors, rating agencies, advisors, and intermediaries should be able to inform and advise shareholders free of conflicts of interest.**

1. Should related party transactions with company board members, key executives, controlling shareholders and other insiders obtain prior approval from the shareholder meeting, board of directors, and be publicly disclosed?

Shareholder meeting approval:  Yes  No

Board of directors:  Yes  No

Report to competent authority:  yes  No

Public disclosure:  yes  No

Additional explanation, if any, regarding your answers above, please describe

1A. Further to the preceding question, are there any rules governing the procedures for reporting or information disclosures of related party transactions?

Yes (please answer the question below)

No. If no, please describe how related party transactions are monitored and controlled:

1B. How are related party transaction reporting and information disclosure provisions implemented?

The transactions are reported to the regulatory authority and disclosed to the public.

Please describe the disclosure method:

The transactions are reported to the regulatory authority, and disclosed through a market oversight body.

Please describe the disclosure method:

The transactions need not be reported to the regulatory authority, but must be reported to a market oversight body and disclosed to the public. Please describe the disclosure method:

No reporting is required. The transactions are disclosed through industry associations or self-regulatory organizations. Please describe the disclosure method:

The transactions are disclosed through the company. Please describe the disclosure method:

Another method. Please briefly describe:

2. After the 2008 financial tsunami, what measures have been adopted in your jurisdiction for monitoring and controlling the risk of listed companies?

- The original risk monitoring and control measures in place before 2008 have been maintained.
- Companies have been required to adopt procedures for transparent decision-making by their boards of directors,.
- Companies have been required to appoint independent directors (or functional committees. Please give examples: \_\_\_\_\_)
- Provisions adopted to identify possible conflicts of interest, and penalties for violations of conflict-of-interest provisions.
- Companies have been required to adopt their own self-regulatory rules to identify conflicts of interest, and to establish preventive mechanisms.
- Other. Please describe:

3. After the 2008 financial tsunami, has your jurisdiction carried out any reforms in board member compensation regulations?

- Board member compensation regulations have been adopted, requiring the board of directors to bear commensurate responsibility for risk control.
- Guaranteed bonuses are prohibited from being a part of board member compensation.
- Information disclosure is required regarding the company's compensation policy and structure (e.g. the compensation policy decision-making process, performance metrics, or other rewarding measures), to enhance transparency.
- Variable pay programs are encouraged in the form of shares or share-linked instruments.
- Compensation (remuneration) committees are required to establish for overseeing compensation policy.
- Other. Please briefly describe:

4. Which of the following best describe the methods currently used in your jurisdiction for agenda items of shareholder meeting?

There is currently no requirement for a company to provide shareholder agenda items in advance.

However, requirements for the methods of voting agenda items of shareholder are provided.

Agenda items of shareholder meeting are provided in advance to shareholders for their reference, and shareholders are required to attend shareholder meetings in person to cast their votes.

Agenda items of shareholder meeting are provided to shareholders in advance for their reference.

Shareholders may attend shareholder meetings in person to cast their votes or may appoint a person by written proxy to vote on their behalf.

Agenda items of shareholder meeting are provided to shareholders in advance for their reference.

Voting by mail is permitted.

Agenda items of shareholder meeting are provided to shareholders in advance for their reference..

Electronic voting is permitted.

Agenda items of shareholder meeting are provided to shareholders in advance for their reference.

Electronic voting is mandatory.

If electronic voting is permitted, please specify what platform or website is used and provide domain name:

5. In your jurisdiction what measures are in place to protect minority shareholders?

No specific provisions for the protection of minority shareholders.

- Only specific types of companies (such as companies listed on a stock exchange) are required to comply with the rules of protecting minority shareholders, and the rules do not extend to all other companies.
- The regulatory authority issues standards for protection of minority shareholders and encourages companies to comply with them.
- Law or regulations are adopted for protecting minority shareholders, and compliance is compulsory for all companies.
- In addition to provisions of law or regulations for protecting minority shareholders, companies are required to incorporate shareholders proposals in their articles of incorporation.
- Other. Please briefly describe:

#### **VI. OECD 2011 Reform Priorities in Asia Priority 6**

**Shareholder engagement should be encouraged and facilitated, in particular by institutional investors**

1. Are foreign institutional investors currently permitted to invest in companies listed on stock exchanges in your jurisdiction?

- No.
- Yes. (Please answer the questions below)

What investment restrictions currently exist for foreign institutional investors?

- Investment is permitted upon regulatory authorities' approval, which specifies investment ratios permitted by foreign institutional investors. Please give examples and describe:

\_\_\_\_\_

- Other. Please give examples and describe: \_\_\_\_\_

2.Which incentives does your jurisdiction offer to foreign institutional investors who invest in listed companies in your jurisdiction?

Establishing "investor relationship programs", with language specialists responsible for handling international investor affairs.

Encouraging institutional investors to express opinions on the operations and decision-making of listed companies and to actively participate in shareholders meetings and state their positions.

Please briefly describe incentive methods: \_\_\_\_\_

Encouraging institutional investors to utilize diversified voting methods, such as simultaneously providing methods such as split voting, to facilitate individual exercise of voting rights by shareholders. Please briefly describe the incentive methods: \_\_\_\_\_

Encouraging institutional investors to take corporate governance of listed companies into consideration in their investment strategy. Please briefly describe the incentive methods:

\_\_\_\_\_

Other incentive measures. Please briefly describe the incentive methods:

\_\_\_\_\_

3.Which measures does your jurisdiction currently use to enhance and protect participation by domestic and foreign institutional investors in shareholder meetings of listed companies and their exercise of voting rights?

©(Please fill in the blank): A listed company's shareholder meeting agenda handbook and supplementary meeting information must be made public (or sent to shareholders)\_\_\_\_ days before a general meeting of shareholders.

©(If your jurisdiction does not have the requirement below, you may omit filling in the blank.): A listed company's English language version of its shareholder meeting notice, meeting agenda

handbook, and supplementary information must be made public (or sent to shareholders) \_\_\_\_\_ days before a general meeting of shareholders.

- A listed company's announcements of material information, complete financial statement data, and full shareholder meeting information must be simultaneously made available in English language versions, to enhance the transparency and international visibility of company information.
- Listed companies are encouraged to adopt voting by poll at shareholder meetings to enable individual shareholders' and institutional investors' proposals for individual consideration and voting at meetings.
- Other relevant enhancement measures. Please briefly describe:  
\_\_\_\_\_

4. To eliminate obstacles to the exercise of voting rights by domestic and foreign investors at the general shareholder meetings of listed companies, has your jurisdiction currently implemented electronic voting (e-voting)?

- No.
- Yes. (Please answer the questions below)

The current e-voting platform was established...

- by an impartial, objective third party. Please briefly describe:  
\_\_\_\_\_

- by a body approved by the regulatory authorities in your jurisdiction. Please briefly describe:  
\_\_\_\_\_

- using an international standard or internationally recognized platform/system. Please briefly describe: \_\_\_\_\_

- using other standards. Please briefly describe:  
\_\_\_\_\_

4A. Which of the following obstacles are currently still existing that need to be overcome in your jurisdiction?

- Raising of extraordinary motions at shareholder meetings.
- Revisions, or motions for revisions, to the content of proposals to shareholder meeting.
- Companies are still required to convene physical shareholder meetings.
- Other obstacles. Please briefly describe: \_\_\_\_\_

5. Which of the following has your jurisdiction currently achieved in connection with the establishment of e-voting platforms?

- There is already a framework for paperless (dematerialized) stocks and securities.
- Encryption processes are available to protect information transmissions by shareholders or issuers, as well as a two-layer firewall mechanism and strict network control.
- Electronic ID certificates are available for all parties to participate in the e-voting system, including individual shareholders, domestic and foreign corporate investors, and depositary banks.
- Other measures and achievements. Please briefly describe:  
\_\_\_\_\_

6. After the 2008 financial tsunami, has your jurisdiction encountered any different, or more complex or difficult, challenges in the course of enhancing the exercise of shareholder rights? Please briefly describe:

7. What primary measures has your jurisdiction taken to deal with the issues or difficulties addressed



in the preceding question? Please briefly describe:

8.Regarding the primary measures your jurisdiction has taken to deal with the issues or difficulties addressed in the preceding question, what experiences and opinions can you share with other countries? Please briefly describe:

**VII. OECD 2011 Reform Priorities in Asia Priority 1**

**Public- and private-sector institutions should continue to make the business case for the value of good corporate governance among companies, board members, gatekeepers, shareholders and other interested parties, such as professional associations.**

1.Do the stock exchange(s) in your jurisdiction compile a corporate governance index of listed companies?

Yes

No

1A.In each of the years below, what percentage of the total number of listed companies in your jurisdiction participated in corporate governance assessment? (If your jurisdiction did not have a corporate governance assessment institution in any of those years, you may omit filling in the figures for those years.)

©2004: \_\_\_\_.

©2008: \_\_\_\_.

©2012: \_\_\_\_.

©2005: \_\_\_\_.

©2009: \_\_\_\_.

©2006: \_\_\_\_.

©2010: \_\_\_\_.

©2007: \_\_\_\_.

©2011: \_\_\_\_.

Of all the listed companies that participated in corporate governance assessment in 2012, please specify the percentage of those companies that had previously participated in assessment in each of the years from 2004 to 2011. (If your jurisdiction did not have a corporate governance assessment institution in any of those years, you may omit filling in the figures for those years.)

©2004: \_\_\_\_.

©2008: \_\_\_\_.

©2005: \_\_\_\_.

©2009: \_\_\_\_.

©2006: \_\_\_\_.

©2010: \_\_\_\_.

©2007: \_\_\_\_.

©2011: \_\_\_\_.

2. Does your jurisdiction require all listed companies to disclose corporate social responsibility information?

No. (Please answer the question below)

If a listed company wishes to voluntarily disclose such information, please briefly describe where it discloses: \_\_\_\_\_

Yes. (Please answer the question below)

What measures are used for the disclosure of corporate social responsibility information?

- It is required to be disclosed on the company's website.
- It is required to be disclosed in the company's annual report.
- It is required to be disclosed in the prospectus for securities offerings.
- The company is required to compile a corporate social responsibility or sustainability report.
- It is required to compile information using international accepted guidelines (e.g. Sustainability Reporting Guidelines, GRI G3.1).

3. Does your jurisdiction currently have an organization dedicated to supervising companies in the implementation of social responsibility?

- Yes.
- No. (Please answer the questions below)

What institution currently supervises companies' implementation of social responsibility?

- Each company internally handles its own supervision.
- A specific regulatory authority is responsible for supervision. Please briefly describe:

\_\_\_\_\_

- A self-regulatory organization is responsible for supervision.

Please briefly describe: \_\_\_\_\_

- Another body. Please briefly describe:

\_\_\_\_\_

4. In your jurisdiction what market intermediaries or institutions offer incentives to listing companies during the course of IPO? Please briefly describe the incentives and the incentive criteria.

5. After the 2008 financial tsunami, has your jurisdiction encountered any different, or more complex or

difficult, challenges in the course of creating good corporate governance values and culture? Please briefly describe:

6. What primary measures has your jurisdiction taken to deal with the issues or difficulties addressed in the preceding question? Please briefly describe:

7. Regarding the primary measures your jurisdiction has taken to deal with the issues or difficulties addressed in the preceding question, what experiences and opinions can you share with other countries? Please briefly describe:

8. After the 2008 financial crisis, has your jurisdiction introduced any reform plans regarding the corporate governance of family-run enterprises? Please briefly describe:

9. After the 2008 financial crisis, has your jurisdiction introduced any reform plans regarding the corporate governance of small and medium enterprises? Please briefly describe:

10. Has your jurisdiction adopted any specific requirements relating to the corporate governance of state-owned enterprises (e.g. direct government appointment of board members of state-owned enterprises, or specific provisions made by the regulatory authorities)? Please briefly describe:

### **VIII. Experiences sharing**

1. Please list the six priorities set out in the OECD's 2011 "Reform Priorities in Asia" in the order of the importance with which they are viewed in your jurisdiction following the 2008 financial tsunami:
  
  
  
  
  
  
  
  
  
  
2. Please give examples of the challenges that your jurisdiction currently faces in corporate governance (please give at least three examples):
  
  
  
  
  
  
  
  
  
  
3. On which topics is your jurisdiction most interested in learning the experience and recommendations of other countries relating to the development of corporate governance?
  
  
  
  
  
  
  
  
  
  
4. Please describe any experiences your jurisdiction would like to share with other countries relating to corporate governance:



附件八：Report on Competitive Neutrality in Chinese Taipei (文件  
編號：2013/SOM1/EC/027)







**Asia-Pacific  
Economic Cooperation**

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**2013/SOM1/EC/027**  
Agenda Item: 11

## **Report on Competitive Neutrality in Chinese Taipei**

Purpose: Information  
Submitted by: Chinese Taipei



**First Economic Committee Meeting  
Jakarta, Indonesia  
1-2 February 2013**

## **Competitive Neutrality in Chinese Taipei**

YEN Chia Lin

Section Chief, Department of Planning,  
Fair Trade Commission  
2 February, 2013

1

## **The Role of State-Owned Enterprises in Chinese Taipei**

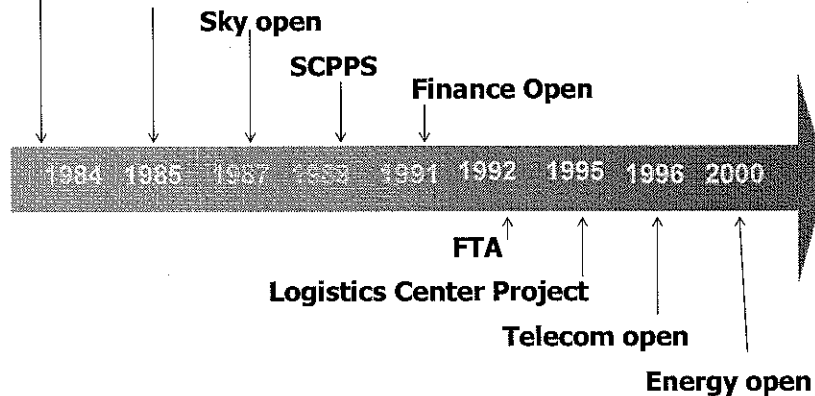
- ◆ 1950s-1970s
  - ▶ 1949-1959 the import-substitution phase
  - ▶ 1960s the export-oriented industrialization phase
  - ▶ 1970s a further import-substitution
- ◆ 1980s liberalization and internationalization

2

# Deregulation in Chinese Taipei

Liberalization, Internationalization, Institutionalization

Economic Reform Committee



3

# Privatization of SOEs

◆ Between 1998-2012

- ▶ 38 SOEs were privatized, which includes steel, petrochemical, marine transport, telecommunication, commercial bank and insurance company
  - ◆ Open state-controlled markets to private companies, i.e. telecommunication and banking industries.
  - ◆ Promoting market-oriented approach
  - ◆ 17 SOMs were shut down. Most of them were owned by the Veterans Affairs Commission

4

## Privatization of SOEs (cont.)

- ◆ In 1952 SOEs contributed 57% of industrial production but in 1980 less than 20%, then in 2007 less than 5.98%.
- ◆ Until November in 2012
  - ▶ 1 SOEs (*tobacco and liquor*) under Ministry of Finance
  - ▶ 2 SOEs (*postal service and railways*) under Ministry of Transportation and Communication
  - ▶ 5 SOEs (*electricity, water, petroleum, sugar and aerospace*) under the Ministries of Economic Affairs.

5

## Competition Neutrality Policy

- ◆ Administrative Law of SOEs
  - ▶ Definition of SOEs (§ 3)
    - ◆ A business that is either wholly or partially owned and operated by government
  - ▶ Competition Neutrality (§ 6)
    - ◆ Unless otherwise specified in applicable regulations, the rights and responsibilities of state-owned enterprise shall be the same as those of private enterprises of similar categories

6

## **Competition Law**

- ◆ 1991 Fair Trade Act § 46
  - ▶ *Exceptions of FTA*
  - ▶ *Five years grace period for SOEs*
  
- ◆ 1999 Fair Trade Act § 46
  - ▶ *Competition rules should, and generally do, apply to both private and state-owned enterprises*

7

## **Case Study – Chunghwa Post**

- ◆ Exclusive rights to the deliver of letters, postcards and any paper conveying message. (Postal Act § 6)
- ◆ Exemption from taxation
- ◆ Responsibility
  - ▶ a universal, fair and reasonable service (Postal Act § 1)
  - ▶ statutory profit requirement

8

## Conclusions

- ◆ SOEs don't have substantial competitive advantages over competitors in the markets open to private companies.
- ◆ Challenges to improve SOEs' performance
  - ▶ strengthening the function of board of directors
  - ▶ enhancing disclosure and transparency
  - ▶ improving internal auditing

9

*Thank You for  
Listening*

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**附件九：Presentation on e-Government Experience in Chinese Taipei (文件編號：2013/SOM1/EC/032)**







**Asia-Pacific  
Economic Cooperation**

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**2013/SOM1/EC/032**  
Agenda Item: 12

## **Presentation on e-Government Experience in Chinese Taipei**

Purpose: Information  
Submitted by: Chinese Taipei



**First Economic Committee Meeting  
Jakarta, Indonesia  
1-2 February 2013**



# e-Government experience in Chinese Taipei

**Ken C.M. Wang**  
**Section Chief**  
**Research, Development and Evaluation Commission**  
**Chinese Taipei**



## Outlines

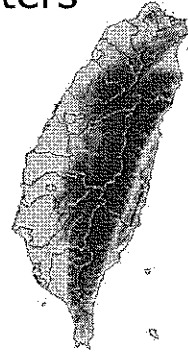
- Introduction
- Review of efficient e-programs
- Ongoing e-Government programs



## Background

### Overview

- Area : 35,980 square kilometers
- Population: 23 million
- Capital : Taipei City
- GDP : USD 20,629
- Life expectancy: 79 years
- Languages: Mandarin



## e-Readiness

Sep 2012

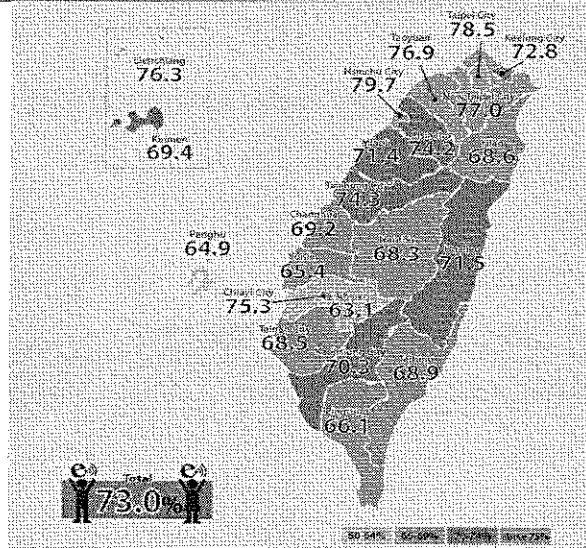
Items	Penetration Rate
Internet Population	73%
Households Connected	83.7%
Broadband Households	76.9%
Mobile Phone Internet Connection	77.3%

Source: 1. Chinese Taipei Network Information Center  
2. Foreseeing Innovative New Digital Services  
3. National Communications Commission





## Internet Penetration Rate

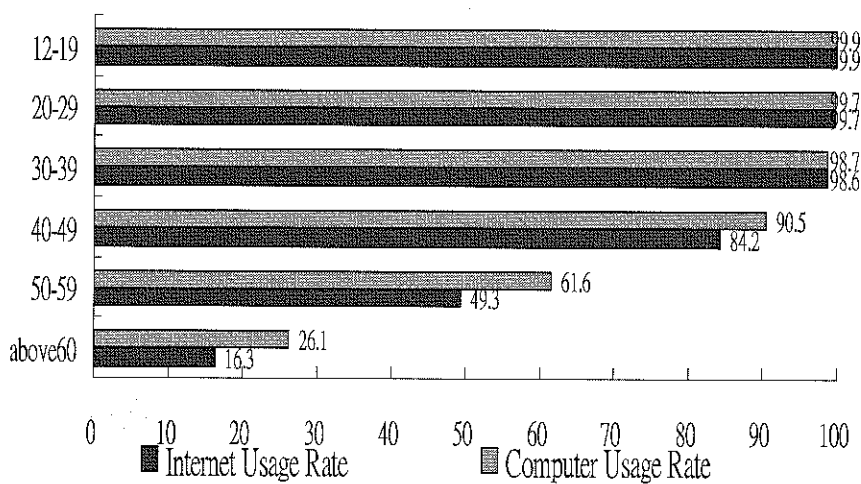


Surveys of ICT Use and Digital Opportunity in Chinese Taipei, RDEC, November, 2012

Research, Development and Evaluation Commission



## Internet Usage by Age



Surveys of ICT Use and Digital Opportunity in Chinese Taipei, RDEC, November, 2012

Research, Development and Evaluation Commission

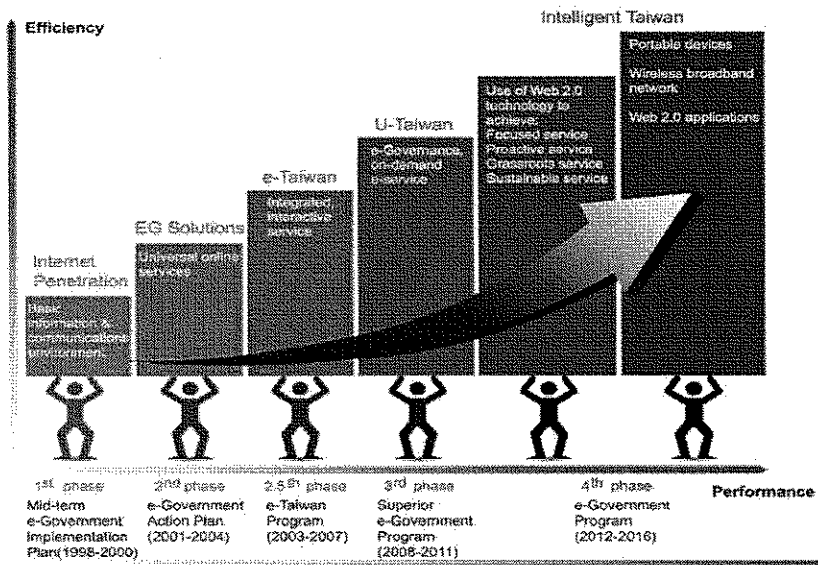


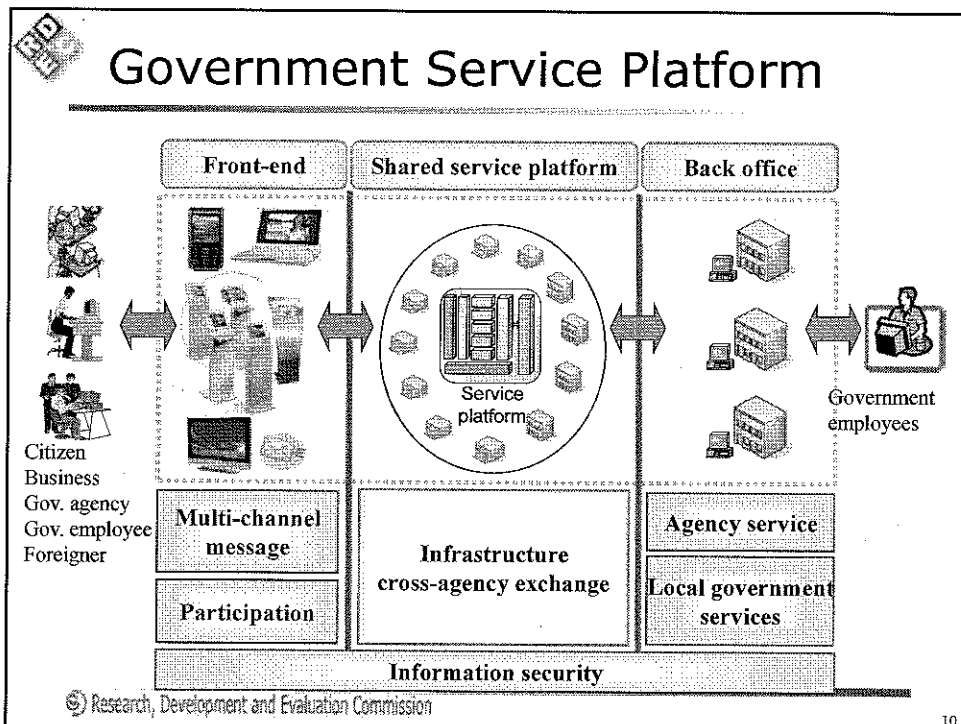
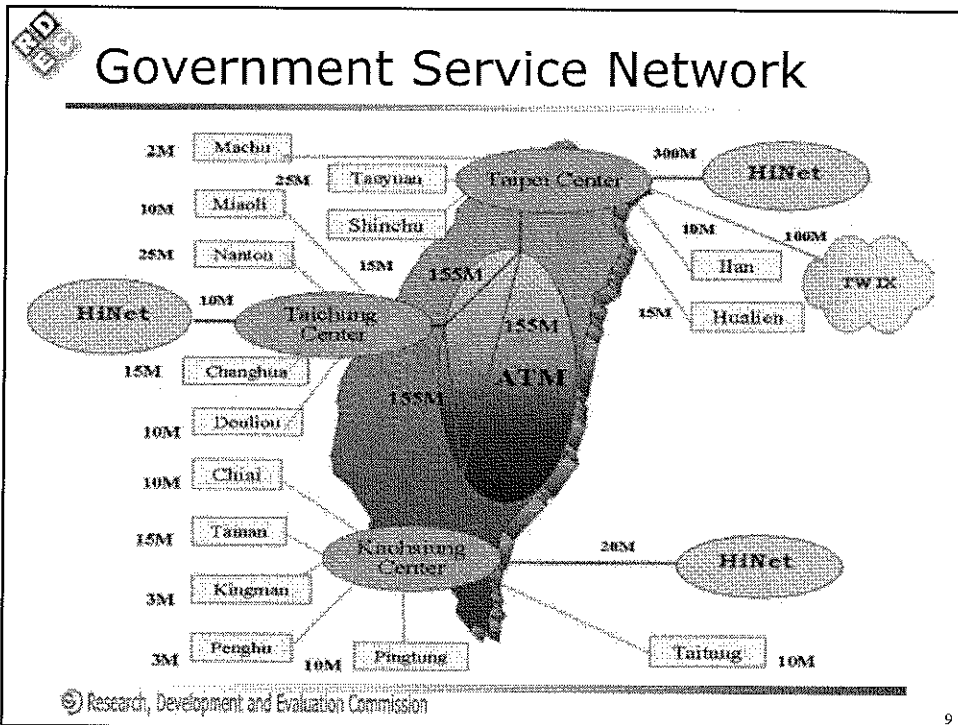
# Outlines

- Introduction
- Review of efficient e-programs
- Ongoing e-Government programs



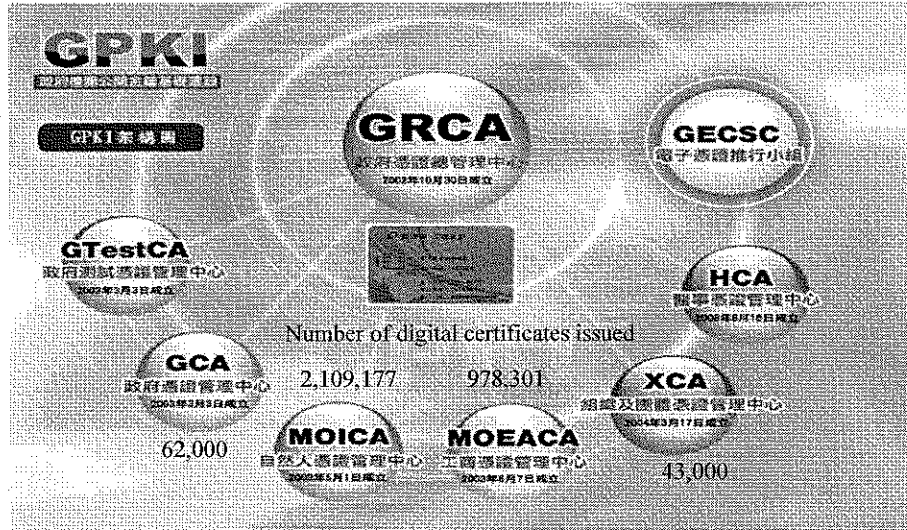
# E-Government Roadmap



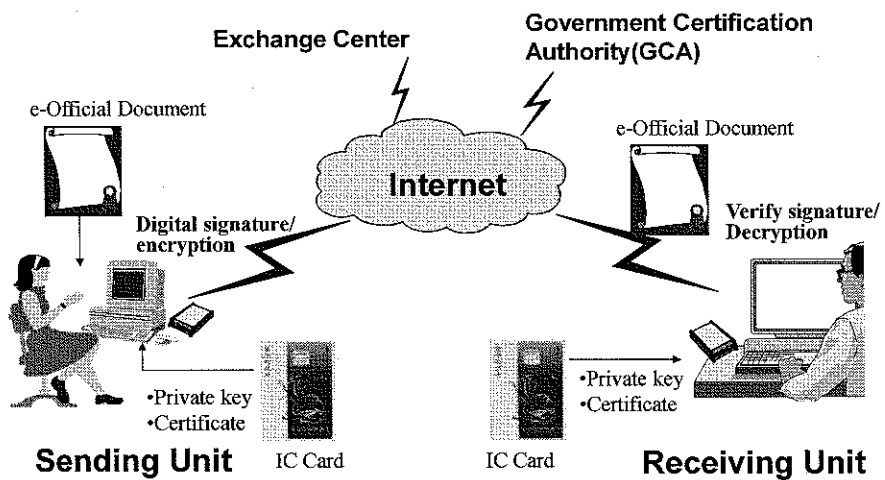




# PKI structure



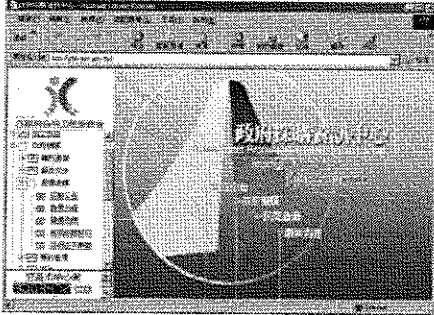
# Electronic Official Document Exchange





## Government Procurement Online

### > Online tender announcement

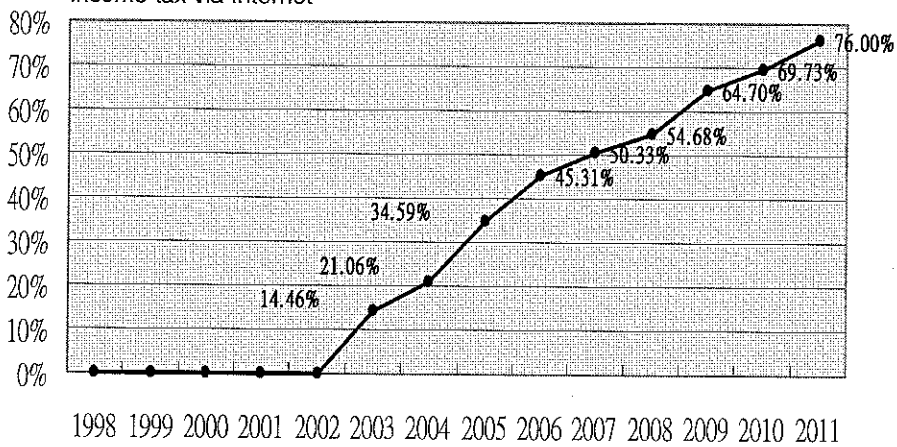


- Government agency posted close to 2.1 million tender announcements
- There are 964,153 cases of online bidding, and more than 2.9 million bidding information download.
- Save up to NT\$ 2 billion per year



## Online Income Tax Filing

In 2012, 35% of 5.61 million taxpayers accepted the result of calculation from tax bureau, while 76% of the rest 3.64 million taxpayers filed individual income tax via Internet

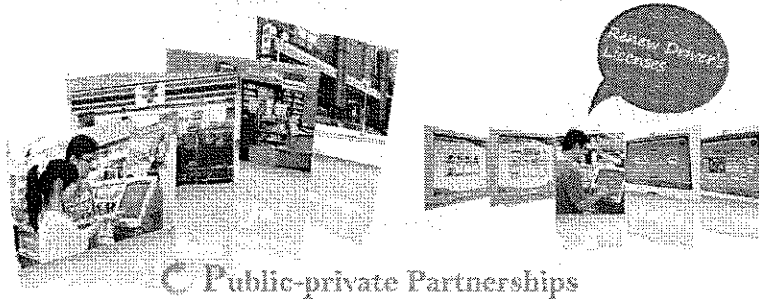






## 24-hour e-Service Hotspots

- More than 9,600 convenience stores ,one store serves less than 2,500 residents.
- Located throughout both urban and rural areas and providing 24-hour service.
- Create a win-win-win cooperative e-services model (citizens, stores, government).

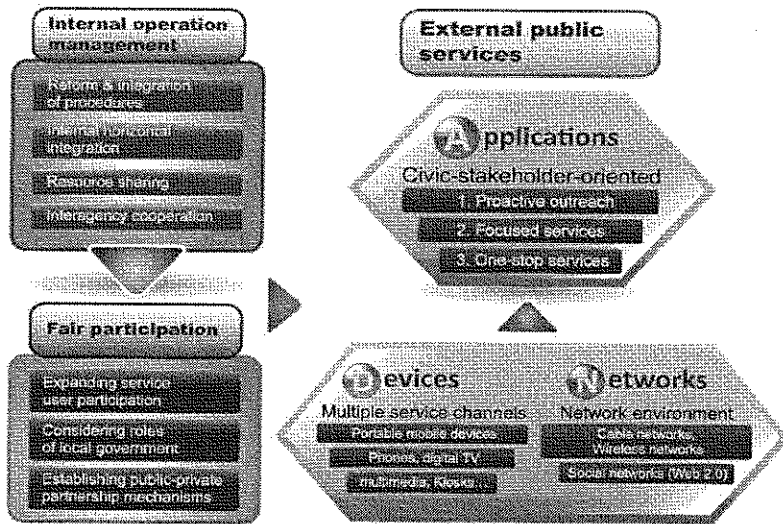


## Outlines

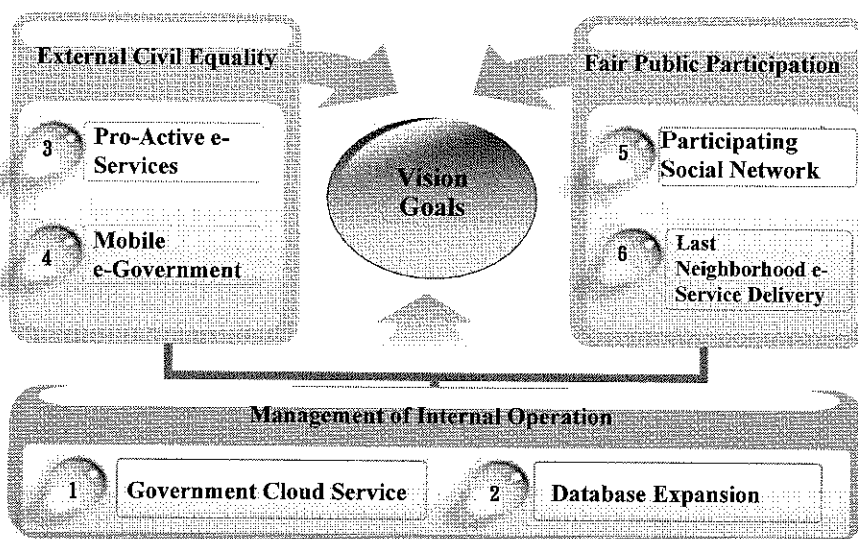
- Introduction
- Review of efficient e-programs
- Ongoing e-Government programs



# 4th Stage e-Government Program



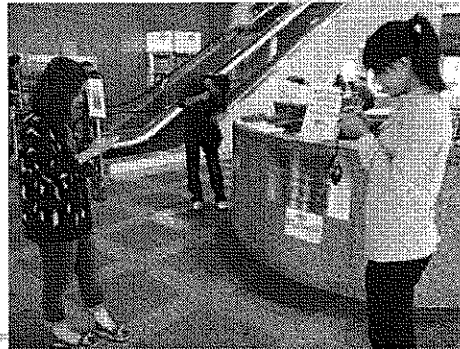
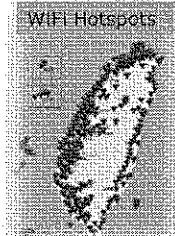
# Flagship Projects



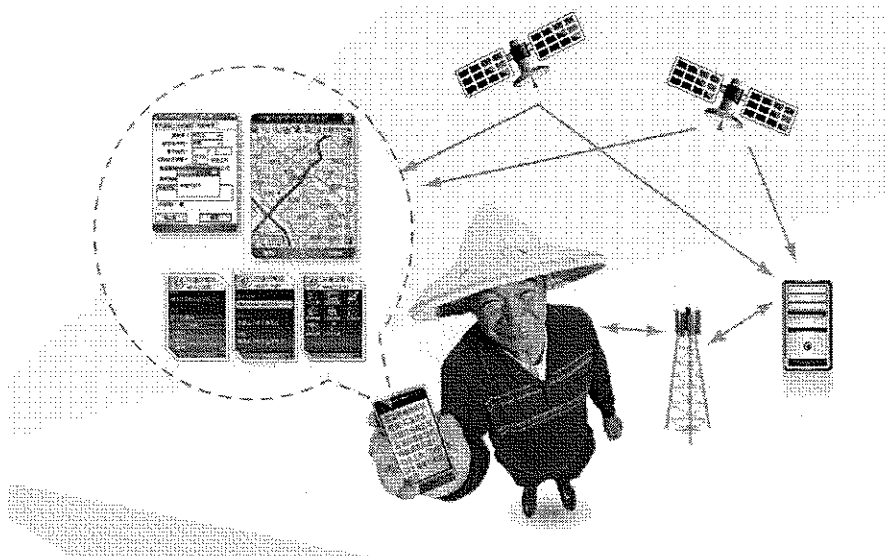


## Free Use of Indoor Wireless Connection

- Started Oct. 7<sup>th</sup>, 2011**
  - So far more than 1M people to register.
- Locations:**
  - Public service areas, popular tourist attractions, public transport nodes, the National Museum, ...
- Where**
  - More than 4,000 WiFi hotspots.
- Service target**
  - Smart phone, Notebook, Tablet PC, etc. with wireless connection capability.



## Mobile App for Agriculture





## e-Services Delivery

Before



**Service Desk for Citizen**

After

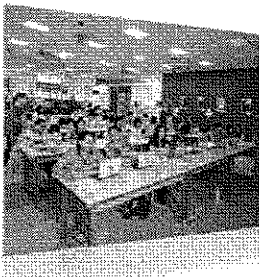


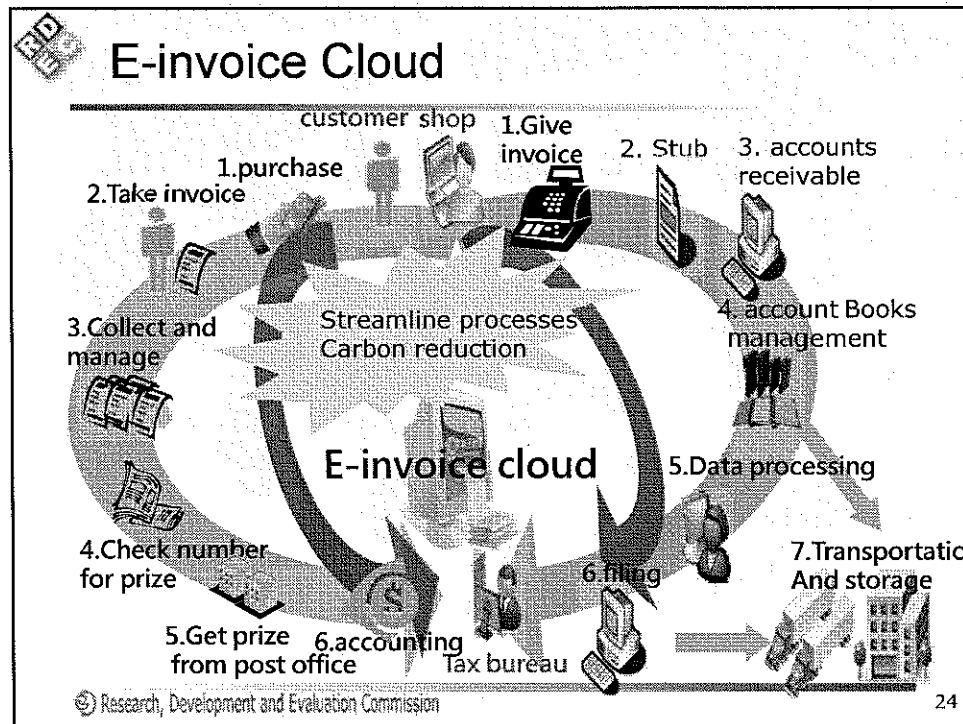
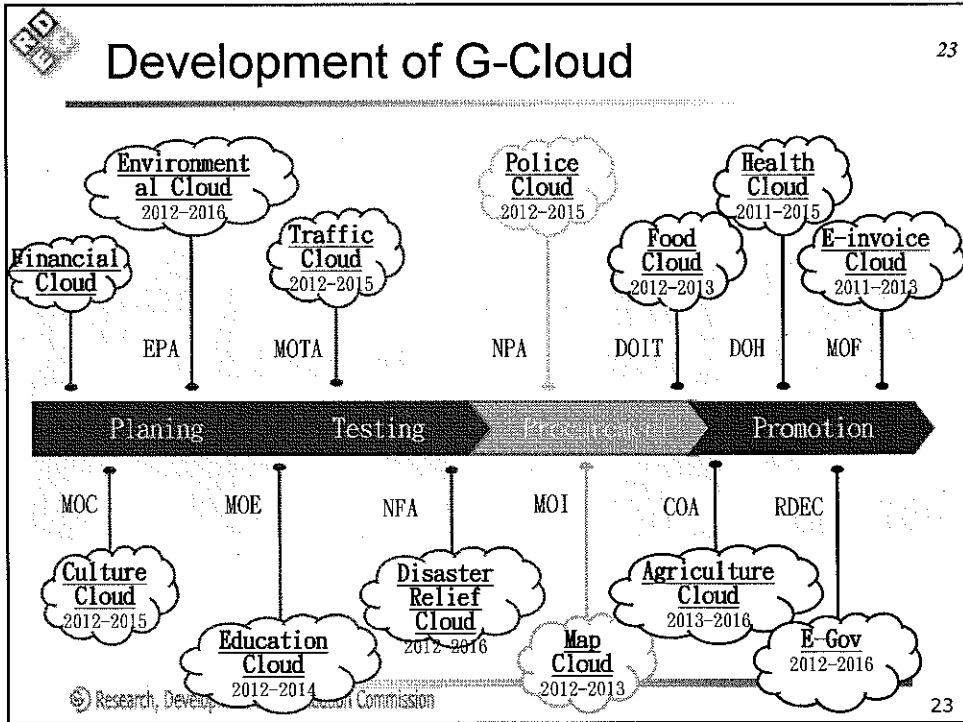
**Door-to-Door Service**



## Pilot Project: Free Loan of Notebook at Libraries

Some township, and elementary school libraries have introduced a free notebook computer loan service on a trial basis.







## Open Data: Value-added by Private Sector



Open Data for Value Addition and Application by the Private Sector

Research, Development and Evaluation Commission

25



**附件十：State of the Regional Economy and Its Policy Implications**  
(文件編號：2013/SOM1/EC/023)







**Asia-Pacific  
Economic Cooperation**

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**2013/SOM1/EC/023**

**Agenda Item: 10**

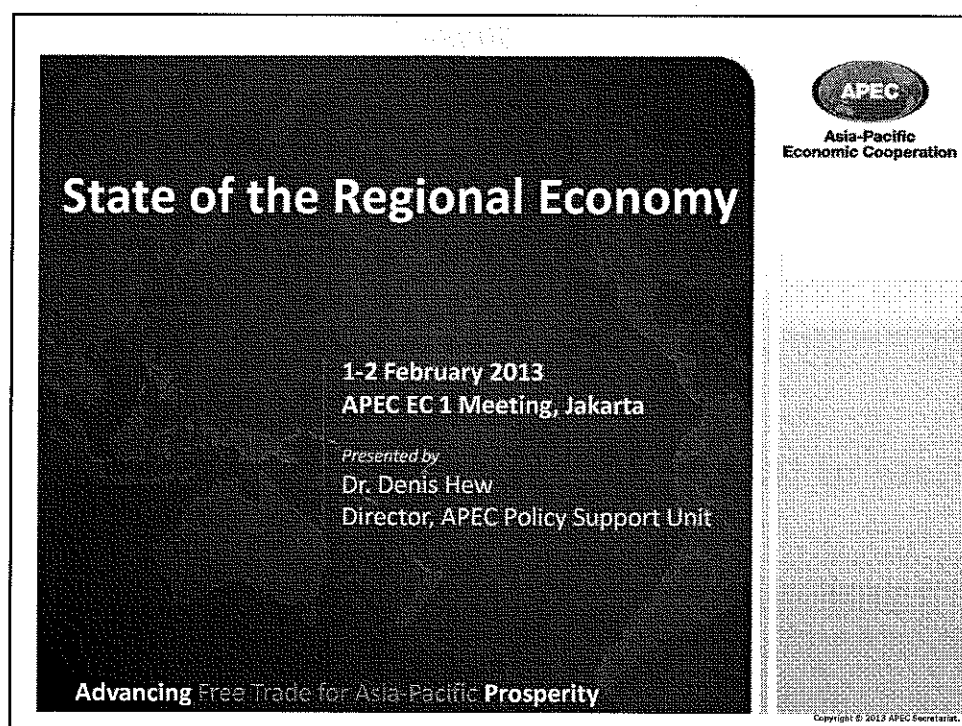
## **State of the Regional Economy (Presentation)**

**Purpose: Information**

**Submitted by: Policy Support Unit, APEC Secretariat**



**First Economic Committee Meeting  
Jakarta, Indonesia  
1-2 February 2013**



**State of the Regional Economy**

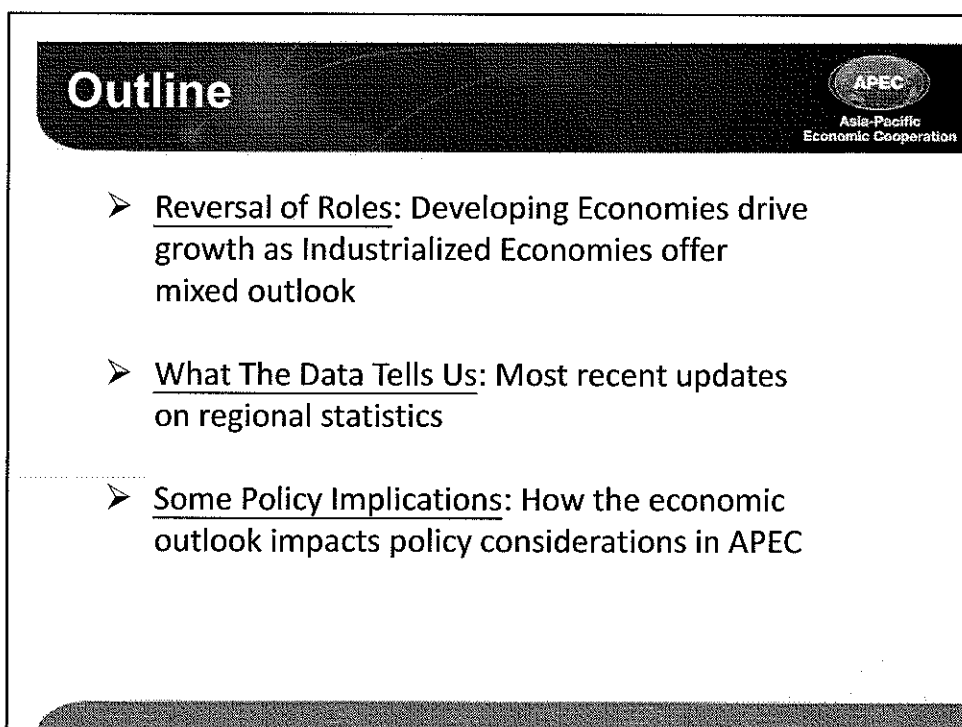
1-2 February 2013  
APEC EC 1 Meeting, Jakarta

*Presented by*  
Dr. Denis Hew  
Director, APEC Policy Support Unit

Advancing Free Trade for Asia-Pacific Prosperity

**APEC**  
Asia-Pacific  
Economic Cooperation

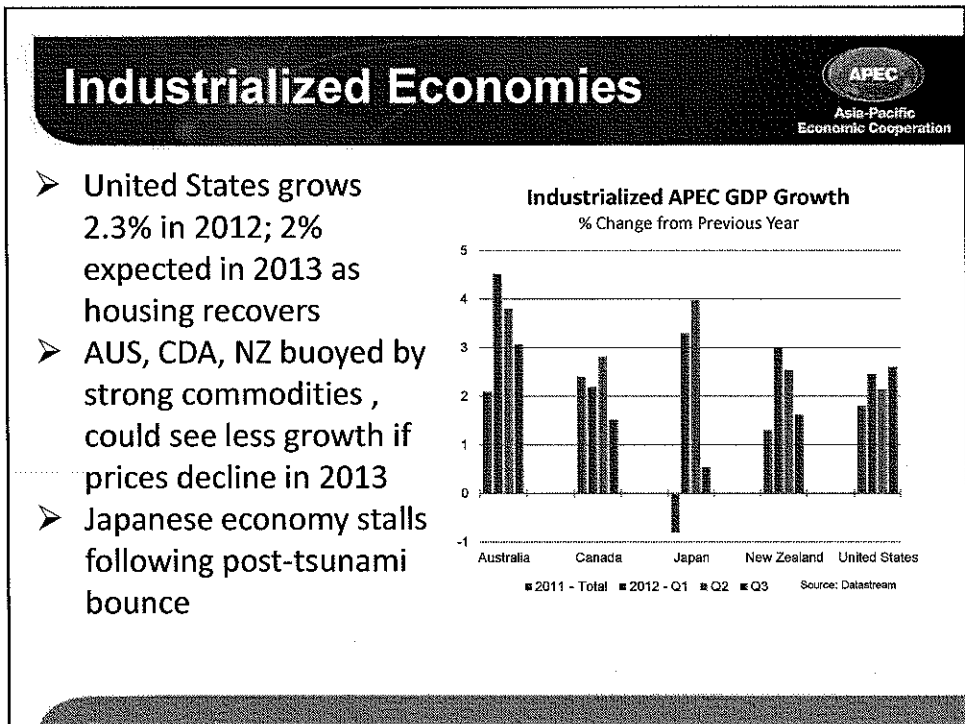
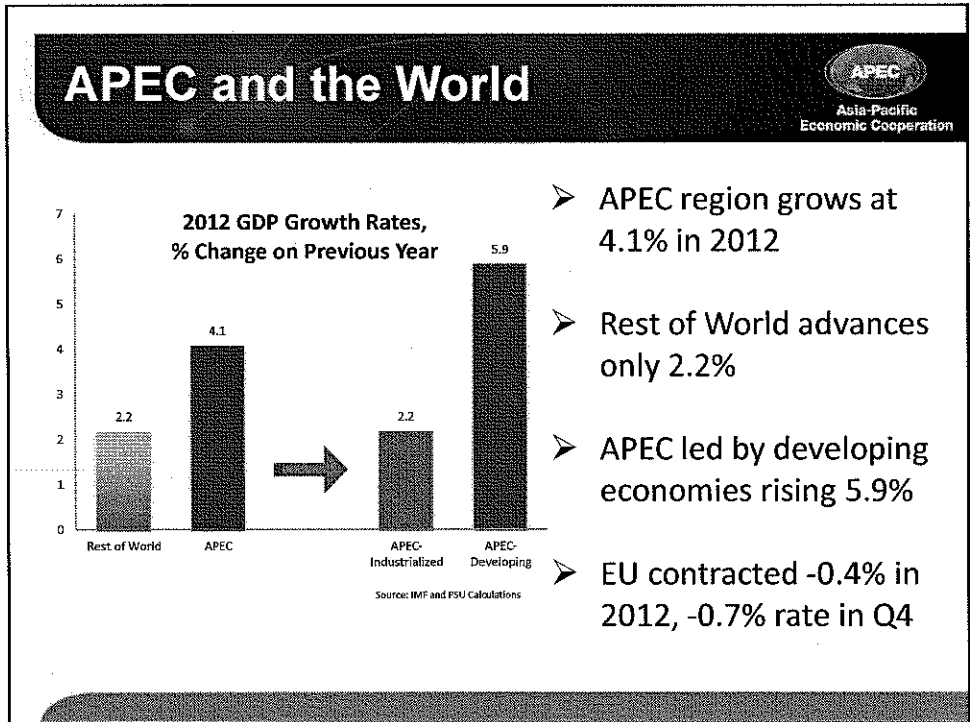
Copyright © 2013 APEC Secretariat.

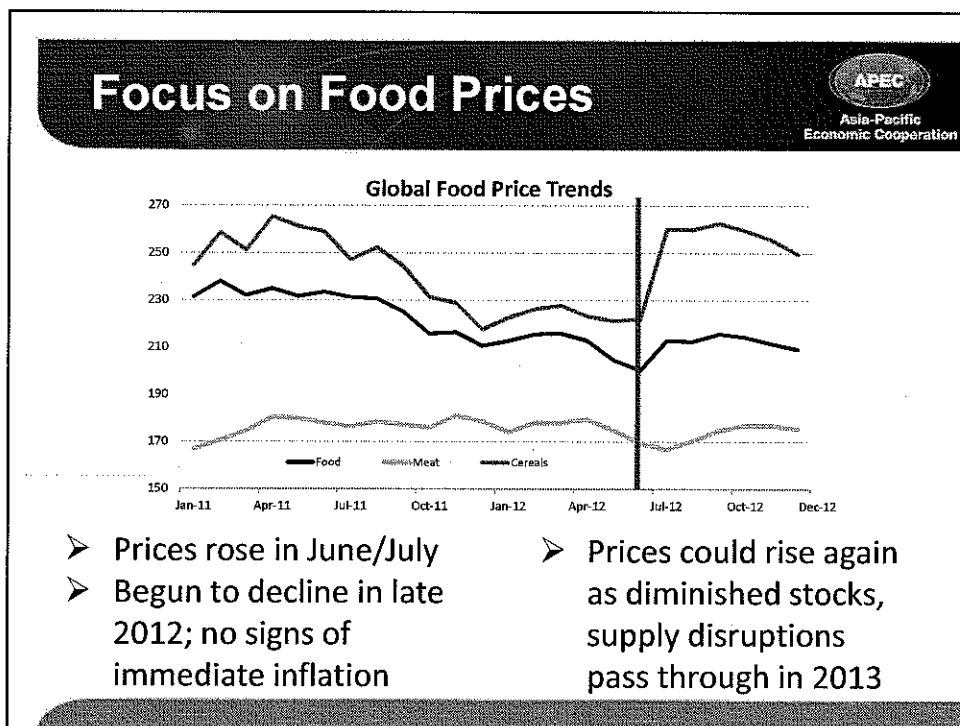
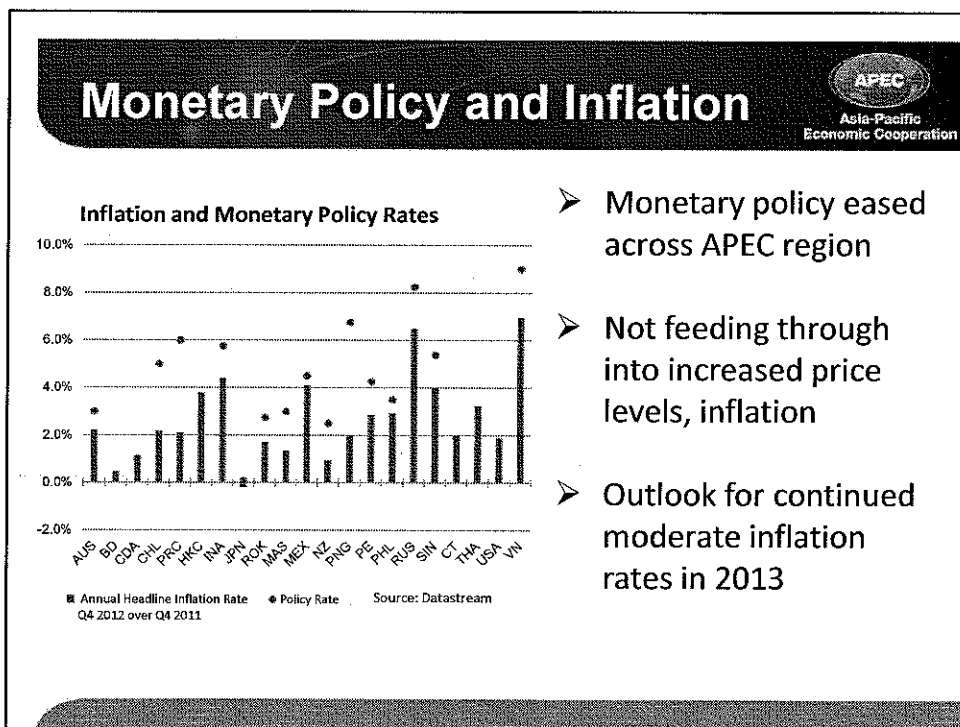


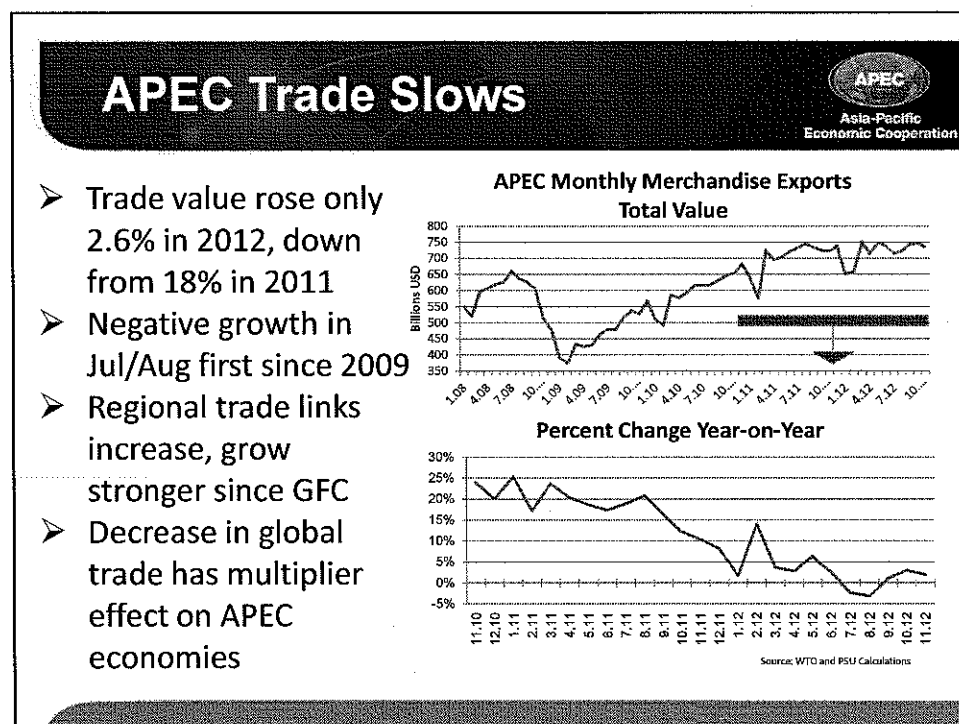
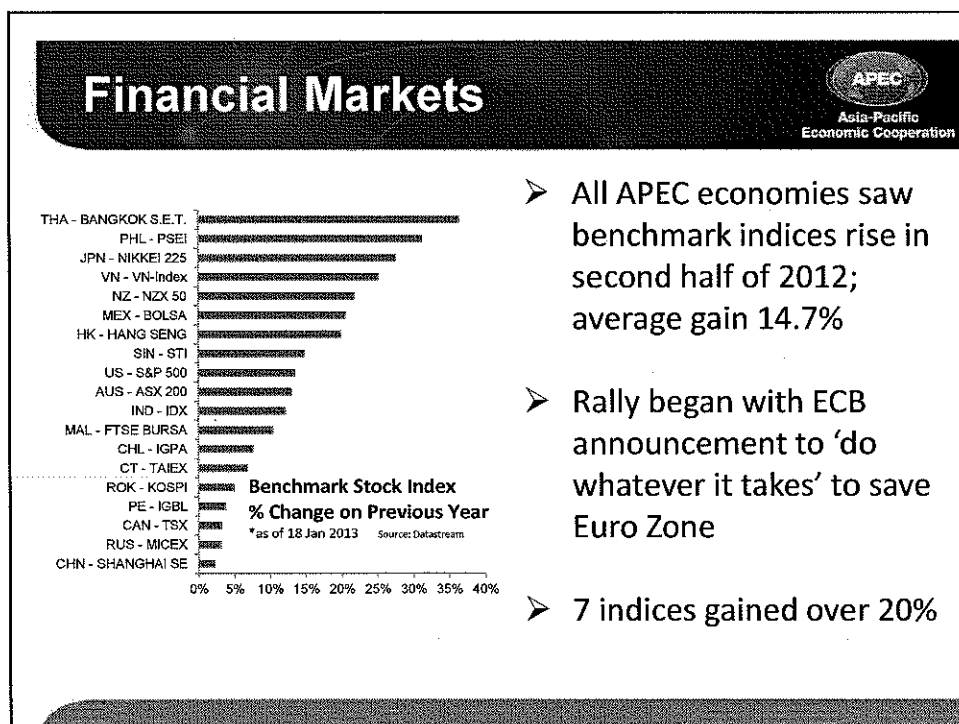
**Outline**

**APEC**  
Asia-Pacific  
Economic Cooperation

- Reversal of Roles: Developing Economies drive growth as Industrialized Economies offer mixed outlook
- What The Data Tells Us: Most recent updates on regional statistics
- Some Policy Implications: How the economic outlook impacts policy considerations in APEC







## Summary



- Global recovery is proceeding slowly, though growth remains fragile
- APEC region driving global growth; economic output rises 4.1% in 2012 behind 5.9% developing economy growth
- Developing APEC economies appear to be moving from export- to consumption-led growth
- Uncertainties remain in industrialized economies

## Potential Risks and What This Means For APEC



- Concerns from rising trade protectionism
- Fragile growth prospects could stall impetus for reforms
- Note that consumption-led growth requires improvements in infrastructure
  - Hardware: roads, bridges, urban development, etc.
  - Software: structural reforms, legal and institutional infrastructure, HRD etc.



PSU Economic Trends Analysis Report  
will be published in March 2013.



## APEC Policy Support Unit



Website:

[http://www.apec.org/apec/about\\_apec/psu.html](http://www.apec.org/apec/about_apec/psu.html)

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**附件十一：State of the Regional Economy and Its Policy  
Implications (文件編號：2013/SOM1/EC/042)**





**Asia-Pacific  
Economic Cooperation**

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**2013/SOM1/EC/042**

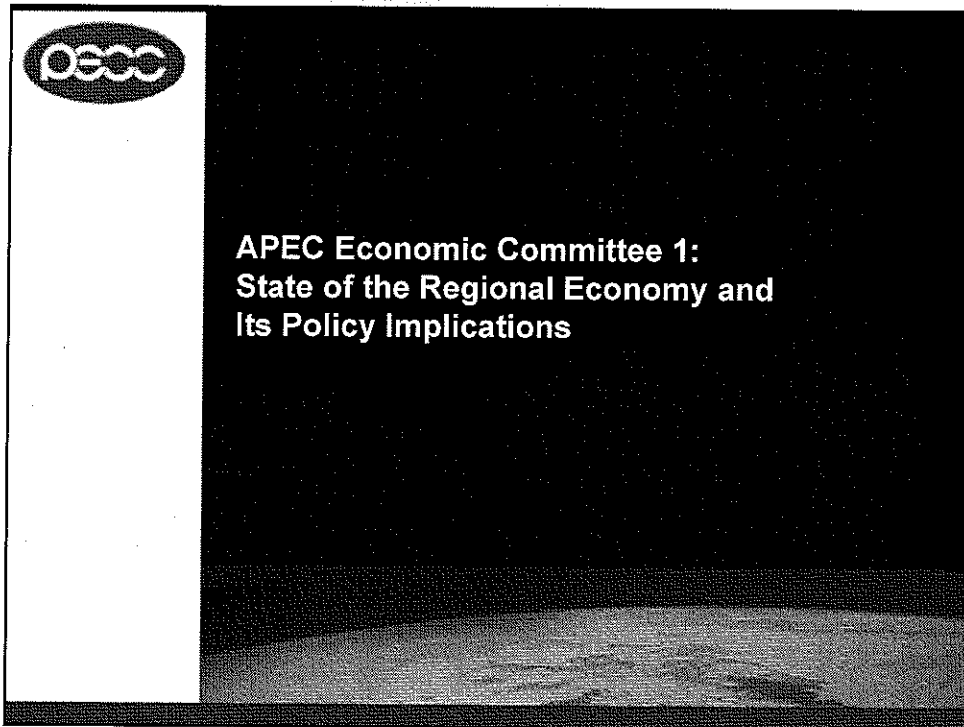
Agenda Item: 10

## **State of the Regional Economy and Its Policy Implications**

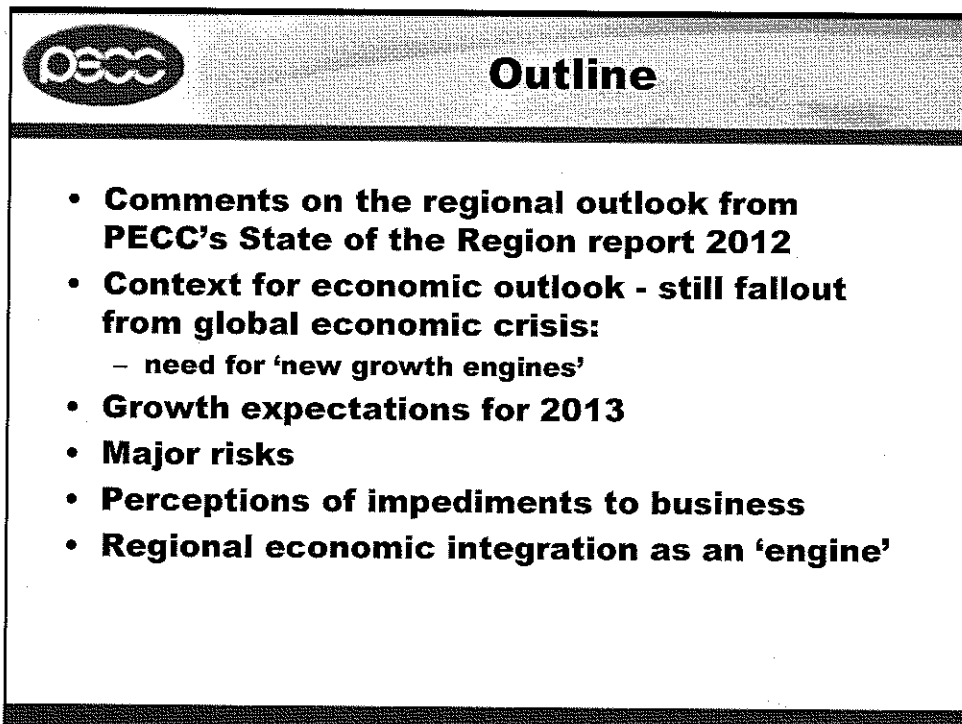
Purpose: Information  
Submitted by: PECC



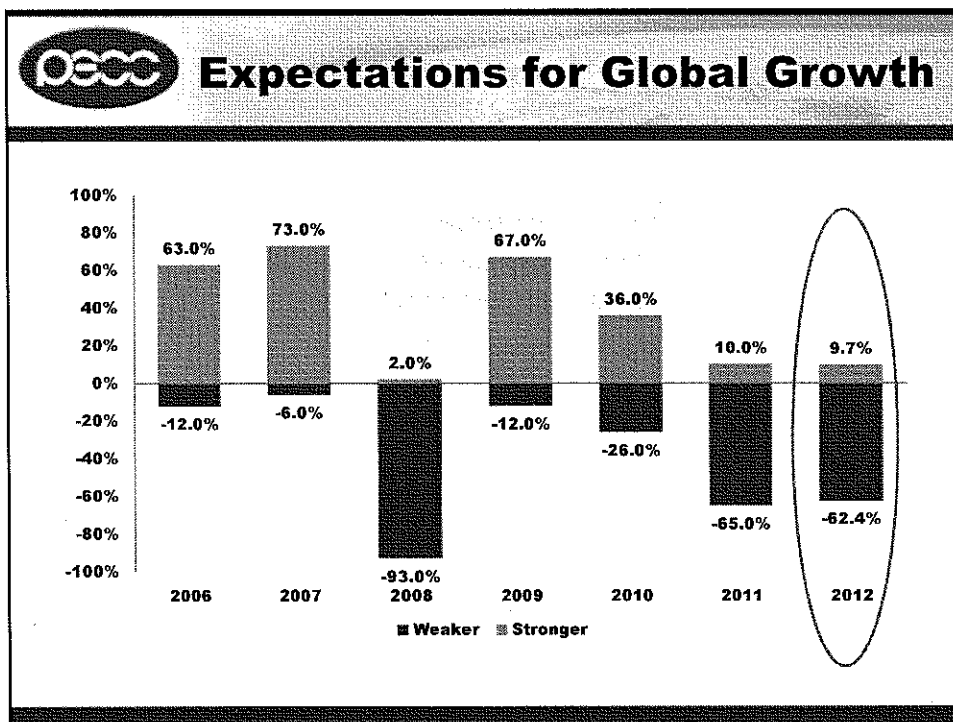
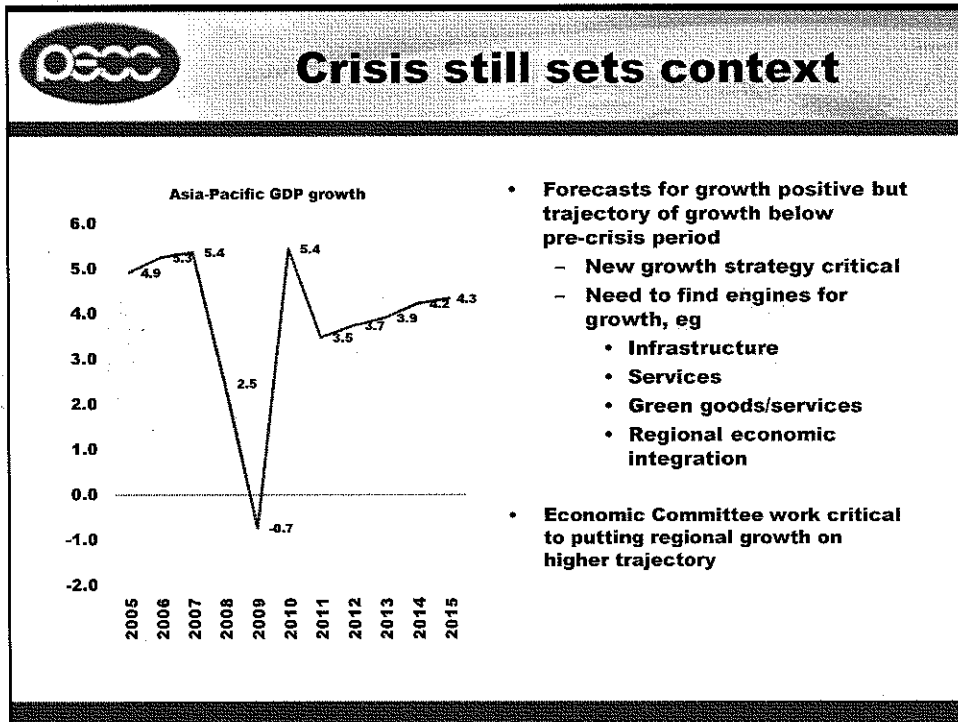
**First Economic Committee Meeting  
Jakarta, Indonesia  
1-2 February 2013**

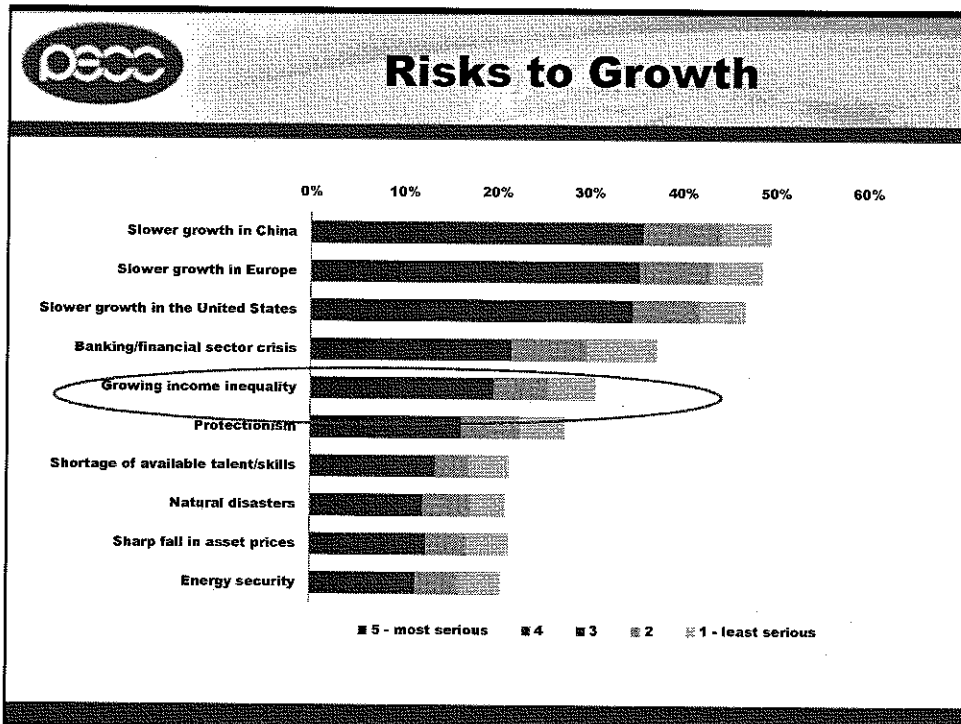
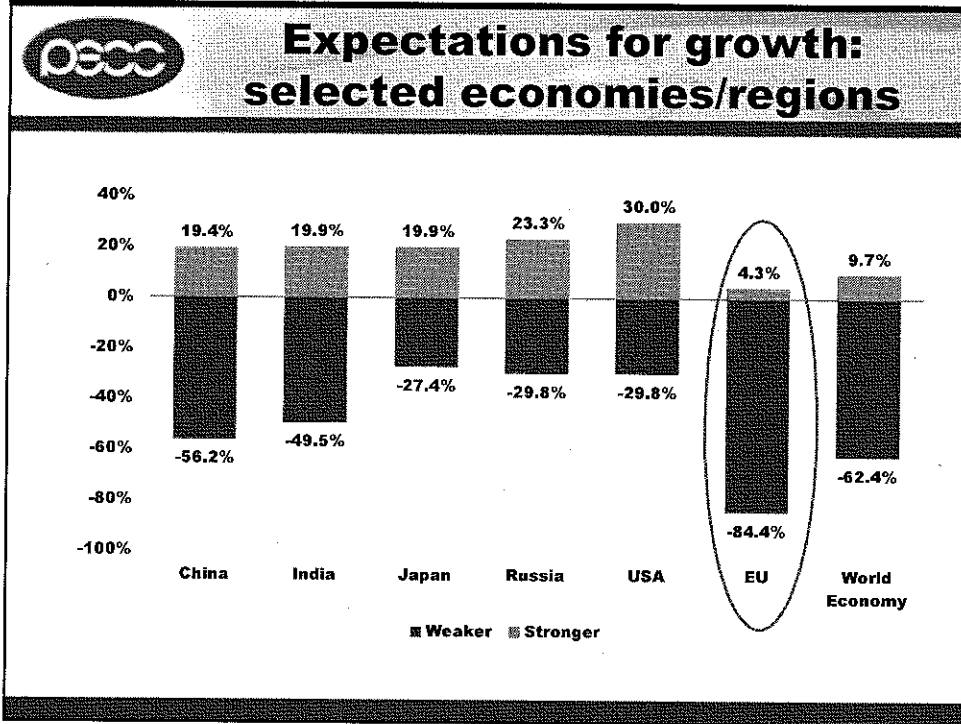


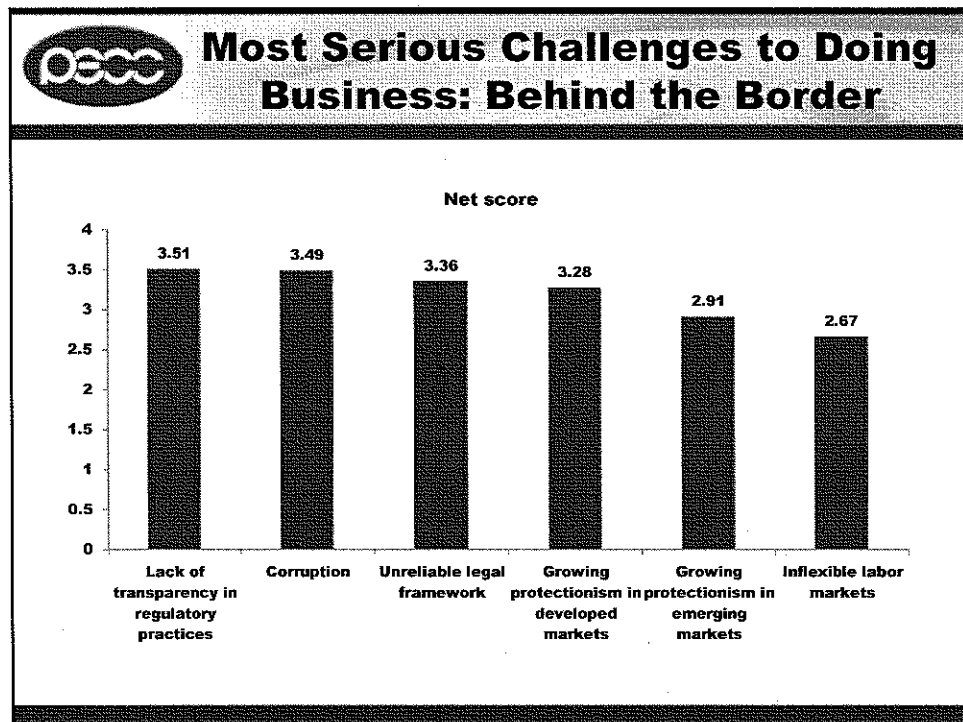
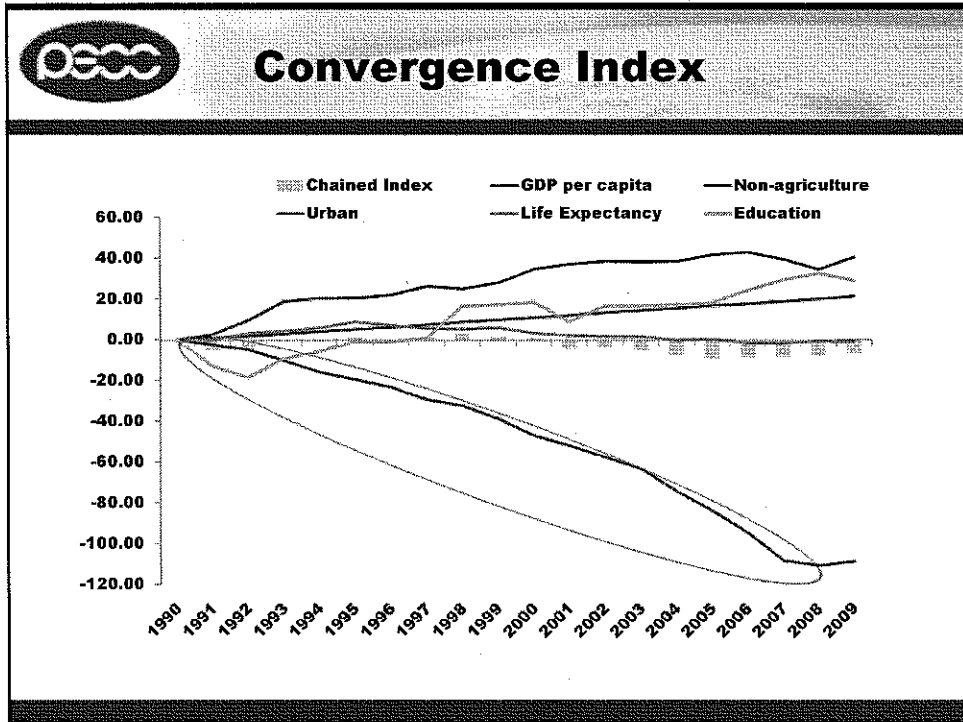
**APEC Economic Committee 1:  
State of the Regional Economy and  
Its Policy Implications**

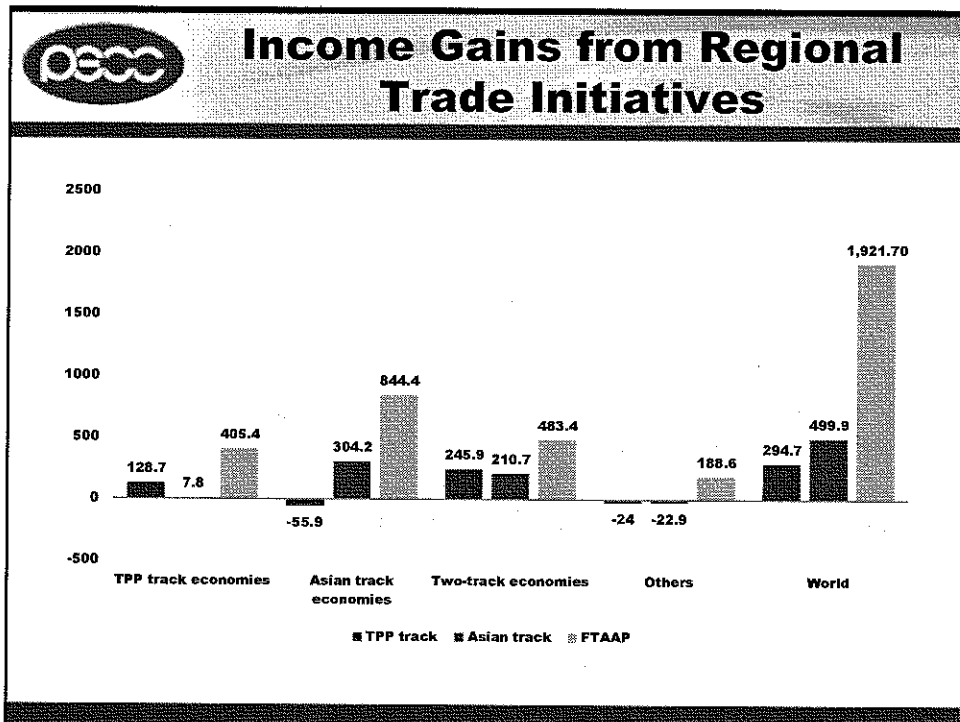
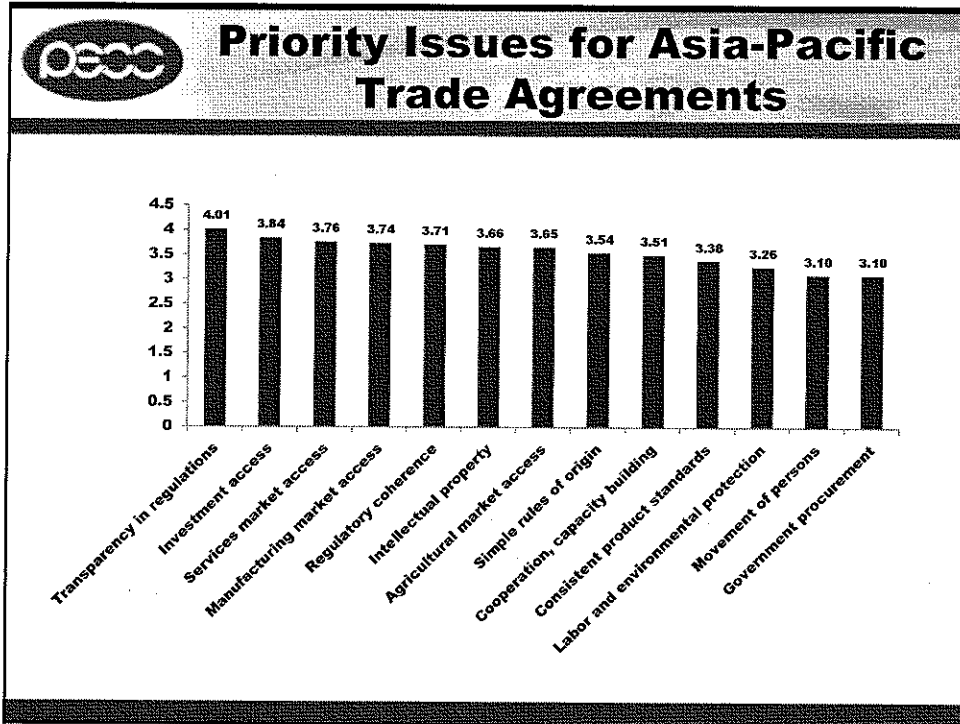


- **Comments on the regional outlook from PECC's State of the Region report 2012**
- **Context for economic outlook - still fallout from global economic crisis:**
  - need for 'new growth engines'
- **Growth expectations for 2013**
- **Major risks**
- **Perceptions of impediments to business**
- **Regional economic integration as an 'engine'**













## Policy Implications

- **Still in period of flux and uncertainty**
- **Stimulus still in play**
  - Risks for emerging market economies – asset bubbles
- **Focus on growth agenda:**
  - FTAAP gains potentially very large – put region on higher growth trajectory
- **Growing income inequality - inclusive growth equity critical**



**附件十二：Economic Committee's Terms of the Establishment (文件編號：2013/SOM1/EC/038)**





**Asia-Pacific  
Economic Cooperation**

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**2013/SOM1/EC/038**  
Agenda Item: 16

## **Economic Committee's Terms of the Establishment**

Purpose: Information  
Submitted by: APEC Secretariat  
Forum Doc No.: 2011/SOM3/EC/039



**First Economic Committee Meeting  
Jakarta, Indonesia  
1-2 February 2013**

## TERMS OF THE ESTABLISHMENT OF THE APEC ECONOMIC COMMITTEE<sup>1</sup>

### **Article 1 Establishment of the APEC Economic Committee**

1. Under the authority of APEC Ministers, the APEC Economic Committee (the "Committee") is hereby established. The Committee shall report to Ministers through Senior Officials (the SOM).

### **Article 2 Objectives**

The Objectives of the Committee are to:

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.

### **Article 3 Scope of Activity**

1. The Committee will undertake analysis of economic trends, prospects and issues in the region of relevance to APEC economies.
2. The Committee will undertake policy analysis and action oriented work on cross-cutting issues, including structural reform, as directed by the SOM. The committee understands Structural Reform to mean measures to improve market efficiency.
3. The Committee will provide economic input and analysis for APEC Ministerial meetings, and the various APEC fora and relevant working groups, and where appropriate make recommendations to the respective forum.
4. The Committee will coordinate its activities with those of other APEC fora.

### **Article 4 Procedures**

1. The Committee will disseminate the results of its work within APEC and beyond as appropriate.
2. In conducting its activities, the Committee may draw as appropriate on the work of other regional organizations and multilateral institutions and on private sector research and analysis.
3. All members of the Committee will endeavor to distribute documents for discussion by the Committee no later than 2 weeks prior to the meeting at which the document is intended to be discussed.

### **Article 5 Structure of the Committee**

1. The Committee will comprise economic policy officials of all member economies.

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<sup>1</sup> Endorsed by SOM in February 2005.

2. The Committee shall have a Chair and up to two Vice Chairs. The Chair and Vice Chair(s) shall each serve a term of two years.
3. The Committee shall normally meet twice per year.
4. The Committee may establish special task forces with defined terms of reference and duration.
5. The Committee shall review all aspects of its operations every 2 years.

