

行政院所屬各機關因公出國報告書

(出國類別：出席國際會議)

出席 2013 年亞太經濟合作會議(APEC)
經濟委員會第二次會議(EC2)暨相關會議出國報告

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中華公司治理協會	理事	劉文正
中華公司治理協會	助理研究員	閻書孝

會議地點：印尼棉蘭

會議時間：102 年 6 月 26 日至 6 月 31 日

完成報告：102 年 7 月 31 日

出席 2013 年亞太經濟合作會議(APEC) 經濟委員會第二次會議(EC2)暨相關會議出國報告

目 錄

壹、摘要.....	2
貳、會議經過.....	4
參、心得建議與後續應辦事項.....	17
肆、附件	
1. 2013 EC2 會議議程 (文件編號：2013/SOM3/EC/001)	
2. The Hague Apostille Convention (文件編號：2013/SOM3/EC/WKSP/007)	
3. Workshop on Lessons from the Financial Crisis for Corporate Governance and Law 議程 (文件編號：2013/SOM3/EC/WKSP2/001)	
4. Roles and Duties of the Enforcement Bodies on Corporate Governance Implementation (文件編號：2013/SOM3/EC/WKSP2/002)	
5. Government Organizational Reform in Chinese Taipei (文件編號：2013/SOM3/EC/PD1/003)	
6. Economy (Chinese Taipei): 2013 ANSSR Mid-Term Progress Report	
7. Draft 2013 APEC Economic Policy Report— Chapters 1 and 3 (文件編號：2013/SOM3/EC/021)	
8. Nomination for a Vice Chair(文件編號：2013/SOM3/EC/037)	
9. Economic Committee’s Terms of the Establishment (文件編號：2013/SOM3/EC/036)	

壹、摘要

一、會議時間及地點

2013年APEC經濟委員會第二次會議(EC2)及相關會議於6月26至30日在印尼棉蘭舉行，我國代表團成員包括經建會(綜計處、法協中心)、外交部(領事局)、研考會(研展處、綜計處、台灣公共治理研究中心)、公平會(規劃處)、金管會(證期局、證交所、證基會、中華公司治理協會)等機關代表出席。

二、會議目的

近年來，EC主軸議題為結構改革，範圍涵蓋：公司治理、競爭政策、公部門治理、經商便利度，以及法治革新等五大面向。本次EC2會議主要係進行APEC結構改革新策略(ANSSR)期中推動進展檢視、EC結構改革五大面向之工作成果與未來規劃，以及APEC經濟政策報告(AEPR)等，期於2015年達成ANSSR改革目標；另進行下屆EC主席與副主席遴選之討論等。

三、我方參與情形及會議重要結論

(一)ANSSR之推展

1. 結構改革為APEC近年重點工作，2010年APEC經濟領袖會議通過採認ANSSR計畫。
2. 本次EC2會議各會員體提出ANSSR期中推動成果報告。我方(經建會)業於4月上旬彙提我國推動進展報告，傳送APEC秘書處，並於會中簡要說明。

(二)EC結構改革五大優先議題

1. 公司法制與治理(Corporate Law and Governance)：我方(金管會)辦理「金融風暴對公司治理與法制啟示」(Lessons

from the Financial Crisis for Corporate Governance and Law) 研討會，由金管會證期局黃局長天牧主持，邀請OECD、新加坡證交所、香港與越南證券主管機關，以及韓國公司治理中心等專家擔任與談人。討論重點包括：如何強化董事會及其功能性委員會(funtional committee；如審計、薪酬委員會等)之角色、關係人交易之管理困境、資訊揭露與評鑑系統，以及對小股東之保護等。

2. 公部門治理(Public Sector Governance)：公部門治理主席之友協調人(FoTC)由我方(研考會)擔任。我方於「行政革新」(Bureaucratic Reform)研討會中分享我國政府組織再造經驗。
3. 競爭政策(Competition Policy)：競爭政策暨法律小組(CPLG)主席由我方(公平會)擔任，渠於會中就本年CPLG議題進展提出簡要說明，包含「APEC競爭政策訓練課程」、「APEC競爭政策資料庫」、區域內競爭法／政策發展動態等。
4. 經商便利度(Ease of Doing Business, EoDB)：香港主辦「海牙驗證公約之外國公文簡化程序」(Simplified Authentication Process for Production of Public Documents Abroad through the Use of the Hague Apostille)研討會，擬協助APEC會員體利用「海牙驗證公約」機制，簡化跨國文件證明程序。我方(外交部及經建會)於研討會中表示，透過海牙驗證公約可縮短跨國文件驗證時間，降低經商成本，有助於擴大國際投資與貿易，我方樂意在APEC架構下，配合推動此項議題。
5. 法治革新(Regulatory Reform, RR)：RR主席之友(日本)簡要說明法制改革工作計畫，綠色投資之法制革新已完成，續

規劃於2014年完成創新之法制革新研究，2015年完成中小企業之法制革新研究。印尼提出RR概念與GRP相同，建議未來應與GRP共同討論。

四、APEC經濟政策報告(AEPR)

- (一)AEPR 2013：2013年AEPR主題為「提升財政透明度與政府課責」(Promoting Fiscal Transparency and Public Accountability)，由我方(研考會)與印尼合作撰寫，並於會中報告初稿。
- (二)AEPR 2014：2014年AEPR主題為良好法規實務作業(GRP)，會中通過由「法制革新」主席之友(日本)擔任2014年AEPR之主導經濟體。
- (三)AEPR 2015：2015年AEPR主題將提至明(2014)年EC1討論。

五、下屆EC主席與副主席遴選

現任EC主席及副主席均將於今年卸任，擬遴選下屆主席1人、副主席2人，任期2年。下屆主席人選現任紐西蘭及印尼籍二位副主席均有可能擔任，尚待進一步磋商；會中正式提名我方(經建會)曾處長雪如及越南籍Mr. Nguyen Anh Duong擔任下屆副主席。全案將由美國、紐西蘭及印尼三方磋商後，以電子郵件通傳會員體後確認。

貳、會議經過(EC2 暨相關會議議程詳附件 1)

一、6月26、27日：貿易投資委員會(CTI)標準及符合性次級委員會(SCSC)召開良好法規作業實務(GRP)研討會。

- (一)GRP為跨CTI及EC議題，SCSC爰邀請EC會員體參加GRP研討會。該研討會首先由SCSC主席Tar Hanafiah及印尼國家標準署署長Bambang Prasetya致開幕詞，回顧2013年3月5日WTO所舉行之良好法規作業概況，並重申2013年第一次資深

官員會議(SOM1)中 EC 關於持續推動 GRP 之決議。

(二)會議主要內容

1. 該研討會主要分為二部分，第一部分邀請會員體政府機關代表及專家就相關 GRP 之作法，提出具體實踐之經驗分享；第二部分則就符合性評鑑制度 (Conformity Assessment) 議題，分享個案作法及國際合作相互承認經驗。

2. 議題內容簡述如次：

(1) GRP 之具體實踐

- 2013 年之進展及 Baseline Study
- 確保制定法規時的內部調和(美國、馬來西亞、印尼)
- 評估法規的衝擊及影響(美國、澳洲、APEC 企業諮詢委員會)
- 公開諮詢機制之良好實踐或新作法(澳洲、墨西哥、美國、智利)
- 未來在 APEC 架構下之良好法規作業(美國、澳洲、智利、墨西哥；圓桌會議討論)

(2) 符合性評鑑之作法

- APEC 有關符合性評鑑及良好法規作業之研究(美國)
- 檢視 APEC 法規合作成功案例(以玩具安全、酒法規作業論壇、綠建築及食品安全合作論壇為例)
- 綜觀各會員體的符合性評鑑原則、具體實踐及進展(美國、秘魯、印尼)
- 貿易促進符合性評鑑作業的個案研究(亞太實驗室認證聯

盟、印尼、東協、南韓)

- 符合性及良好法規作業齊步並進(美國、國際電工委員會亞太區中心)
- 美加與美墨之間對於符合性評鑑之合作(美國、墨西哥)

二、6月27日：「海牙公約之外國公文簡化程序」研討會

(一)香港主辦該研討會，邀請海牙公約組織(HCCH)進行報告，介紹該公約之緣起、功能及運作機制，以及 E-APP(Electronic Apostille Program)等，擬協助 APEC 會員體利用「海牙驗證公約」機制，簡化跨國文件證明程序，確保文件驗證之安全防偽，以促進跨境經貿往來(簡報詳附件 2)；EC 會議同意在 APEC 境內擴大推動「海牙驗證公約」。

(二)我方(外交部)表示，未來考量與香港共同主辦相關研討會，配合香港賡續在 APEC 區域內推動「海牙驗證公約」議題，並願強化與紐西蘭(係「海牙公約」會員國並已建制 E-APP)、菲律賓及越南(兩國正考慮參與該公約)雙邊合作。

三、6月28日召開 1 場研討會、2 場政策討論。

(一)研討會：我方(金管會)主辦「金融風暴對公司治理與法制之啟示」研討會(議程、簡報詳附件 3、4)

1. 我方(金管會)自籌經費辦理「金融風暴對公司治理與法制啟示」計畫，該計畫編寫問卷，蒐集 APEC 各會員體金融海嘯後之公司治理發展情況，並就韓國、澳洲、紐西蘭及泰國等國公司治理近況及所面臨之挑戰，進行深度訪談。
2. 該研討會由金管會證期局黃局長天牧擔任主持人，並邀請 OECD 公司治理委員會、新加坡交易所、印尼大學、韓國公司

治理中心、越南經濟管理中央研究院、我國證券暨期貨市場發展基金會等專家學者與談，各會員體代表共 58 人出席。

3. 會中我方(金管會)報告問卷分析結果，並與出席代表進行討論，分享、交流經驗。研討會參與情形熱絡，會員體亦樂於分享自身經驗，對會員未來擬訂或實施公司治理政策均有正面助益，EC 主席及與會經濟體亦多次在 EC 會中提及該研討會，並肯定我方之貢獻。研討會討論重點如次：

(1) 如何強化董事會及其功能性委員會之角色、關係人交易之管理困境與未來努力方向。

(2) 資訊揭露與評鑑系統、對小股東之保護、提升公司治理非政府組織(NGO)之角色與功能，以及總體經濟因素對公司治理之影響等。

4. 我方(金管會)業蒐集與會者分享之經驗、所提問題及意見，將納入期末書面報告，並將於 2014 年 EC1 提出計畫期末報告。

(二)政策討論

1. 「國際公部門會計準則」(International Public Sector Accounting Standards, IPSAS)政策討論

由紐西蘭主辦，紐方邀請會員體分享、交流採行 IPSAS 之策略與經驗。為加強 APEC 會員體對於 IPSAS 制度之認知，紐方特邀 IPSAS 委員會成員、中國大陸財政部國庫司制度研究處黃副處長國華，簡介 IPSAS 內涵及公部門會計制度採用 IPSAS 準則之優點，包括促進政府透明化與課責、強化政府財政管理、提升國家信用評等等級等，目前約有 40 個國家採取應計基礎(accrual

basis)之 IPSAS 準則。印尼及紐西蘭簡報分享公部門採取 IPSAS 準則之途徑與實務經驗，我方(研考會)及馬來西亞、香港、智利等則於會中參與討論。

2. 「行政革新」政策討論

印尼主辦該場次政策討論活動，邀請會員體分享在推行 ANSSR 時，如何透過行政革新促進市場的開放、透明、效率及競爭性。印尼及我方(研考會)於會中發表簡報。

- (1) 印尼：該國自 2004 年起推動多項領域之行政革新計畫，第二波行政革新(2010~2014 年)目標包括打擊貪腐、提升公共服務品質及公務人員之能力與課責等。
- (2) 我方(研考會)分享我國推動政府組織再造之經驗與預期成果，目標將 37 個行政部會精簡為 29 個部會，打造精實、彈性、效能之行政組織，以提升國際競爭力，目前已完成 18 個部會及所屬之組織法案立法，並將持續與立法部門、民間團體及各行政機關溝通，以達成組改目標(簡報詳附件 5)。
- (3) 會中，越南、紐西蘭、泰國及馬來西亞等亦參與討論及分享行政革新之相關經驗。
- (4) 紐西蘭向我方提問，推動行政改革遭遇阻力時，應如何化解並持續推動改革；我方(研考會)代表回應，推動行政組織改造為我國現任總統重要改革工作之一，研考會為組改之推動與協調機關，秉於組改基本法律及原則，不斷與各行政部會、立法部門及民間團體溝通，目前已有相當的成

果，並將持續推動行政組織改造工程。

四、6月29、30日召開EC2大會，議題重點包括結構改革五大面向之工作成果與未來計畫、APEC經濟政策報告(AEPR)、政策討論、下屆EC主席與副主席遴選等，說明如次：

(一)ANSSR之推展

- 1.我方(經建會)經彙撰我國ANSSR各議題負責單位所提報之計畫執行內容，依俄羅斯所提之報告撰擬模版，於4月上旬以電郵傳送APEC秘書處(報告詳附件6)，並於會中簡要說明。
- 2.俄羅斯報告各會員體推動進展。俄國表示，各會員體致力於推動ANSSR，以降低區域內經貿障礙，並期促成包容性之永續成長；透過此次檢視各會員體的推動進展，有助於2015年達成ANSSR改革目標。
- 3.越南報告，該國刻致力於公共建設投資經濟效益評估之能力建構計畫。
- 4.馬來西亞報告，為滿足未來產業人力需求，該國已推動十年期教育訓練計畫，以培育技職人力。

(二)EC結構改革五大面向議題

一公司法制與治理(Corporate Law and Governance)

公司法制與治理主席之友(越南)協調會員推動辦理中小企業(SME)公司治理、E-corporate governance、APEC經濟體執行公司治理進展調查、透過Public-Private-Partnership改善基礎建設研討會等4項議題。

1. 中小企業公司治理：該工作計畫涉及向各會員體分享如何協助中小企業執行公司治理之經驗，該工作可協助中小企業瞭解各國所採行之公司治理措施，惟會中未有會員體表達意願主導。
2. E-corporate governance：係分享 APEC 會員體運用網路強化公司治理(如資訊揭露)之最佳範例。香港表示意願主導，惟需回國與相關單位研商後，方可確認。我方(金管會)及紐西蘭皆表示可派員出席研討會，分享經驗(如我國實施強制電子投票)。
3. APEC 經濟體執行公司治理進展調查：我方(金管會)表示，若該計畫調查公司治理執行情形，恐與我方 2012 年底進行之調查相似，有重複之疑，故我方及紐西蘭均建議該計畫可以就特定公司治理議題深入瞭解，主席之友(越南)表示該議題將於未來再進一步確認。
4. Public-Private-Partnership 改善基礎建設研討會：越南表示願意主導，另多數與會代表認為該議題涵蓋內容較廣，或許可與 APEC 企業諮詢委員會(ABAC)進行合作，主席之友(越南)表示將與該委員會討論。

一 公部門治理(Public Sector Governance)

紐西蘭、印尼於會中說明 6 月 28 日「國際公部門會計準則」、「行政革新」二場政策討論之辦理情形。EC 主席、我方(研考會)及與會會員體均表示，感謝紐西蘭、印尼辦理該等活動，促進會員體交流討論相關議題，成果豐碩。

一 競爭政策(Competition Policy)

1. 競爭政策及法律小組(CPLG)主席現為我方(公平會)胡專委祖舜擔任，渠首先於會中宣布，2013年「APEC競爭政策訓練課程」將於9月25至27日在台北舉行，並就本年度CPLG會議進行概況提出簡要說明。簡述如次：

- (1) 2013年「APEC競爭政策訓練課程－ANSSR打擊限制競爭行為，以確保開放、運作良好及競爭市場區域」研討會，業獲APEC預算管理委員會(BMC)審查通過，由我方(公平會)主辦，訂於9月25至27日在台北舉行，主題為「反競爭行為之調查技巧，以及有效補救措施與和解」，會議著重於聯合行為及結合案件查處之討論，預計邀請CPLG會員體代表約50人參與。另宣布明(2014)年度競爭政策訓練課程將由俄羅斯主辦。
- (2) 「APEC競爭政策資料庫」：我方(公平會)本年度將就我方設置、維護之「APEC競爭政策資料庫」進行會員體滿意度調查，檢視該資料庫是否有改版調整之必要(已使用14年)。問卷調查將於會後2週內發出，其總結報告預計於2014年CPLG會議提出。
- (3) 鑒於會員體大多已實行競爭法，於CPLG會議分享各自競爭法／政策之最新發展狀況及重要案例，已成為各會員體瞭解區域內競爭法／政策發展動態之重要平台，未來將賡續辦理案例分享。
- (4) 修正CPLG職掌範圍(Terms of Reference)：CPLG職掌範圍之修正係為提高小組運作之透明度，並確立主席選任之規範，包括CPLG主席2年之任期、無會員體參選主席時，將由該年APEC主辦會員體之競爭法主管機關擔任等。修正後職掌範圍業經EC及CPLG會員體同意通

過。

(5) 與「經濟合作暨發展組織」(OECD)及「國際競爭網絡」(ICN)之合作：鑒於國際合作在打擊跨境反競爭行為扮演相當重要之角色，本年度CPLG會議就「競爭法之國際執法合作」及「競爭政策在自由貿易協定所扮演的角色」等議題舉行圓桌會議，並邀請OECD及ICN代表分享相關經驗並參與討論。未來將廣續提升與其他國際組織及APEC其他論壇(如競爭政策主席之友)之合作關係。

2. 競爭政策主席之友：競爭政策主席之友(澳洲)就「協助會員體執行競爭政策之ANSSR計畫」及「促進具高度集中或寡占市場之競爭」等工作計畫進行說明。

(1) 會員體執行競爭政策之ANSSR計畫：從競爭政策角度協助各會員體推動ANSSR，以達成促進更開放、運作良好、透明與競爭市場的目標。

- 能力建置及成對計畫(twinning program):澳洲生產力委員會(Australia's Productivity Commission)刻進行「成對計畫」，以澳洲AID基金設置APEC發展合作小組，於2012至2013年就中國大陸、印尼、馬來西亞及越南等4個開發中會員體，提供制度面之能力建置，協助渠等進行結構改革。
- 澳洲之結構改革計畫：澳洲結構改革計畫(SRI)，係提供資金及技術援助，協助開發中會員體執行ANSSR。

(2) 促進具高度集中或寡占市場之競爭：會員體對具有高度集中或寡占結構之市場發生無效率或反競爭行為時，如何確認、分析並處理等之相關執法經驗具有高

度興趣，將參考政策支援小組(PSU)2011年有關「APEC會員體在運輸、能源及電信產業結構改革之成果及影響研究報告」架構，規劃會員體就相關產業分享執法經驗。

- (3) 我方(公平會)於競爭政策主席之友(澳洲)討論時提議，未來競爭政策主席之友與CPLG賡續在相關議題上合作，競爭政策主席之友(澳洲)表示贊同。

一 經商便利度(Ease of Doing Business, EoDB)

1. EoDB主席之友(美國)說明EoDB行動計畫執行情形，並請各指標領導經濟體報告2013年診斷諮商進展。南韓已分別完成汶萊及越南「執行契約」報告，日本則已完成印尼「獲得信貸」報告。
2. 政策支援小組(PSU)報告EoDB期中評估報告，2009至2012年，5項優先領域指標(開辦企業、獲得信貸、跨境貿易、執行契約及取得建築許可)在時間、成本及程序上的平均值改善達11.5%。EC主席對於會員間EoDB的進展落差表示關心，鼓勵各領導經濟體著重能力建構，以共同達成2015年改善25%之目標。
3. 香港報告6月27日舉辦「海牙驗證公約之外國公文簡化程序」研討會成果。EC主席同意，與秘書處及明(2014)年主辦會員體中國大陸討論後，將納入下次會議規劃。

一 法制革新(Regulatory Reform, RR)

RR主席之友(日本)簡要說明法制改革工作計畫，綠色投資之法制革新已完成，續規劃於2014年完成創新之法制革新研究，2015年完成中小企業之法制革新研究。印尼表示，RR概

念與 GRP 相同，建議未來應與 GRP 共同討論。

(三)APEC 經濟政策報告(AEPR)

1.AEPR 2013：2013 年 APEC 經濟政策報告(AEPR)主題為「提升財政透明度與政府課責」(我方報告詳附件 7)

- (1) 由我方(研考會)及印尼簡報 2013 年提交之 AEPR 初稿。第一章由我方簡介財政透明與政府課責之重要性與對國際經濟發展與金融穩定的影響，並概述 APEC 與其他國際組織近年來推動財政透明化與強化政府課責之趨勢與作為；第二章由印尼闡述財政透明的內涵與落實財政透明的要素與原則；第三章由我方彙整 16 個會員體提交之個別會員體報告(Individual Economy Reports, IERs)，重點摘述 APEC 會員體近年提升財政透明與政府課責所採行之制度措施，以及相關成果與挑戰，包括會員體加強政府財政資訊公開揭露、促進公民參與及課責機制的具體作法，以及未來優先推動的改革事項等。
- (2) EC 主席感謝我方主政規劃 2013 年 AEPR 之撰稿工作，EC 主席表示，AEPR 是 APEC 重要的年度出版品，廣受外界重視與引用，因此鼓勵尚未繳交 IER 的會員體儘速繳交。美國代表表示，第一章有關引用美國 2010 年金融風暴的相關內容，將儘速請相關單位確認並回復相關意見。印尼表示，第一章與第二章初稿有部分內容重複，將於會後進行調整修正。

2.AEPR 2014

2013 年 EC1 已通過 2014 年 AEPR 主題為 GRP，本次會中就主導會員體及結構進行討論。鑒於 GRP 屬「法制革新」議題，會中通過由「法制革新」主席之友(日本)擔任 2014 年 AEPR 之

主導經濟體。

3.AEPR 2015

EC 主席請各會員體研提 2015 年 AEPR 主題。越南表示，該主題可考慮配合 ANSSR 計畫 2015 年目標年，研提 ANSSR 相關議題；紐西蘭提議以競爭政策為主題。2015 年 AEPR 主題將提至明(2014)年 EC1 討論。

(四)政策討論(Policy Discussion)

1. 「綠色投資管制革新」(Regulatory Reform in Green Investments)

(1) RR主席之友(日本)主辦該政策討論，新加坡大學能源研究所教授報告研究成果，該研究就澳洲、日本、美國、印尼、菲律賓、泰國等6個會員體之個案，分析綠色投資法規制定過程中，透過成本效益分析、公眾諮詢、政府內部的一致性、法規檢視等過程，以促進再生能源及能源效率科技發展。研究發現綠色投資多有採納良好的科學方法，但法規多未制定明確的成本效益分析及事後評估。

(2) 日本經產省代表分享日本家電產品在經濟效能及效率的最佳法規作業實務，政策支援小組(PSU)則建議EC未來可強化與其他工作小組之合作，廣泛應用成本效益分析，及促進利害關係人之諮詢機制。

(3) 我方(經建會)呼應，PSU建議考量於CTI、SCSC、能源工作小組(EWG)等論壇報告綠色投資個案研究成果，以獲得其他技術性資訊，並促進能力建構。

2. 「變動時代下航向永續成長」(Navigating towards Sustainable Growth in a Changing Landscape)

- (1) 國際貨幣基金會(IMF)報告，近期因美國寬鬆貨幣政策可能轉向、中國大陸經濟數字不佳等因素，國際金融市場有較大之波動，惟預期2013、2014年新興經濟體成長仍將強勁。
- (2) 亞洲開發銀行(ADB)報告，東南亞經濟強勁，未來須強化區域整合，並強化附加價值高之生產活動，避免掉入「中等收入陷阱」(Middle Income Trap)。
- (3) PSU報告，APEC部分經濟體公共建設投資不足，EC可扮演關鍵角色，協助推動ANSSR計畫，以吸引國際資金投入公共建設。

(五)良好法規作業實務(GRP)

1. 俄羅斯報告「APEC-OECD良好法規作業實務之入口網站」進展，並感謝各會員體在網站問卷中提出的想法及意見，續將參考問卷內容及OECD意見，完成網站建構。我方(經建會)前已就該網站問卷提供建議，並與俄方良好互動。
2. 墨西哥將舉辦3場法規影響評估(Regulatory Impact Assessment, RIA)研討會，2013年4月11、12日已完成第1場研討會，分享RIA之經驗及最佳實務，計有智利、印尼、馬來西亞、秘魯、俄羅斯、我國、泰國及越南等8個會員體與會分享經驗，有助瞭解各會員體RIA進行方式；2013年8月15、16日將舉辦第2場研討會，擬邀請專家共同探討RIA方法，以提升法規品質。我方(經建會)、印尼及馬來西亞會中感謝墨西哥在4月份舉辦RIA經驗分享研討會，表示其將有助於能力建構。我方(經建會)並在會中說明我國已參考RIA指引，制定「法規及性別影響評估檢視表」。
3. 針對印尼詢問GRP議題在跨論壇的推動情形及所扮演的角

色；美國簡要說明近期推動GRP的進展，包括SCSC於6月26、27日舉辦GRP研討會，邀請會員體代表及專家，就GRP相關作法提出經驗分享及具體實踐。同時，美國研究機構現正更新會員體2013年GRP baseline執行情形。美國續將於SOM3提案推動GRP，共同達成2011年領袖宣言之GRP目標。EC主席同意，可在法制革新的基礎下推動GRP，並強化與CTI及SCSC等跨論壇之合作。

(六)下屆 EC 主席與副主席遴選

現任 EC 主席及副主席均將於今年卸任，依 EC 組織章程，擬遴選下屆主席 1 人、副主席 2 人，任期 2 年。

1. 下屆主席人選：現任二位副主席紐西蘭籍 Mr. Rory Mcleod 及印尼籍 Ms. Huda Bahweres 均可能擔任，爰主席人選尚待會後由美國、紐西蘭與印尼三方進一步磋商。
2. 下屆副主席人選：會中我方(經建會)曾處長雪如(簡歷詳附件 8)及越南籍 Mr. Nguyen Anh Duong 表達意願擔任下屆 EC 副主席。曾處長並簡短發表未來推展 EC 業務的看法，略以，為向 APEC 領袖會議提報 ANSSR 2015 計畫，EC 應持續推動結構改革工作，建議 EC 進行結構改革議題期中盤點，以順利推動下一階段工作。另建議藉由機制鼓勵各會員體積極參與 EC 各項議題。(EC 組織章程詳如附件 9)

參、心得建議與後續應辦事項

- 一、透過 EC 會議，與各會員體對話，有助於我拓展雙邊、多邊經貿交流、合作；另透過推動 ANSSR，可與國際經貿體制接軌，強化我經貿投資環境，建立加入區域經貿組織之有利基礎。
- 二、在下屆 EC 主席與副主席遴選確認後，若我方(經建會)代表能順

利擔任副主席，將積極協助主席，進行 EC 結構改革議題之期中盤點，並協調部分會員體辦理相關結構改革議題，強化與各會員體間合作關係。

三、經建會將持續協調相關單位辦理公司治理、公部門治理、競爭政策、經商便利度、法制革新等 EC 結構改革議題。

(一)金管會將於 2014 年 EC1 會議中提出「金融風暴對公司治理與法制啟示」計畫之成果報告，並篩選後續議題(如 E-Corporate Governance)持續推動。

(二)研考會將於本(2013)年 8 月下旬依會員體意見修改後提交 2013 年 AEPR 報告-「提升財政透明度與政府課責」(定稿)。

(三)公平會將於本(2013)年 9 月底在台北舉辦「APEC 競爭政策訓練課程」；並進行「APEC 競爭政策資料庫」會員體滿意度調查，於 2014 年 CPLG 會議提出總結報告。

(四)外交部將配合「海牙驗證公約」內涵逐步進行相關體制建置工作，以及推動電子化驗證計畫(The Electronic Apostille Program)，未來並考量與香港共同舉辦相關研討會。

(五)經建會將派員出席本(2013)年 8 月 15、16 日在墨西哥舉辦之 RIA 方法論研討會；另考量參與南韓主導之 EoDB「執行契約」指標診斷諮商。

肆、附 件

附件 1.2013 EC2 會議議程 (文件編號：2013/SOM3/EC/001)



**Asia-Pacific
Economic Cooperation**

2013/SOM3/EC/001
Agenda Item:3

Draft Agenda

Purpose: Consideration
Submitted by: EC Chair



**Second Economic Committee Meeting
Medan, Indonesia
29-30 June 2013**

A draft agenda for EC2 and related Meetings 2013

Date		Workshop/Policy Discussion/Meeting	Relevant FotC or Economy	Venue
26 June		APEC Sub-Committee on Standards and Conformance 7th Conference on GRP(first day)	Indonesia and SCSC	J. W. Marriott Hotel
27 June		APEC Sub-Committee on Standards and Conformance 7th Conference on GRP(second day)	Indonesia and SCSC	
		Workshop on <i>Simplified Authentication Process for Production of Public Documents Abroad through the Use of the Hague Apostille Convention</i>	Hong Kong, China	Santika Premiere Dyandra Hotel & Convention
28 June	Morning	Workshop on <i>Lessons from the Financial Crisis for Corporate Governance and Law</i>	Chinese Taipei (CLG FotC)	
	Afternoon	Policy Discussion on <i>International Public Sector Accounting Standards</i>	New Zealand (PSG FotC)	
		Policy Discussion on <i>Bureaucratic Reform</i>	Indonesia (PSG FotC)	
29 June		EC Plenary Meeting (first day)	EC	
		Policy Discussion on <i>Regulatory Reform in Green Investments</i>	Japan (RR FotC) and PSU	
30 June		EC Plenary Meeting (second day)	EC	
		Navigating towards Sustainable Growth in a Changing Landscape	PSU	

Draft Agenda
29-30 June 2013, Medan, Indonesia

Key Objectives of EC2 Plenary:

- Review progress in the CPLG and FotC work plans and consider prospective activities
- Discuss ANSSR implementation, including the mid-term progress report
- Discuss progress on the APEC Economic Policy Report (AEPR)

Day 1: 29 June 2013 Start: 09:00

1. Friends of the Chair (FOTC) Group Meetings

FOTC coordinators are encouraged to schedule meetings for their groups during the morning to discuss work plans, ongoing projects, and exchange ideas for how the FOTC can take forward EC work. Chairs should confer on meeting times to avoid scheduling conflicts.

- 9:00–9:40 am: Competition Policy (AUS), Corporate Law and Governance (VN) and Regulatory Reform (JPN)
- 9:40-10:20 am: Ease of Doing Business (USA) and Public Sector Governance (CT)

Plenary Session Convenes 10:30

2. Chair's Welcome

3. Adoption of the EC2 Plenary Agenda

4. Updates from the CPLG and FOTCs (10:40-12:30)

The CPLG Convenor and FOTC Coordinators will provide readouts of recent discussions and work plans, focusing on how their groups can take forward work and capacity-building programs in their focus areas. Economies that have recently sponsored activities also are encouraged to provide a brief update on key outcomes and potential follow-on work.

- Competition Policy and Law Group (Chinese Taipei) - Mr Tzu-Shun Hu
- Competition Policy (Australia) – Ms Tina Smith
- Corporate Law and Governance (Viet Nam) – Mr Nguyen Anh Duong
 - Report on the workshop on Lessons Learned from the Financial Crisis for Corporate Governance and Law: Roles and Duties of the Enforcement Bodies on Corporate Governance Compliance (Chinese Taipei)
- Ease of Doing Business (United States) – Mr Christopher Clement
 - Analysis based on World Bank Doing Business 2013 report (PSU, Carlos Kuriyama)

- Report on progress in the multi-year project on EoDB (TATF, Victoria Waite)
- Report on Brunei Darussalam and Viet Nam Diagnostic Trips on Enforcing Contracts (Korea)
- Report on the workshop on Getting Credit in Indonesia (Japan)
- Report on the workshop on Simplified authentication process for production of public documents abroad through the use of the Hague Apostille Convention (Hong Kong, China)
- Public Sector Governance (Chinese Taipei) – Director Tsai-tsu Su
 - Report on the Policy Discussion on International Public Sector Accounting Standards (New Zealand)
 - Report on the Policy Discussion on on Bureaucratic Reform (Indonesia)
- Regulatory Reform (Japan) – Mr Atsushi Tanizawa

Lunch

5. Policy Discussion 1: Regulatory Reform in Green Investment (14:00-15:00)

- Introduction (Mr. Atsushi Tanizawa, RR FotC Coordinator)
- Case Studies on RR in Green Investments (Dr. Tilak Doshi, Energy Studies Institute, National University of Singapore)
- Comments on the Case Studies and Drivers of Regulatory Reform in Green Investments (Carlos Kuriyama, APEC Policy Support Unit)
- Best Practice on “Economic Efficiency and Effectiveness” (Mr. Takayuki Kawamura, Japan)
- General Discussion
- Wrap-up Remarks and Next Steps (Mr. Atsushi Tanizawa)

Coffee Break

6. APEC New Strategy for Structural Reform (ANSSR) (15:30-16:40)

- Mid-term Progress Report of Individual Economies’ ANSSR Plan (Russia)
- Report on Ongoing ANSSR Projects
 - Capacity Building Program to Improve Appraisal of Public investment Projects in Viet Nam (Viet Nam)
 - Interim Report on Enhancing the Quality and Relevance of TVET For Current and Future Industry Needs- Phase 1 (Malaysia)

7. APEC Economic Policy Report (AEPR) Planning Session (16:40-18:00)

- **AEPR 2013 on Public Sector Governance (Promoting Fiscal Transparency and Public Accountability)**

- Discussion on the status and timeline for finalizing the report (Chinese Taipei and Indonesia)
- **AEPR 2014 (Good Regulatory Practice)**
 - Discussion on lead economies and structure of the report (EC Chair)
- **AEPR 2015**
 - Thoughts for AEPR 2015 (EC Chair)

Day 2: 30 June 2013 Start: 09:00

8. Overview of Activities across APEC Fora (09:00-10:00)

- APEC Business Advisory Council (ABAC) - Mr Amin Subekti
- Committee on Trade and Investment (CTI) - Mr John Larkin
- Senior Finance Officials Meeting (SFOM) (TBC)
- Human Resources Development Working Group (HRDWG) – Prof. YoungHwan Kim
- Pacific Economic Cooperation Council (PECC) - Mr Eduardo Pedrosa

9. Good Regulatory Practices (10:00-10:45)

- Report on Ongoing GRP Projects
 - APEC-OECD Web Portal: Good Regulatory Practices (Russia)
 - Development and implementation of methodologies to improve the quality of regulations and regulatory impact assessments for enhancing market openness ensure transparency and promote economic growth (Mexico)

Coffee Break

10. Policy Discussion 2: State of the Region: Navigating towards Sustainable Growth in a Changing Landscape (11:00-12:30)

- Introduction (EC Chair)
- Presentation from the IMF on the state of the global economy (Mr Ben Bingham, Senior Resident Representative, Indonesia IMF)
- Presentation from the ADB on the state of the regional economy (Mr Arief Ramayandi, ADB)
- Presentation from APEC PSU on macroeconomic trends in the APEC region (Ms Quynh Le, PSU)
- Challenges for the future arising from the state of the regional economy (Dr Alan Bollard, APEC Secretariat Executive Director)
- Questions and general discussion from EC members
- Wrap up remarks (EC Chair)

Lunch

- 11. Updates from the APEC Secretariat (14:30-15:00)**
 - 2013 Project Approval Process and Timeline (Myung-hee Yoo)
 - Secretariat Report on Key Developments (Myung-hee Yoo)
 - Policy Support Unit Work (Denis Hew)
- 12. Report on the BMC-led Pilot Evaluation of APEC Projects (Mr Franck Wiebe)**
- 13. Review of the Economic Committee Terms of Establishment (EC Chair)**
- 14. EC Chair and Vice-Chair Elections (EC Chair)**
- 15. Other Business**
- 16. Classification of Documents**
- 17. Chair's Closing Remarks**

附件 2.The Hague Apostille Convention

(文件編號：2013/SOM3/EC/WKSP/007)



**Asia-Pacific
Economic Cooperation**

2013/SOM3/EC/WKSP/007

The Hague Apostille Convention

Submitted by: HCCH



**Workshop on Simplified Authentication Process
for Production of Public Documents Abroad
Through the Use of the Hague Apostille
Convention
Medan, Indonesia
27 June 2013**



The Hague Apostille Convention
(with an overview of the Hague Conference
on Private International Law)

*APEC Workshop on Simplified Authentication Process for Production of Public Documents Abroad through the use of the Hague Apostille Convention
Medan, Indonesia - 28-29 June 2013*

Christophe Bernasconi
Deputy Secretary General
The Hague Conference on Private International Law

**The Hague Conference
on Private International Law**

**La Conférence de La Haye
de droit international privé**

**The Hague Conference
on Private International Law**

**La Conférence de La Haye
de droit international privé**

(HC + CH = HCCH)

What is the HCCH?

- An **Intergovernmental Organisation**
the origin of which goes back to 1893
- The *oldest* international organisation
in The Hague, the "legal capital of the world"
- The only international organisation in
The Hague with a *legislative* function
(*i.e.*, not a court or tribunal)
- "World organisation for
cross-border co-operation in
civil and commercial matters"



What does the HCCH do?

- The purpose of HCCH is to “work for the progressive unification of the rules of **private international law**”
- The work of HCCH addresses *private* law problems (as opposed to public law problems) arising among individuals and companies from factual situations which are connected with more than one State

Cross-border
family relations

Cross-border
business deal

Cross-border
legal procedure

How does the HCCH do it?

- By developing international treaties, known as the **“Hague Conventions”**, to which any country may become party
 - 38 Hague Conventions have been concluded
 - The Hague Conventions are open to all States (even those that are not Members of the organisation)
 - The Hague Conventions co-exist with existing bilateral and regional instruments



How does the HCCH do it?

- The Hague Conventions do not harmonise substantive law ("civil code" or "commercial code")
- Instead, the Hague Conventions establish PIL rules that provide 'road signs' showing the way in cross-border situations, for example:
 - Which State's laws apply to the situation?
 - Which State's authorities are competent to decide disputes arising out of the situation?
- The work of the HCCH focuses on technical aspects (not "politics") and decisions are taken by consensus

The Hague Conventions

Three pillars:

Child protection, family and property relations

- 1980 Child Abduction Convention
- 1993 Intercountry Adoption Convention
- 1996 Child Protection Convention
- 2007 Child Support Convention and Protocol

Legal co-operation and litigation

- 1951 Apostille Convention
- 1965 Service Convention
- 1970 Evidence Convention
- 1980 Access to Justice Convention
- 2005 Choice of Court Convention

Commercial and financial law

- 1986/1987 Convention on the International Sale of Goods
- 1994 Convention on the International Sale of Goods

*The Hague **Conference** ...*

vs.

*The Hague **Convention** ...*

The Hague Conference...

= **the organisation**

vs.

The Hague Conventions...

= **the treaties** (instruments)

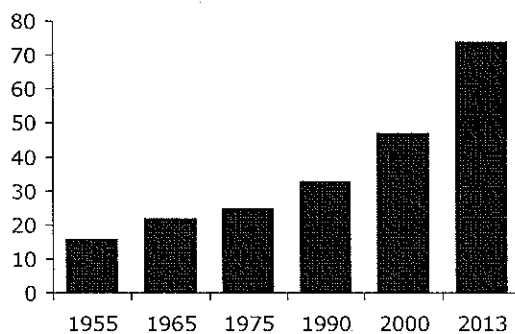
Members of HCCH

74 Members (73 States plus the European Union)



Constantly welcoming new Members

Impressive growth in membership since 1955



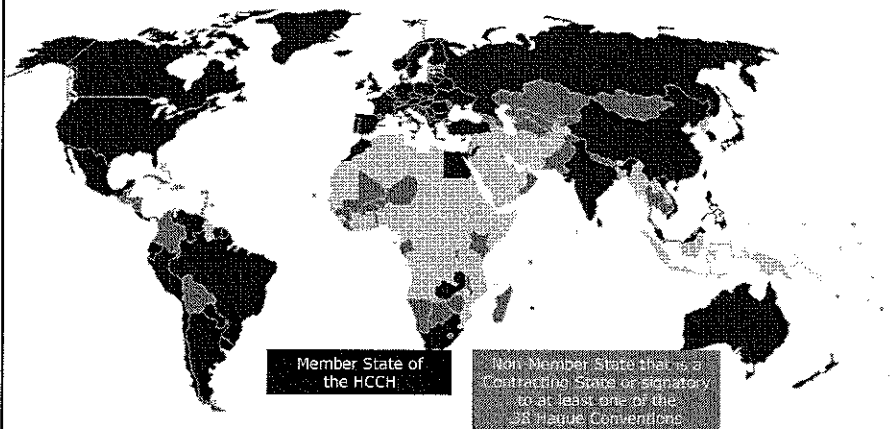
Members of HCCH

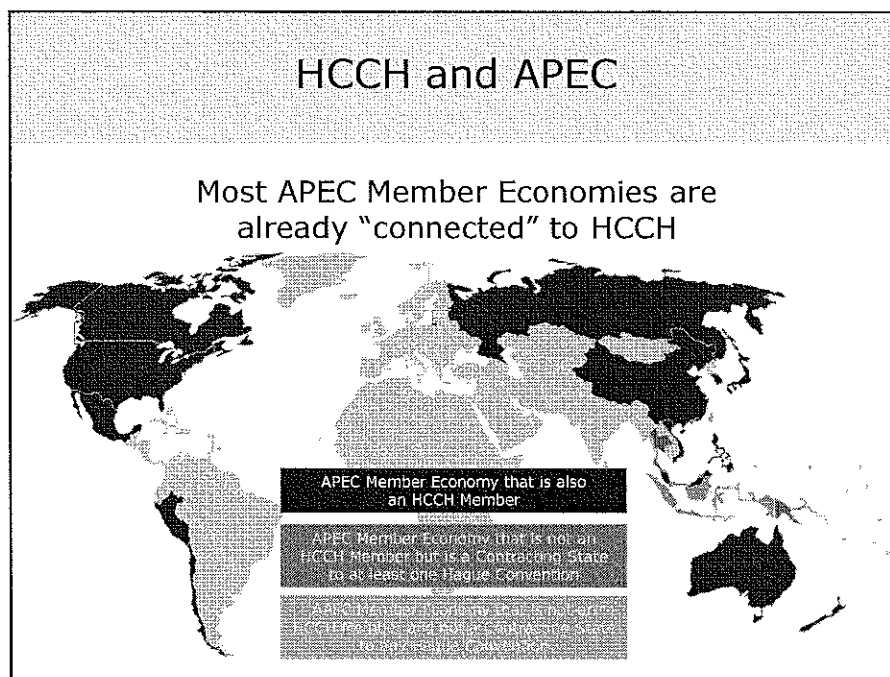
74 Members (73 States plus the European Union)

BUT...

Global coverage

141 States are "connected" to HCCH



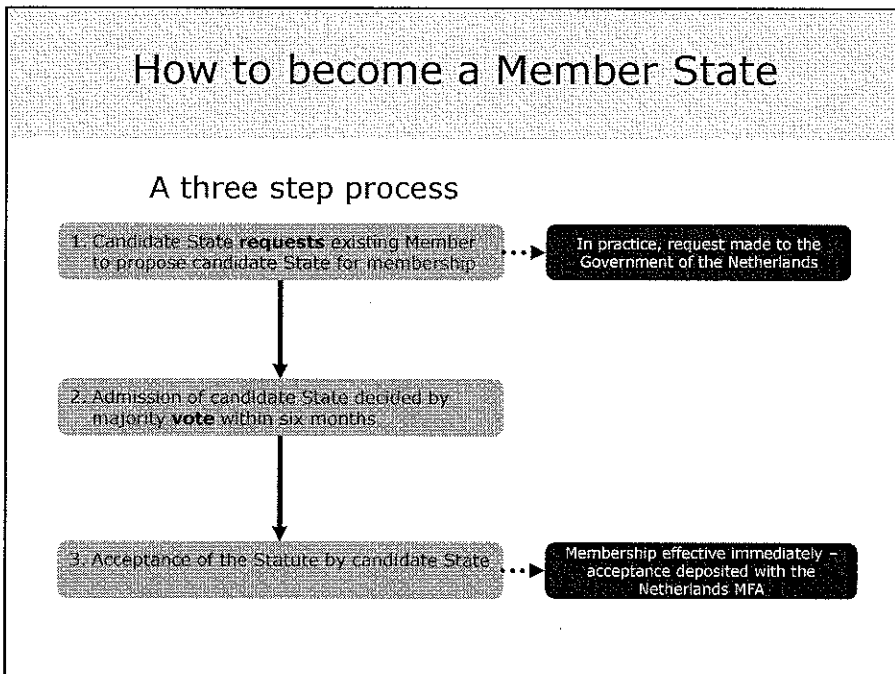
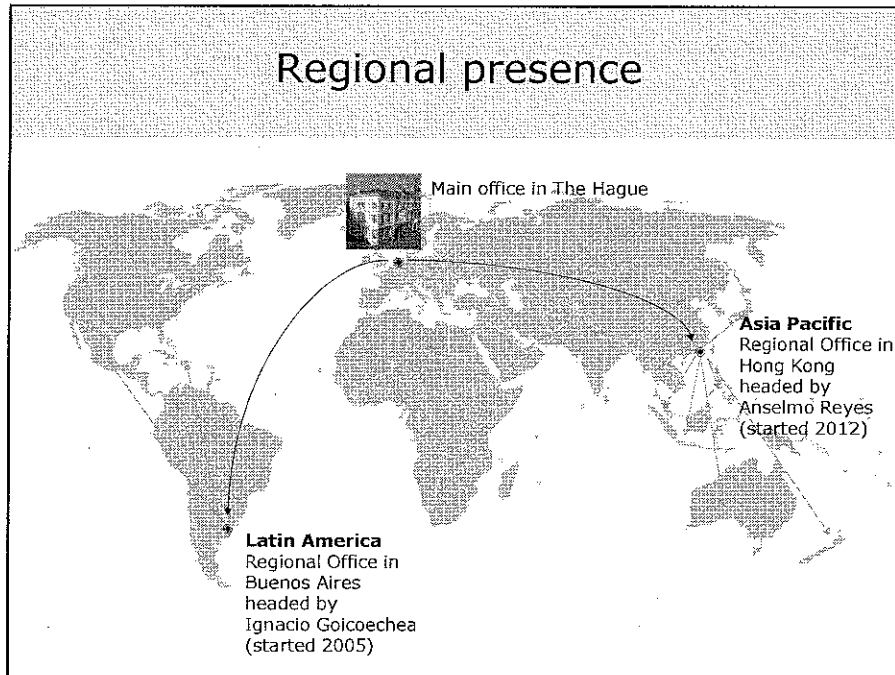


Visibility in Asia Pacific

Series of successful regional conferences jointly organised by the Permanent Bureau

- Progressively raising profile of private international law issues in Asia Pacific
- Offering an opportunity for States in the region to discuss the relevance, implementation and operation of the Hague Conventions, as well as the benefits of membership

2005	2007	2008	2011
Sabah, Malaysia	Sydney, Australia	Hong Kong, China	Manila, Philippines



Benefits of being a HCCH Member

- Determining *work program* of HCCH and the Permanent Bureau
- Having a seat at a world forum for dialogue between different legal cultures
- Priority access to *technical assistance* in implementing the Hague Conventions
- Strengthening the voice of Asia-Pacific within HCCH
- Demonstrating a commitment to the HCCH mission:

...to work for a world in which individuals, families and companies, whose lives and activities cross borders, enjoy a high degree of legal security



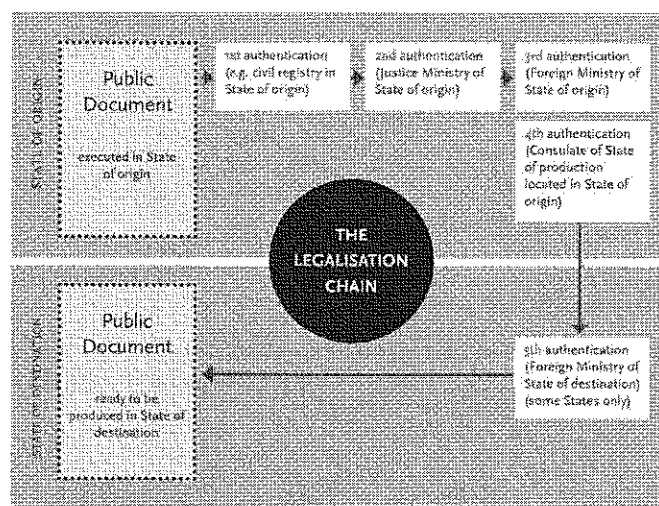
Financial implications of Membership

- Each Member required to contribute to the budget
- Budget for 2012-13 financial year: € 3.75 million (\$ 4.9 mil.)
- Contributions based on the unit system of the Universal Postal Union (UPU)
 - For States joining from July 2010, 1 unit = €5,825 (2012-13 financial year)
 - Biggest payers (33 units) are Canada, France, Germany, Japan, United Kingdom, United States of America – other Members pay from 1-25 units

Overview of the Apostille Convention

Convention of 5 October 1961 Abolishing the Requirement of Legalisation for Foreign Public Documents

Production of public documents abroad *Without the Apostille Convention*



Production of public documents abroad *With the Apostille Convention*

The diagram illustrates the process of producing public documents abroad. It features two boxes on the left representing the document's state at different stages:

- Top Box:** A document labeled "Public Document" that is "executed in State of origin". To its left, the text "STATE OF ORIGIN" is written vertically.
- Bottom Box:** A document labeled "Public Document" that is "ready to be produced in State of destination". To its left, the text "STATE OF DESTINATION" is written vertically.

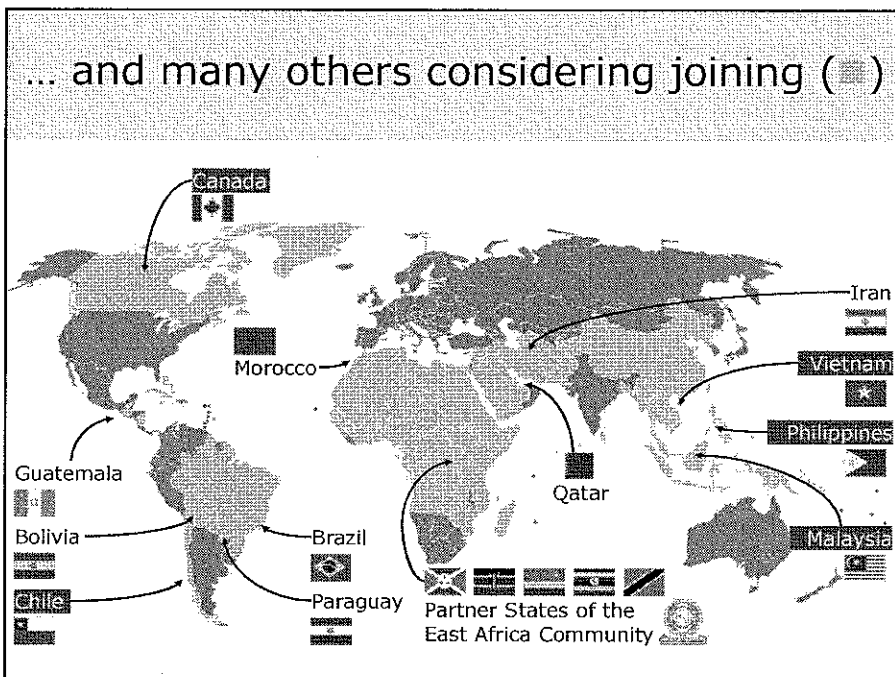
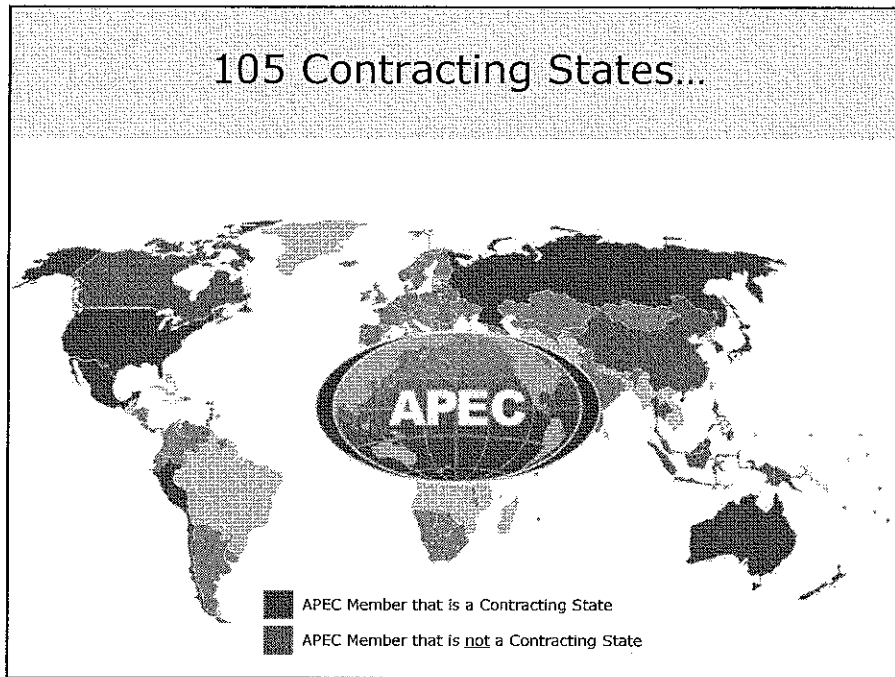
In the center, a circular graphic contains the text: **SIMPLIFIED PROCESS UNDER THE APOSTILLE CONVENTION**.

On the right side of the diagram, there is a form titled "Apostille" with the following fields:

- 1. Country
- 2. City
- 3. Name of the authority
- 4. Name of the official
- 5. Signature
- 6. Date
- 7. Seal

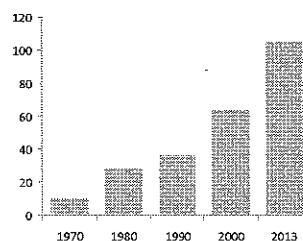
105 Contracting States...

A world map is shown below the heading, with 105 countries highlighted in black to represent the contracting states of the Apostille Convention. The highlighted countries include the United States, Canada, Mexico, and numerous countries across Europe, Africa, and Asia.



Effective and widespread operation

- The most widely ratified/acceded to of all the Hague Conventions
- 41 new Contracting States since 2000
- The most widely applied Hague Convention
- **Millions** of Apostilles issued every year



Benefits of the Apostille Convention

Greatly facilitates circulation of public documents Saving time and money

- Apostille Convention greatly facilitates circulation of public documents
 - Improves the lives of citizens that rely on public documents in their cross-border activities (has an immediate impact)
- The Apostille Convention reduces the time and cost of authenticating documents
 - Fees are often payable at each step of the traditional legalisation chain (*i.e.*, in both the State of origin and the State of destination)
 - Under the Apostille system, fees are payable only once (when the Apostille is issued by the Competent Authority in the State of origin of the public document)
 - Studies conducted by newly acceded States confirm these findings and indicate that *citizens can save millions of US dollars*

Accessibility

- The Apostille Convention makes authentication much more accessible and easy:
 - The absence of missions abroad or of foreign missions in the State of origin can make it difficult for citizens to access traditional authentication services. Citizens may need to send their documents to another country in order to be authenticated, which costs money and risks document loss.
- ***The Apostille Convention provides a simple, uniform, one-step process in all 105 Contracting States (and growing...)***

Freeing up consular resources

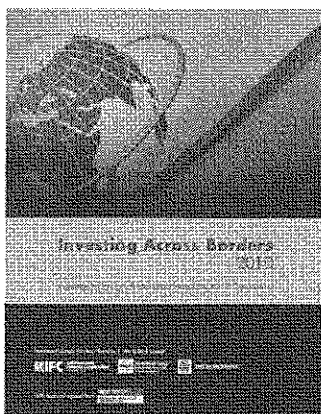
- The Apostille Convention frees up resources at foreign missions, allowing consular staff to focus on serving citizens' and companies' other needs
- But States can still maintain important sources of revenue
 - more on this later...

Attracting foreign investment

- The Apostille Convention establishes conditions that are more amenable to foreign investment
 - In its 2010 Report *Investing Across Borders*, the **World Bank** surveys foreign direct investment regulation in 87 economies around the world (incl. 7 ASEAN Member States: Cambodia, Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam)
 - The Report finds that the Convention makes it easier for companies to start up a business in a foreign State
- The World Bank recommends that States join the Apostille Convention



Attracting foreign investment



Investing Across Borders
 A report by EY

Key findings

Investors are looking for... (table with columns: Region, Investment type, Investment size, Investment stage)

Investment type

Region	Investment type	Investment size	Investment stage
North America
Europe
Asia
Latin America
Middle East
Africa

Investment size

Region	Investment size
North America	...
Europe	...
Asia	...
Latin America	...
Middle East	...
Africa	...

Investment stage

Region	Investment stage
North America	...
Europe	...
Asia	...
Latin America	...
Middle East	...
Africa	...

Facilitating international trade

- The Apostille Convention facilitates cross-border trade
 - In 2012, the **ICC** called on States to join the Apostille Convention and to expand and modernise its use
 - Cross-border trade of goods can require a considerable amount of paperwork in which foreign officials require the origin of these document to be authenticated
 - The ICC confirmed that the Apostille Convention establishes a global standard that is recognised and expected by parties involved in cross-border transactions



Facilitating international trade




Interest of other organisations

- **Interpol** has expressed interest in the Apostille Convention in the context of cross-border extradition requests
 - The HCCH and Interpol are looking into using the e-APP to streamline the cross-border transmission of electronic requests – more on this later...
- The **World Customs Organisation** has also expressed an interest in the Convention in the context of reducing customs formalities
- The Apostille Convention is also relevant to ongoing trade facilitation efforts by the **World Trade Organisation** (cutting "red tape")

Support Services

- The Permanent Bureau closely monitors the practical operation of the Apostille Convention
- Regular expert meetings (called "Special Commissions") are convened to review the practical operation of the Convention
 - Last SC meeting held in November 2012
 - attended by 162 participants from 75 States and international organisations
 - Conclusions & Recommendations of the Special Commission are available on the Hague Conference website
- Specialised "Apostille Section" of HCCH website...



HCCH
HAAGSE CONFERENTIE VAN
PUBLIEK EN INTERNATIONAAL RECHT
CONFÉRENCE DE LA HAÏE
DE DROIT INTERNATIONAL PRIVÉ

The World Organization for Cross-Border Cooperation in Civil and Commercial Matters
L'Organisation mondiale pour la coopération transnationale en matière civile et commerciale

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International Centre

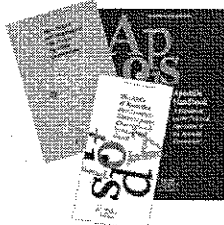
News & Events

Vacancies

Internships

Welcome to the Apostille Section

Latest updates



The Permanent Bureau has produced a series of three publications on the practical operation of the Apostille Convention.

The ABCs of Apostilles is a brochure that is primarily addressed to users of Apostilles with short answers to frequently asked questions, including when, where and how Apostilles are issued and what their effects are. [Download here.](#)

How to Join and Implement the Hague Apostille Convention is a brief guide that is designed to assist authorities in new and potential Contracting States in implementing the Convention. [Download here.](#)

The *Apostille Handbook* is a comprehensive reference tool that is designed to assist Competent Authorities in performing their functions under the Apostille Convention, as well as address issues that arise in the contemporary operation of the Convention. [Download here.](#)

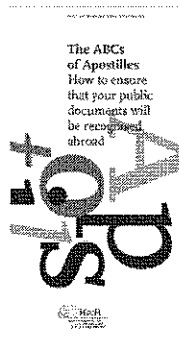
To order hard copies of these publications, please use the [order form \(DOC or PDF\)](#).

<p>▶ Text of the Convention (Translations)</p> <p>▶ How to get an Apostille</p> <p>▶ Model Apostille Certificate</p> <p>▶ Explanatory documents</p>	<p>▶ Updated list of Contracting States (status table) <small>How to read the status table</small></p> <p>▶ Competent Authorities (contact details, practical information)</p> <p>◦ Model Apostille Certificate</p> <p>◦ Bilingual versions</p> <p>◦ Trilingual versions</p> <p>◦ Outline of the Convention</p>
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Publications

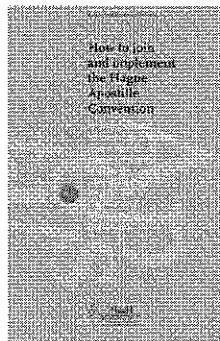
The ABCs of Apostilles

Brochure for users of Apostilles with short answers to FAQs, including when, where and how Apostilles are issued and what their effects are.



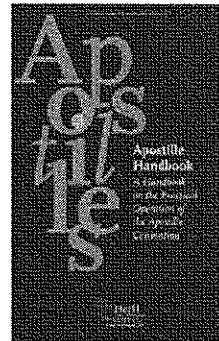
Brief Implementation Guide

Guide to assist authorities in new and potential Contracting States to implement the Convention. Includes practical tips on how to issue and register Apostilles.



Apostille Handbook

Comprehensive Handbook to assist Competent Authorities in performing their functions under the Convention.



Operation of the Apostille Convention

Competent Authorities

- Apostilles may only be issued by a **Competent Authority** designated by the State of origin
- The identity, quantity and organisation of Competent Authorities is left to each Contracting State to determine (the Convention does not impose a specific model)








Competent Authorities

- Competent Authorities perform three fundamental functions under the Convention
 - **verifying** the authenticity (origin) of public documents;
 - **issuing** and **affixing** Apostilles; and
 - **recording** each Apostille issued in a register (in order to be able to later verify, at the request of a recipient, the origin of an Apostille supposedly issued by that Competent Authority)

Competent Authorities

- In order to fulfill these functions, each Competent Authority should:
 - maintain (or have access to) a database with sample signatures / seals / stamps of the officials and authorities that execute the public documents for which it has competence to issue Apostilles
 - have sufficient resources to issue the expected volume of Apostilles
 - have the capacity to maintain a register of Apostilles issued, preferably an electronic register that can be accessed online (an "e-Register")
 - ensure that its staff is properly trained

Competent Authorities – in the region

	Australia	<ul style="list-style-type: none"> • Department of Foreign Affairs and Trade
	Brunei Darussalam	<ul style="list-style-type: none"> • Chief Registrar, Deputy Chief Registrar and Registrars of the Supreme Court • Chief Magistrate, Magistrates and Registrars of Subordinate Courts
	Hong Kong SAR	<ul style="list-style-type: none"> • Registrar of the High Court
	Macau SAR	<ul style="list-style-type: none"> • Chief Executive • Secretary for Administration and Justice • Director of Justice Affairs Department
	Japan	<ul style="list-style-type: none"> • Ministry of Foreign Affairs
	Korea	<ul style="list-style-type: none"> Ministry of Foreign Affairs and Trade • Ministry of Justice • National Court Administration
	Mexico	<ul style="list-style-type: none"> • Federal Government Secretary <i>(for federal documents)</i> • State Government Secretaries <i>(for state documents)</i>

Competent Authorities – in the region



New Zealand

- Department of Internal Affairs, Authentication Unit



Peru

- Ministry of Foreign Affairs



Russian Federation

- Ministry of Justice
(for certain categories of public document)
- General Prosecutor's Office
- Ministry of the Interior
- Register Offices
- Federal Archives Agency
(for certain categories of public document)
- Executive bodies of constituent entities ("federal subjects")
- Ministry of Defense
(for certain categories of public document)



United States

- Federal Department of State
(for federal documents)
- Clerks and Deputy Clerks of the Federal Courts
(for Federal Court documents)
- State Secretary of State Offices
(for state documents)

The Model Apostille Certificate

Apostilles should conform as closely as possible to the model annexed to the Convention

Titre		APOSTILLE (Convention de La Haye du 5 octobre 1961)	
1. Country	This public document	1. has been signed by	Items 1 to 4 relate to the underlying document
		2. acting in the capacity of	
		3. bears the seal/stamp of	
		4.	
Certified		6. the Items 5 to 6 relate to the Competent Authority issuing the Apostille.	
5. at			
7. by			
8. to			
9. Seal/stamp:	10. Signature:		

10 numbered standard informational items

The Model Apostille Certificate

States are encouraged to use a **multilingual** Apostille Certificate

APOSTILLE		APOSTILLE	
(Fornormale de la France, de la République)		(Fornormale de la France, de la République)	
1. Country:		1. Country:	
This public document		This public document	
2. Has been signed by		2. Has been signed by	
3. acting in the capacity of		3. acting in the capacity of	
4. bears the seal / stamp of		4. bears the seal / stamp of	
Certified		Certified	
5. of	6. by	5. of	6. by
7. by		7. by	
8. of		8. of	
9. Seal / stamp:	10. Signature:	9. Seal / stamp:	10. Signature:

Bilingual version

Trilingual version

Public documents

- The Convention only applies to “public documents”
- Public document include:
 - Birth, death, marriage certificates
 - Documents issued by a court or tribunal
 - Notarial acts
 - Patents
 - Extracts from commercial registers
 - Education documents (e.g., diplomas) from public institutions
- The “public” nature of a document is determined by the law of the State of execution

Excluded documents

- The Apostille Convention does not apply to:
 - documents executed by diplomatic or consular agents
 - administrative documents dealing directly with commercial or customs operations
- These exceptions are interpreted **narrowly**
- In practice, some States issue Apostilles for documents such as import / export licenses, health certificates and certificates of origin
 - Other Contracting States are encouraged to accept Apostilles issued for these documents even if they would not themselves issue Apostilles for such documents

Excluded documents – Rule of thumb

- If a particular category of documents was legalised in a State before entry into force of the Apostille Convention for that State, it should now be apostilled
- If a particular category of documents did not require legalisation before entry into force of the Apostille Convention, it does not now require an Apostille

Limited effect of an Apostille

- The only effect of an Apostille is to certify:
 - the authenticity of the signature;
 - the capacity in which the person signing the document has acted; and
 - where appropriate, the identity of the seal or stamp which document bears
- An Apostille has this effect only as between Contracting States

Limited effect of an Apostille

- The Apostille authenticates the **origin** of a public document, **not the content** of that document

C&R No 82 of the 2009 SC
C&R No 13 of the 2012 SC

- The law of State of destination determines the admissibility and probative value of the public document in that State

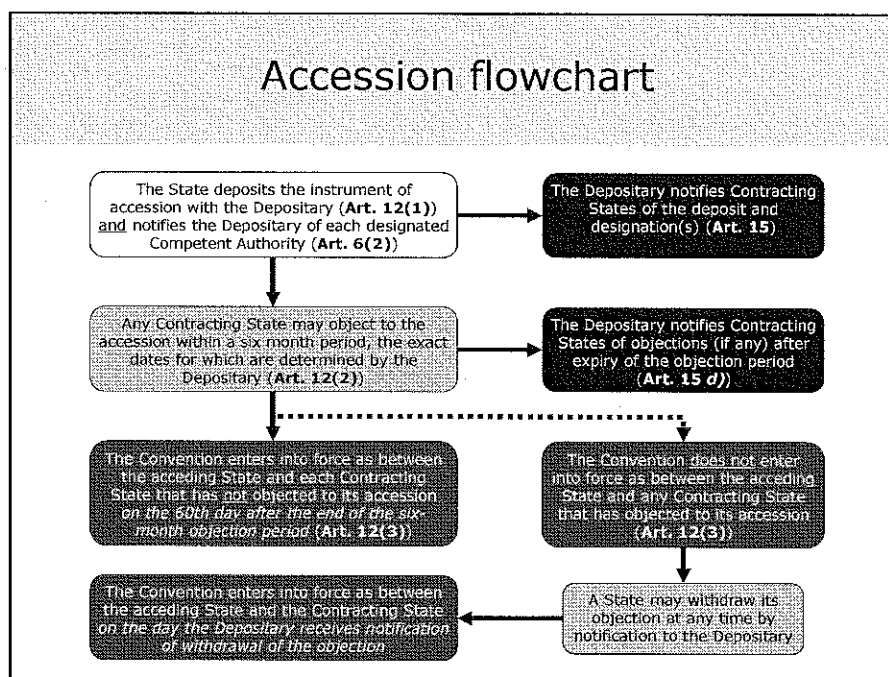
C&R No 14 of 2012 SC

No more legalisations among the “club”

- States Parties have an obligation under the Apostille Convention to take all necessary steps to prevent the performance of legalisations by their diplomatic or consular agents in cases where the Convention applies

Fees for Apostilles

- The Convention is silent on fees
 - A few Contracting States issue Apostilles for free
 - Most States charge a fee (average fee = USD 20)
- By charging a fee for Apostilles, States may recover revenue lost from the provision of legalisation services
- The experience of newly acceding States confirms that revenue levels can be maintained after implementing the Apostille Convention



The instrument of accession

- Each State has its own procedure for deciding to accede to a Convention and prepare the actual accession at domestic level
 - Generally, the decision to accede will be initiated by the Minister of Foreign Affairs or by the head of State, and then typically involves the Parliament
- The final decision is documented in an "instrument of accession" – this is forwarded to the State's diplomatic mission in the Netherlands (or nearest mission) for deposit
- The instrument of accession is accompanied by a cover note from the Embassy which should include the required notifications (Competent Authority(ies))

Thank you

Christophe Bernasconi
cb@hcch.nl

www.hcch.net



**附件 3. Workshop on Lessons from the Financial Crisis for Corporate
Governance and Law 議程**

(文件編號：2013/SOM3/EC/WKSP2/001)



**Asia-Pacific
Economic Cooperation**

2013/SOM3/EC/WKSP2/001

Agenda

Submitted by: Chinese Taipei



**Workshop on Lessons from the Financial
Crisis for Corporate Governance and Law
Medan, Indonesia
28 June 2013**

**Agenda for the APEC Economic Committee Workshop on
“Lessons from the Financial Crisis for Corporate Governance and Law:
Roles and Duties of the Enforcement Bodies on Corporate Governance Implementation”
June 28, 2013, Medan, Indonesia**

Time	Discussion Topics	Speakers
09:00-09:05	Introduction	Moderator: Mr. Tien-Mu Huang , Director General, Securities and Futures Bureau, Financial Supervisory Commission, Chinese Taipei
09:05-09:20	Presentation of questionnaire finding	Dr. Huimin Chung Professor of Graduate Institute of Finance, National Chiao Tung University, Chinese Taipei
09:00-10:10	<ol style="list-style-type: none"> 1. Discharging the responsibilities of board functional committees to implement corporate governance. 2. The development of audit committees. 3. Enhancing the reasonability of remuneration of the board and management. 4. Related party transaction decision-making procedures. 	Panelists: ➤ Mr. Winfrid Blaschke , Senior Economist, Corporate Governance Committee, OECD ➤ Mr. Mohamed Nasser Ismail , Head of Issuer Regulation, Singapore Exchange, Singapore ➤ Mr. Lee Jisoo , Analyst, Center for Good Corporate Governance, Korea ➤ Mr. Sidharta Utama , Professor, Faculty of Economics, University of Indonesia, Indonesia ➤ Mr. Duc Hieu PHAN , Department for Macroeconomic Policy and Integration Studies Central Institute for Economic Management, Vietnam ➤ Mr. Stephen Po , Senior Director, Securities and Futures Commission, Hong Kong ➤ Mr. Sou-Shan Wu , Chairman, Gre-Tai Securities Market, Chinese

		Taipei
10:10-10:20	Q & A	
		Coffee Break(10:20-10:40)
		Session 2(10:40-12:00)
10:40-10:45	Introduction	Moderator: Mr. Tien-Mu Huang , Director General, Securities and Futures Bureau, Financial Supervisory Commission, Chinese Taipei
10:45-11:50	<ol style="list-style-type: none"> 1. Increasing transparency of information disclosure and establishing ranking system. 2. Establishing mechanisms to enhance investor protection. 3. Enhancing roles and functions of non-governmental organizations in corporate governance enforcement. 4. Facilitating shareholder activism. 5. Impacts of the social and legal system, economic status, and investor structure on corporate governance policies in Asia-Pacific region. 	<p>Panelists:</p> <ul style="list-style-type: none"> ➤ Mr. Winfrid Blaschke, Senior Economist, Corporate Governance Committee, OECD ➤ Mr. Mohamed Nasser Ismail, Head of Issuer Regulation, Singapore Exchange, Singapore ➤ Mr. Lee Jisoo, Analyst, Center for Good Corporate Governance, Korea ➤ Mr. Sidharta Utama, Professor, Faculty of Economics, University of Indonesia, Indonesia ➤ Mr. Duc Hieu PHAN, Department for Macroeconomic Policy and Integration Studies Central Institute for Economic Management, Vietnam ➤ Mr. Stephen Po, Senior Director, Securities and Futures Commission, Hong Kong ➤ Mr. Sou-Shan Wu, Chairman, Gre-Tai Securities Market, Chinese Taipei
11:50-12:00	Q & A	

**附件 4.Roles and Duties of the Enforcement Bodies on Corporate
Governance Implementation**

(文件編號：2013/SOM3/EC/WKSP2/002)



**Asia-Pacific
Economic Cooperation**

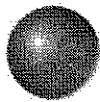
2013/SOM3/EC/WKSP2/002

**EC Self-Funded Project on Lessons from the
Financial Crisis for Corporate Governance and Law:
Roles and Duties of the Enforcement Bodies on
Corporate Governance Implementation**

Submitted by: Chinese Taipei



**Workshop on Lessons from the Financial
Crisis for Corporate Governance and Law
Medan, Indonesia
28 June 2013**



APEC Economic Committee Self-funding Project on
*“Lessons from the Financial Crisis for
Corporate Governance and Law:
Roles and Duties of the Enforcement Bodies on
Corporate Governance Implementation”*

Presenter: Dr. Huimin Chung
Professor of Graduate Institute of Finance
National Chiao Tung University,
Chinese Taipei

1

Project Outline

● Purpose & Methodology

- Responsibilities of board functional committees
 - The development of audit committees
 - Related party transaction
- Reasonability of remuneration of management

- Transparency of information disclosure
- Enhancing the quality of information disclosure

- Enhancing investor protection
- Facilitating shareholder activism

- Impacts on corporate governance policies

● Concluding Remark

2

Purpose & Methodology

● Purpose

- ❑ To gain a further comprehensive view of corporate governance implementation practices after the financial crisis.
- ❑ Focus on Enforcement Bodies (EB) reforms, experiences and operational approaches are to be collected and shared.

● Data and Methodology

- ❑ Quantitative questionnaire analyses and qualitative in-depth interview
- ❑ Secondary data: Stock Exchange Websites and SEC Websites of APEC Members, OECD (2004), OECD (2007), and OECD (2011)
- ❑ The questionnaire containing 8 categories and 40 multiple-choice questions

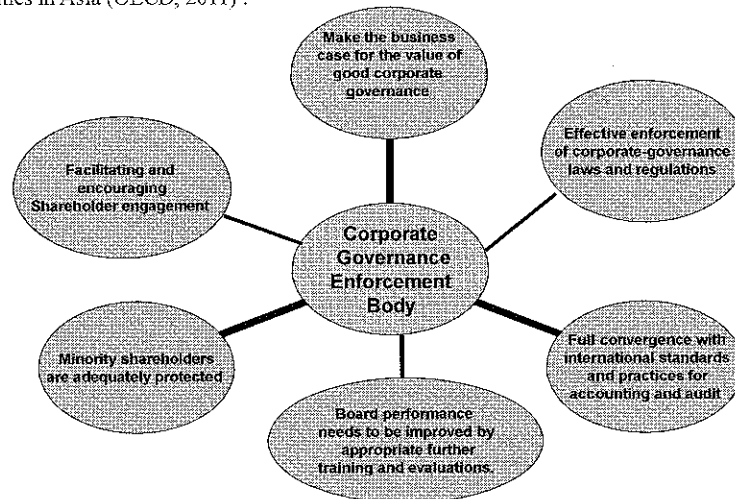
Results	Response-Completed	Response Not-completed	No response
Economy	NZ · CA · JP · HK · CL · TW · AU · VN · PE	BN · ID	USA · MX · RU · CN · KR · MY · SG · TH · PH · PG

- ❑ In-depth interviews with the authorities and self-regulating organizations/ institutions from Korea, New Zealand, Australia, and Thailand.

3

OECD 2011 Reform 6 Priorities in Asia

The questionnaire was designed for understanding wide range of criteria for current corporate governance practices in APEC economies based on the 6 priorities of the Reform Priorities in Asia (OECD, 2011).



4

Responsibilities of board committees

- ❁ **Supervisor or Independent Director**
 - ❁ Gradual improvement in board independence
 - Most of APEC Economies
 - ❁ Shares eligible for nominating independent directors
 - Australia (5%), Canada (5%), Chinese Taipei (1%), Hong Kong, Japan (1%), New Zealand
 - ❁ 1/3 independent directors
 - Chile and Thailand
- ❁ **Board Member Diversity**
 - Australia (from 2011)
 - Gender and skills; Disclosure of diversity policy and search/selection process

5

Responsibilities of board committees

- ❁ **Board Committees**
 - ❁ Mandatory remuneration committees
 - Korea, Singapore, Thailand and Philippines
 - ❁ Mandatory risk committee in banks
 - Korea, Singapore, Thailand and Philippines
 - OECD 2009 report, “Corporate Governance and Financial Crisis: Key Findings and Main Messages”, emphasizes on the following four directions of corporate governance reforms: governance of the remuneration process, effective implementation of risk management,
 - ❁ **Board reform**
 - Mandatory audit committees-Most of the APEC economies
 - Changes after the 2008 Financial Crisis
 - Chinese Taipei, Japan, Korea

6

Related party transaction

- ❁ Provide strict regulations on related party transactions
- ❁ Key steps in deterring abusive related party transactions



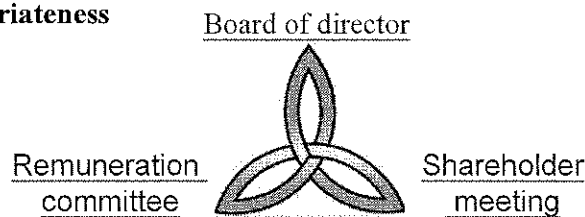
Information disclosure and identification of related parties
Design a fair voting process
Fairness opinion of audit committee
Independent directors, and independent financial analysts
Legal and SEC actions

- ❁ **Focus on the transactions from board members, senior executives, controlling shareholders and other insiders.**
 - The information of related party transactions should be publicly disclosed: all APEC members
 - Report to the authorities:
 - Australia, Canada, Chinese Taipei, Indonesia, Peru, and Vietnam
 - Related party transactions should be officially approved by board of directors: most of the APEC members
 - Shareholder meeting approval:
 - Australia, Canada, Hong Kong, and New Zealand

7

Reasonability of remuneration of management

- ❁ Various reforms on compensation disclosure
 - ❑ Incentive policy based on culture and legal system.
- ❁ Main bodies responsible for improving the remuneration appropriateness



- ❁ **Require listed companies to establish remuneration committee**
 - ❑ Chile, Chinese Taipei and Hong Kong
- ❁ **Establish remuneration committee and ensure adequate risk in remuneration strategy, policy and arrangements.**
 - ❑ Canada, Chinese Taipei and Vietnam

8

Reasonability of remuneration of management

☉ Canada

- ☒ Federal authority required financial institutions to follow Financial Stability Board's principles on compensation.
- ☒ Ontario authority enhances the regulation on executive compensation disclosure
 - Improving performance-compensation sensitivity
 - Reducing potential conflict of interests.
 - Additional information:
 - the remuneration and potential risks
 - the board's role in overseeing potential risk
 - any practice to identify or mitigate excessive risks due to inappropriate compensation.

☉ Australia

- ☒ The '2-strikes rule'
- ☒ If at least 50% of shareholders present at the meeting vote for a board spill, directors must face re-election within 90 days.

9

Transparency of information disclosure

☉ Quarterly financial reports

- ☒ Canada, Chile, Chinese Taipei, Hong Kong, Indonesia, Japan, Peru, and Vietnam

☉ Improvement after the 2008 Financial Crisis

- ☒ Chinese Taipei
- ☒ New Zealand
 - The minimum standards for licensed auditors had been improved
 - Help the financial institutions and listed companies improve the disclosure transparency and auditing quality.
- ☒ Thailand



10

Enhancing the quality of information disclosure

❁ Several APEC economies require listed companies to disclose regular financial report via different platforms.

- ❑ The authorities use their enforcement power to investigate inappropriate disclosure:
Canada, Chile, Chinese Taipei, and Hong Kong
- ❑ Companies will be taken into proceedings after the evidence on breaches of acts is found.
- ❑ Besides asking for correction of the content, the measures of liability include administrative liability.
Australia, Canada, Chile, Chinese Taipei, Indonesia, Japan, Vietnam

❁ External auditing

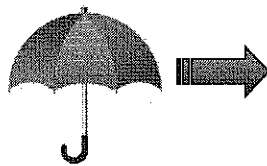
- ❑ The authorities in most of the APEC economies are responsible of overseeing
- ❑ The stock exchanges (Chinese Taipei, New Zealand) and the shareholder meeting (Chile, Vietnam) are also empowered to do so.

11

Enhancing investor protection

❁ Protection provided by judicial system

- ❑ Australia, Canada, Chile, Chinese Taipei, Hong Kong, Japan, New Zealand



Damage under insolvency or bankruptcy
Anti-fraud provisions
Derivative lawsuits
Claims for breach of contract or torts
Market abuse action

❁ Enhance the mechanism of investor protection

- ❑ Chinese Taipei
 - Securities and Futures Investors Protection Center (SFIPC)
 - Financial Ombudsman Institution (FOI)
- ❑ New Zealand
 - Government-established reserve scheme (Registration and Dispute Resolution Act 2008)
- ❑ Peru- The Office of the Investment Ombudsman.

12

Facilitating shareholder activism

◆ Proposal Submission

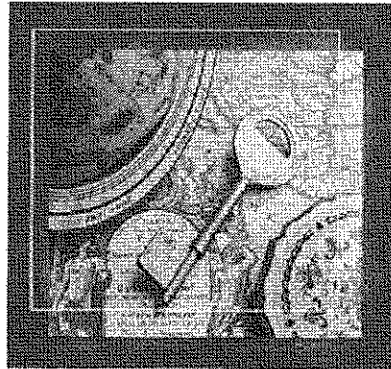
- ▣ Korea
- ▣ Thailand

◆ Voting Cast

- ▣ Chinese Taipei
- ▣ Japan

◆ Foreign Investor

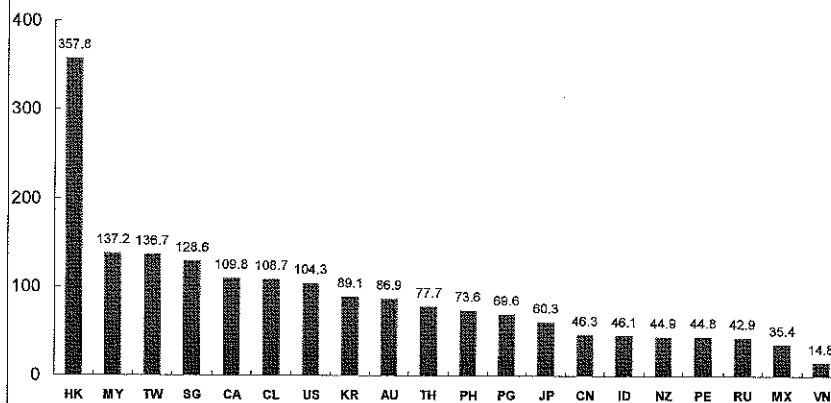
- ▣ Hong Kong
- ▣ Chinese Taipei



13

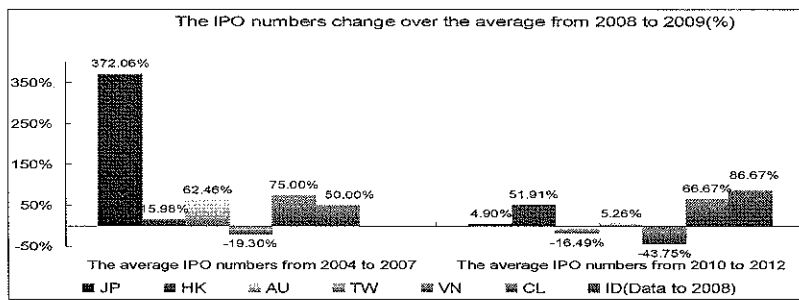
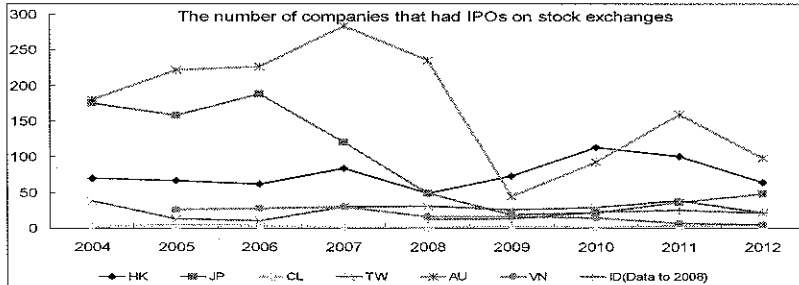
APEC Economies Basic Information

Market capitalization of listed companies in 2011(% of GDP)



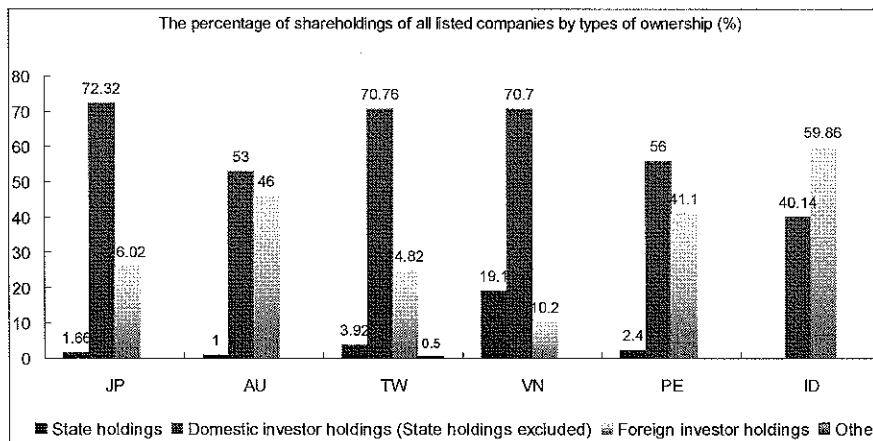
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APEC Economies Basic Information



15

APEC Economies Basic Information



16

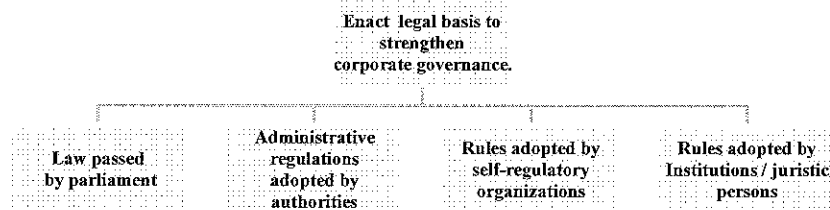
Impacts on corporate governance policies

- **Chinese Taipei**
 - ▣ In 2010, Taiwan Stock Exchange established Corporate Social Responsibility Best Practice Principles for listed companies.
- **Australia**
 - ▣ The Australian Institute of Company Directors (AICD) is a self-regulating organization whose main purpose is to provide director training and education.
- **Japan**
 - ▣ Tokyo Stock Exchange (TSE) made several revisions to its rules.
- **Thailand**
 - ▣ The Corporate Governance Center of Stock Exchange of Thailand (SET) is to help listed companies improve their corporate governance and stakeholder interests .

17

Impacts on corporate governance policies

- **APEC economies have different legal origins but share common structures in laws and rules**



- **Company law as main mechanism for enhancing shareholder right and securities law for investor protection.**

- ▣ Australia
 - The Australian Institute of Company Directors (AICD)
 - A bottom-up feedback mechanism
- ▣ Chile, Chinese Taipei, Hong Kong, Korea, New Zealand, Peru, Thailand

18

Concluding Remark

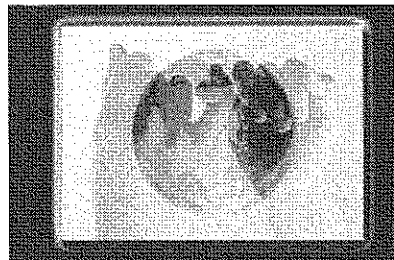
- ❖ **APEC economies learned from the financial crisis and identified crucial criteria of governance mechanisms are important.**

Different economies conduct different practices to resolve related problems.

Discussions are helpful for the APEC economies to refer to different potential ways of resolution and reform.

- ❖ **CG reform could be driven by both global and local factors.**
 - ❑ This survey reveals that each APEC member's corporate governance reform does not fully follow the directions pointed out by the OECD 2009 Report.
 - ❑ The corporate governance development of APEC economies tends to be driven by economy-specific factors.

19



**Thank you for
your attention**

20

附件 5. Government Organizational Reform in Chinese Taipei
(文件編號：2013/SOM3/EC/PD1/003)



**Asia-Pacific
Economic Cooperation**


2013/SOM3/EC/PD1/003

Government Organizational Reform in Chinese Taipei


Submitted by: Chinese Taipei



**Policy Discussion on Bureaucratic Reform
Medan, Indonesia
28 June 2013**


 **Asia-Pacific
Economic Cooperation**

Policy Discussion on Bureaucratic Reform

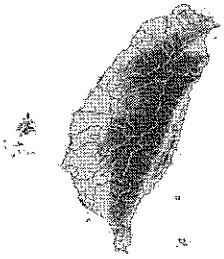


**Government Organizational
Reform in Chinese Taipei**
The Cabinet's plans to streamline the government

**28 June 2013
Medan, Indonesia**

 Research, Development and Evaluation Commission

Outline

1. Reasons for Initiating Reform
 2. Vision and Goals
 3. Principles & Strategies
 4. Organizational Reform Laws
 5. Organizational Reform Plans
 6. Expected Benefits
 7. Completion of Organizational Acts step by step
 8. Conclusion
- 

1. Reasons for Initiating Reform

(1) Streamlining the Number of Ministries and Commissions

- There are as many as 37 ministries and commissions under the Cabinet, which is far more than the average number (between 15 and 25) in other countries around the world.
- There is an urgent need to integrate and merge these organizations to increase the flexibility and efficiency of the government.

(2) Legal Deadlines Stipulated by Legislative Regulations

- The Basic Code Governing Central Administrative Agencies Organizations was promulgated on June 23, 2004.
- In accordance with the first paragraph of Article 35 in the Code, organizational reform laws shall be reviewed within 3 months of the promulgation of this Code and submitted to the Parliament for deliberation.

1. Reasons for Initiating Reform

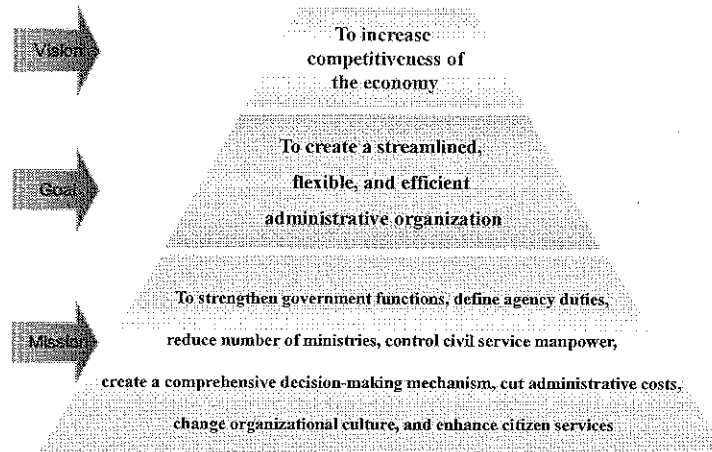
(3) Realizing the Political Agenda of the President

- The political agenda of the President promises to establish ministries and councils for agriculture, culture and tourism, environmental resources, maritime affairs, and gender equality.
- Government reorganization is one of top priorities, this cannot wait any longer.

(4) Increasing the Chinese Taipei's Competitiveness

- According to the IMD World Competitiveness Yearbook, Chinese Taipei has been listed the top 10 for "government efficiency".
- After the organizational reform, improvement in government efficiency is expected to further increase the economic competitiveness.

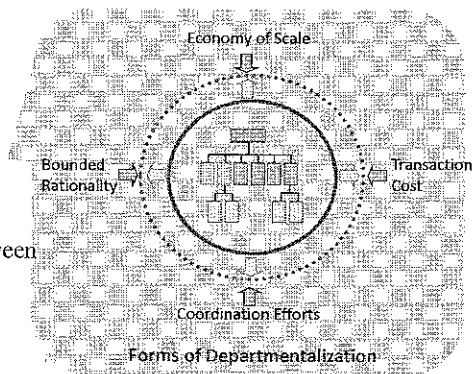
2. Vision and Goals



3. Principles and Strategies

◆ Organization Design Theory

- I. Define the scope of the organization's operations.
- II. Specify the form of departmentalization for the organization.
- III. Clarify the relationship between the organization and environment.



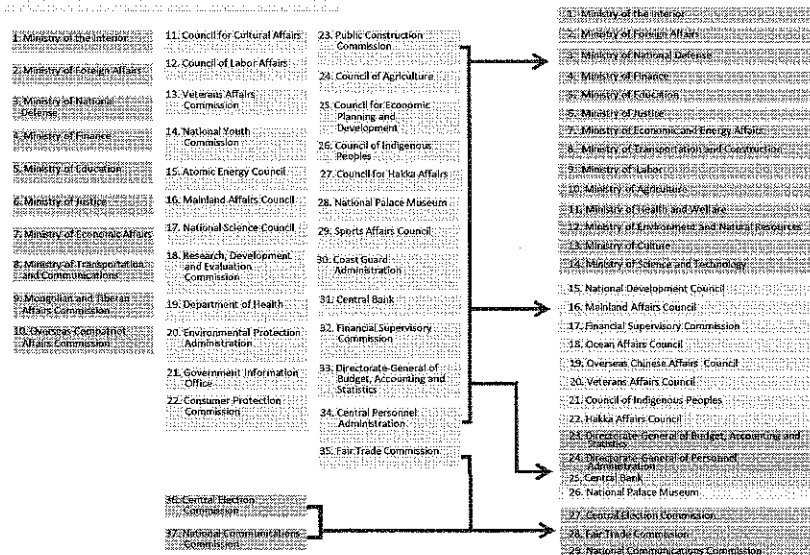
4. Organizational Reform Laws

- ✓ **Basic Code Governing Central Administrative Agencies Organizations (RDEC)**
Prescribes the total number of central government agencies of all levels and relevant directions of establishment.
- ✓ **Central Government Agency Personnel Quota Act (DGPA)**
Promulgates the total number of central government civil servants and the quota for various types of personnel.
- ✓ **Organizational Act on the Cabinet (RDEC)**
Prescribes the title of cabinet agencies of the Cabinet, and key duties and functions of the Cabinet.
- ✓ **Provisional Act for Adjustment of Functions and Organizations of the Cabinet (RDEC)**
Creates comprehensive organizations and effective laws, budgeting and final accounts, property transfer, and protection of employees' rights and interests, and other corresponding measures for organizational reform.
- ✓ **Administrative Corporation Act (DGPA)**
Bestows a new form for administrative organizations carrying out specific public duties, and relaxes personnel and accounting systems to increase professional efficiency.

5. Organizational Reform Plans-1

37 Current Ministries and Commissions

Ministries, Councils, Independent Agencies, etc.



5. Organizational Reform Plans-2 -New Cabinet Structure

14 Ministries

Ministry of the Interior
 Ministry of Foreign Affairs
 Ministry of National Defense
 Ministry of Finance
 Ministry of Education
 Ministry of Justice
 Ministry of Economic and Energy Affairs
 Ministry of Transportation and Construction
 Ministry of Labor
 Ministry of Agriculture
 Ministry of Health and Welfare
 Ministry of Environment and Natural Resources
 Ministry of Culture
 Ministry of Science and Technology

8 Councils/Commission

National Development Council
 Mainland Affairs Council
 Financial Supervisory Commission
 Ocean Affairs Council
 Overseas Chinese Affairs Council
 Veterans Affairs Council
 Council of Indigenous Peoples
 Hakka Affairs Council

3 Independent agencies

Central Election Commission
 Fair Trade Commission
 National Communications Commission
 Central Bank
 National Palace Museum

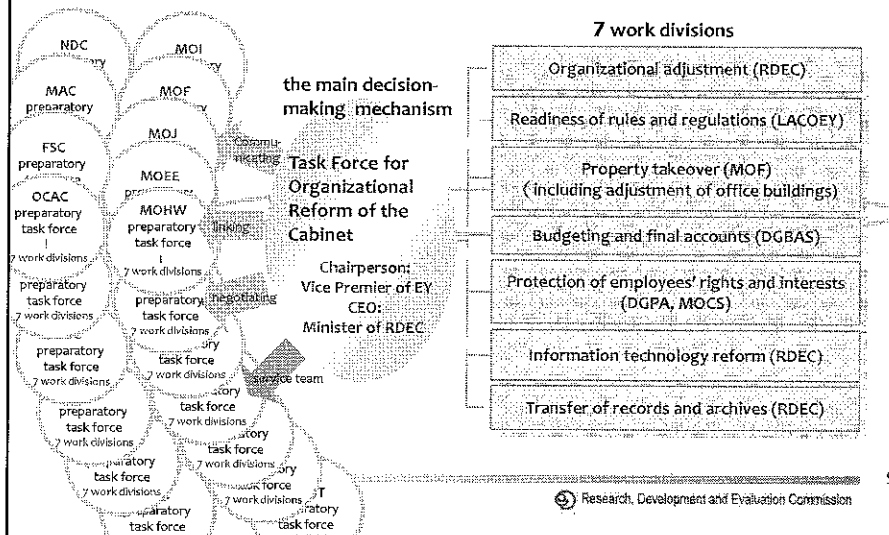
Support agencies within the Cabinet

Directorate-General of Budget, Accounting and Statistics
 Directorate-General of Personnel Administration

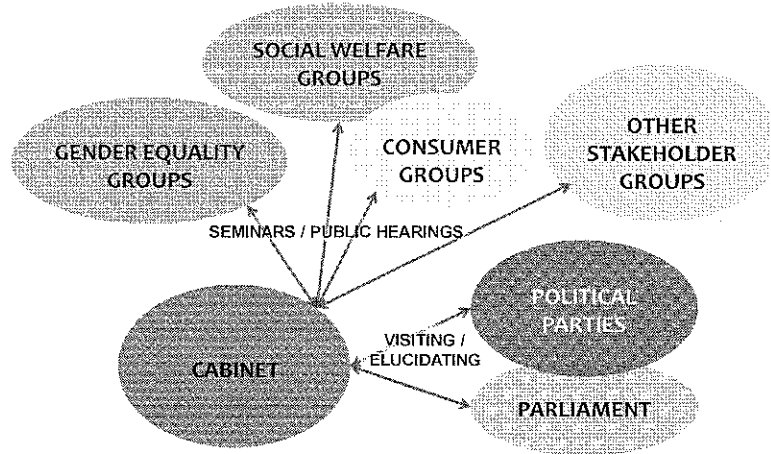
- ⊙ A total of 27 agencies including 14 ministries, 8 councils, 3 independent agencies, 1 central bank, and 1 affiliated agency will be established under the Cabinet after adjustment.
- ⊙ The Directorate-General of Budget, Accounting and Statistics and Directorate-General of Personnel will become support agencies under the Cabinet.

8

➤ Promotion mechanism



➤ Alliance establishment & communication/coordination action plan



6. Expected Benefits

National Development Council as an Example

Functional Aspect	<ul style="list-style-type: none"> Integrate forward-looking national policy planning and demonstrate functions of the national knowledge base Increase the immediate decision-making capacity of the Cabinet
Organizational Aspect	<ul style="list-style-type: none"> Streamline organization and internal units Re-allocate human resources and appoint employees to appropriate positions through job-transfer training
Service Process	<ul style="list-style-type: none"> Set up inter-ministerial communication platform to cut coordination costs Establish a uniform and consistent policy planning, implementation, and evaluation system

7. Completion of Organizational Acts step by step

- ◆ Taking into account readiness of rules and regulations, administrative stability and solid support operations for organizational reform .



8. Conclusion

- The core philosophy of the Cabinet's organizational reform is to streamline the number of cabinet agencies and strengthen competitive capability of the government to achieve a more flexible and efficient government.
- The new structure of the Cabinet and its cabinet agencies take effect beginning January 1, 2012, thus greatly satisfying public needs and increasing government efficiency as well as Chinese Taipei's competitiveness.

Thank you for your attention

For more information, please visit

www.rdec.gov.tw

**附件 6.Economy (Chinese Taipei): 2013 ANSSR Mid-Term Progress
Report**

Economy (Chinese Taipei):

2013 ANSSR Mid-Term Progress Report

Introduction

A strong political leadership within Chinese Taipei has been essential and instructive during this undertaking. The Council for Economic Planning and Development (CEPD), which is the major economic planning and coordinating organ for the Cabinet of Chinese Taipei, is playing a leading role within the process. There has been a build-in mechanism within Chinese Taipei's institutional structure for drafting and preparing the annual and 4-year national development plan for the short-term and mid-term national development of Chinese Taipei. The same mechanism also works for the reviewing and monitoring process of the plan concerned as well. Reform programs across the executive, the legislative, and the judicial branches of the government are thus embedded within such a development plan. And Chinese Taipei's ANSSR plan is primarily focused on government affairs under the executive regime.

CEPD has been adopting an accommodating approach in terms of soliciting policy reform programs being proposed by our ministries and councils/commissions. Participating agencies chose their measurements of progress based upon their expertise in their individual realm of competence over the years. The participating agencies for this ANSSR initiative of Chinese Taipei include primarily Department of Gender Equality of the Cabinet, Ministry of Foreign Affairs, Ministry of Economic Affairs, Fair Trade Commission, Financial Supervisory Commission, as well as the Research, Development and Evaluation Commission.

Meanwhile, Chinese Taipei has been taking a cross-cutting, consultation-based approach to identifying priorities and measurement of progress under both its national development plan and the APEC New Strategy for Structural Reform (ANSSR) as well, so as to reflect the full spectrum of domestic reforms being encouraged by ANSSR. Although the priorities set forth here are not an exhaustive list of Chinese Taipei's all efforts in implementing reform programs in various administrative realms, our ANSSR plan is definitely aligned with our mid-term national development plan as well as the overarching policy framework and guidelines "Golden Decade National Vision Plan," which was unveiled by Chinese Taipei's Leader on September 29, 2011 and formally adopted by the Cabinet on June 7, 2012, for forging the upcoming golden decade of Chinese Taipei.

The Golden Decade National Vision Plan is a national development plan encompassing eight main visions, that is, a vigorous economy, just society, clean and competent government, prime culture and education, sustainable environment, comprehensive development, cross-strait peace, and international amity. The key to the realization of a happy Chinese Taipei with prosperity, harmony, and sustainability is dependent upon three driving forces of innovation, openness, as well as structural adjustment. The implementation of the vision plan comprise 31 major policy themes: openness & global positioning, Science-technology innovation, LOHAS agriculture, structural adjustment, promoting employment, stabilizing prices, shared affluence, peace & health, care for children & elderly, ethnic harmony, housing justice, gender equality, clean government reform, a jump in efficiency and competence, cultural & creative activity, education reform, green energy & carbon reduction, ecological homeland, disaster prevention & response, Infrastructure, Sea and air hubs, Convenient living, Regional balance, Sound public finances, financial development, cross-strait relations, national security, expanding participation, upgrading tourism, humanitarian aid, and cultural exchanges.

ANSSR Priorities' Implementation

Promoting more open, well-functioning, transparent, and competitive markets	
Priority	<ul style="list-style-type: none"> ■ Competition Policy ■ Corporate Governance ■ Ease of Doing Business (EoDB) ■ Public Sector Governance
Progress in 2011-2013	<p><u>Competition Policy</u></p> <ul style="list-style-type: none"> ■ The latest amendment to the Fair Trade Act, being promulgated in November 2011, has equipped the Fair Trade Commission (FTC) with more effective enforcement of the competition law. This amendment includes introduction of leniency policy and increase in maximum monetary fines for serious antitrust violations. ■ Decision rulings on complaints and FTC self-initiated investigations were undertaken in relation to 493 cases from 2011 to January 2013, and total fines is up to NTD\$397 million. ■ Based on the result of a self-assessment survey, 96% and 94% of participants attending competition advocacy events in 2011 and 2012 have better understanding of the Fair Trade Act. ■ Chinese Taipei's technical assistance in competition policy/law is widely acknowledged by emerging competition agencies, and the 2012 overall satisfaction rating of capacity building activities is nearly 95%. <p><u>Corporate Governance</u></p> <ul style="list-style-type: none"> ■ The mandatory adoption of the International Financial Reporting Standards (IFRSs) by listed companies and financial institutions begins from the 2013 accounting year. In accordance, FSC amends the Securities and Exchange Act related provisions, which include the following: (1)the consolidated financial report constitutes the main report; (2)shortening the deadline of filing annual financial reports to 3 months after the close of a fiscal year, and the deadline of filing quarterly financial reports to 45 days after the end of the first, second, and third quarter of each fiscal year; (3)enhancing information disclosure of loaning of funds and making of endorsements/guarantees by public companies. ■ With regards to strengthening functions of board of directors: <ol style="list-style-type: none"> 1. Expanding the scope of the requirements on mandatory independent director setup and the establishment of the remuneration committee can further the implementation of the best-practice principles of corporate governance and ensure a sound remuneration system for company board members, supervisors, and executive officers. All listed companies have currently set the remuneration committees. 2. For the purpose of strengthening internal monitoring for corporate governance and lowering the probability of occurrence of irregular and unlawful events in the companies, the FSC issued new rules requiring the 1st phase application for the mandatory establishment of an audit committee. ■ With regards to strengthening protection of shareholders' equity: <ol style="list-style-type: none"> 1.The FSC issued an order in which specifies types of companies that are

	<p>required to use electronic voting in order to facilitate the exercise of shareholders' voting power.</p> <p>2. The FSC released regulations in which the exercise of split voting is loosen in order to improve the participation of investors in substance in shareholders' meetings.</p> <p>3. The FSC adopted rules to enhance the management of shareholder services of listed and emerging stock market companies.</p> <p><u>Ease of Doing Business (EoDB)</u></p> <ul style="list-style-type: none"> ■ Establishment of a one-stop website for online applications to set up companies, to simplify company start-up procedures. ■ Establishment of a rapid service center for warehouse construction, and mapping out of integrative SOPs for one-stop windows for building permit applications, to speed up the building permit application process. ■ Revision of the Company Act, the Securities and Exchange Act, and the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, to strengthen laws for the protection of investors. ■ Simplification of business income tax filing and payment measures, and establishment of a mechanism for online payment of vehicle fuel fees, to make fee payment faster and easier. <p><u>Public Sector Governance</u></p> <p>The acts for organizational reform of the Cabinet, being passed between January 2010 and April 2011 and effective from January 1, 2012, mandate the Cabinet to reduce its current 37 ministries and commissions to 29 cabinet agencies, including 14 ministries, 8 councils, 3 independent agencies, 2 special organizations (Central Bank and National Palace Museum) and 2 directorates general. As of the end of 2012, 16 of the new 29 cabinet agencies of the Cabinet have completed the legislative process and become operational.</p>
<p>Future plans for implementation</p>	<p><u>Competition Policy</u></p> <ul style="list-style-type: none"> ■ For fostering a competition culture, Chinese Taipei will continue making efforts to raise competition awareness among government agencies, business communities, and the general public. ■ For facilitating regional collaboration, Chinese Taipei will continue engaging in capacity building activities of competition policy/law for recently-established competition authorities. <p><u>Corporate Governance</u></p> <ul style="list-style-type: none"> ■ To promote the implementation of evaluation on corporate governance. ■ To gradually expand the mandatory scope on establishment of independent directors and audit committee. <p>Ease of Doing Business (EoDB):</p> <ul style="list-style-type: none"> ■ Strengthening corporate governance mechanisms to protect investors' rights and interests. ■ Carrying out reform of the movable property security transaction system so as to give businesses greater facility and flexibility in obtaining credit. ■ Planning the establishment of a single-window online system for customs, port and trade information, to strengthen customs clearance efficiency. <p><u>Public Sector Governance:</u></p>

	<p>The Cabinet will continue to work with the Parliament to complete the legislations required for the implementation of the new organizational reform. And the associated personnel adjustment is still underway. It is hoped that the organizational reform of the Cabinet would be carried out smoothly under the principles of enhanced government efficiency and seamless transition, so as to achieve the goal of building a “streamlined, flexible, and efficient” administrative organization.</p>
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Promoting labor market opportunities, training, and education													
Priority	To promote job opportunities and vocational training												
Progress in 2011-2013	<p>Implementing the 2009~2012 Employment Promotion Program so as to strengthen labor market mechanisms and promote employment</p> <p>Implementation:</p> <table> <tr> <td>2011</td> <td>employment-promotion</td> <td>88 thousand persons</td> </tr> <tr> <td></td> <td>training</td> <td>430 thousand persons</td> </tr> <tr> <td>2012</td> <td>employment-promotion</td> <td>80 thousand persons</td> </tr> <tr> <td></td> <td>training</td> <td>381 thousand persons</td> </tr> </table> <p>Labor market recovery is underway. The unemployment rate declined from 4.39% in 2011 to 4.24% in 2012 and the total employment reached the peak.</p>	2011	employment-promotion	88 thousand persons		training	430 thousand persons	2012	employment-promotion	80 thousand persons		training	381 thousand persons
2011	employment-promotion	88 thousand persons											
	training	430 thousand persons											
2012	employment-promotion	80 thousand persons											
	training	381 thousand persons											
Future plans for implementation	<ul style="list-style-type: none"> ■ To coordinate the adjustment of responsive measures by related cabinet departments in accordance with prevailing economic and labor market conditions ■ To continue promoting related measures, such as increasing cooperation between the academia and the industries, offering practical training, strengthening job training, elevating job matching success rate, providing salary subsidies, assisting entrepreneurs and self-employed workers, and increasing short-term employment, etc. <p>Quantitative indicators</p> <table> <tr> <td>2013</td> <td>unemployment rate</td> <td>4.1%</td> </tr> <tr> <td></td> <td>training</td> <td>274 thousand persons</td> </tr> <tr> <td>2015</td> <td>unemployment rate</td> <td>3.9%</td> </tr> <tr> <td></td> <td>training</td> <td>276 thousand persons</td> </tr> </table>	2013	unemployment rate	4.1%		training	274 thousand persons	2015	unemployment rate	3.9%		training	276 thousand persons
2013	unemployment rate	4.1%											
	training	274 thousand persons											
2015	unemployment rate	3.9%											
	training	276 thousand persons											

Promoting sustained SME development and enhanced opportunities for women and vulnerable populations	
Priority	To foster SMEs development To improve economic opportunities for women
Progress in 2011-2013	<p>SMEs development</p> <ul style="list-style-type: none"> ■ Implementing the Start-up Taiwan program, so as to establish startup competition platforms, to introduce startup consultation and mentoring services, to sift out viable startup ideas in the early stage, to create experimental venues, and to introduce such mechanisms as idea factories, startup angel clubs, and incubation accelerators, etc. ■ Promoting the Three Industries, Four Reforms Program—the creation of a service-oriented manufacturing industry, an internationalized and high-tech services industry and a specialty oriented traditional industry, and

	<p>Backbone Industries Upgrade program, etc., so as to optimize industrial structure and to invigorate industrial development.</p> <ul style="list-style-type: none"> ■ Implementing a system for categorizing incubation centers into two broad types—S&T based and emerging services— to encourage them to develop their own unique operational models and core competences, so as to meet the diverse needs of enterprises. ■ Setting up awards of excellence so as to encourage and select quality enterprises with great potential and to forge SMEs as the backbone for economic development. ■ Implementing the APEC Start-up Accelerator Initiative (ASA), which has been approved by AMM and AELM, to promote the growth and development of emerging industries ■ Implementing the Small Business Innovation Voucher (SBIV) program, so as to solicit SMEs and colleges/universities to conduct joint R&D and innovation projects by providing fund subsidies <p><u>Economic opportunities for women</u></p> <ul style="list-style-type: none"> ■ To help the disadvantaged groups and women have equal opportunity to access to capital for starting-up business, Chinese Taipei has launched Phoenix Micro-business Startup Loans, which designed to provide micro loan for females, and those who especially are solely responsible for family livelihood. In order to eliminate females' obstacles regarding credit, the provision of maximum loan is about USD\$ 34.65 thousand with credit guarantee, low interest rate, free interest in the first 2 years, and without the need for collaterals and guarantors. From March 2007 to Feb 2013, an aggregated total of 3,569 people (including 2,910 females) have been granted with the loan. Women's returning rate maintained above 96%. ■ The Labor Department promoted Empowering Employment Program and Multi- Employment Promotion Program, and set up the E-window Special Zone of Female Entrepreneurs to help media publicity and product marketing. ■ Female Business Startup Elite Program has been launched in 2012 to increase the opportunities for women owned business with fund raising needs to access to capital by introducing the venture capitalists and angel investors. The secured amount of funds will be provided to the most innovative enterprises in both elite and start-up groups. ■ To increase women entrepreneurs' capacity to join domestic and international market, Chinese Taipei has established Women's Business Network to report successful Internet marketing of female-owned businesses via the website and newsletters. ■ The Indigenous Peoples Entrepreneur and Incubation Centers Program has been launched since 2010, has provided startup incubation counseling and support to a total of 39 indigenous enterprises, of which women entrepreneurs accounted for 56.4%.
Future plans for implementation	<p><u>SMEs development</u></p> <p>To continue the implementation of the previous plans and to revise them if needed.</p> <p><u>Economic opportunities for women</u></p>

	<ul style="list-style-type: none"> ■ Continuously implementing Phoenix Micro-business Startup Loans and integrating entrepreneurial counselling, Empowering Employment Program, Multi-Employment Promotion Program, E-window Special Zone of Female Entrepreneurs and various resources for women to start up their micro-businesses and marketing their products. ■ In 2013, the new launched Women Entrepreneurship Flying-geese Program will aim to provide customized services for women entrepreneurs at all different levels of business development by integrating incubation courses, mentoring and counselling mechanism, fund raising and business match making activities, networking events and holding "Annual Outstanding Female Entrepreneur Award" to promote women entrepreneurship. ■ Women's Business Network will hold on-line marketing seminars for women entrepreneurs to obtain global market niche. ■ Planning to assist 20 indigenous enterprises including at least 10 female entrepreneurs through the Indigenous Peoples Entrepreneur and Incubation Centers Program from 2014 to 2015.
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**附件 7. Draft 2013 APEC Economic Policy Report—Chapters 1 and 3
(文件編號：2013/SOM3/EC/021)**



**Asia-Pacific
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Chapters 1 and 3**

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Promoting Fiscal Transparency and Public Accountability

June 2013

CONTENT

CHAPTER 1	1
I. Background.....	2
II. Why Is It Necessary to Enhance Fiscal Transparency?	7
III. Promoting Fiscal Transparency in APEC Economies	17
IV. Future Challenges in Promoting Fiscal Transparency and Accountability.....	23
CHAPTER 3	27
I. Fiscal Institutions of the Central Government.....	28
II. Assessing Fiscal Transparency and Accountability	29
III. Common Achievements and Challenges	33
IV. Priorities for Future Reform.....	34

Chapter 1

I. Background

In 2011, as the progress of the Asia-Pacific Economic Cooperation (APEC) structural reform efforts entered the new 2011-2015 phase, the Public Sector Governance “Friends of the Chair” (PSG FotC) group of the Economic Committee (EC) was mandated to conduct activities in five priority areas¹ to help implement the growth strategy of APEC leaders and the APEC New Strategy for Structural Reform (ANSSR) initiative. Among these priority areas, enhancing fiscal transparency and public accountability has drawn considerable attention to member economies. Therefore, the PSG FotC group has focused intensively on fiscal transparency and accountability and engaged in numerous related activities.

This report provides a summary of the key insights and innovative practices that economies shared in the related activities implemented by the PSG FotC group in EC to promote the importance of fiscal transparency and accountability in good governance and structural reform. Chapter 1 is divided into four sections, beginning with a discussion on the definition of fiscal transparency. It then outlines rationales for enhancing fiscal transparency, and highlights the development of fiscal transparency performance in APEC economies. The chapter concludes with a brief description of future challenges in promoting fiscal transparency and accountability.

1. Definition of Fiscal Transparency

“Broadly defined, government transparency is the overall degree to which citizens, the media, and financial markets can observe the government’s strategies, its actions, and the resulting outcomes...one important aspect of transparency [is] fiscal (or budget) transparency.”²

Government transparency refers to the disclosure of all governmental activities, records, and policy intentions in an easily understandable and freely accessible manner. From a micro perspective, it uncovers corruptions within the governmental system. From a macro perspective, transparency improves administrative performance, increases public trust, and enhances the legitimacy of public policies.

Government transparency involves various dimensions. Among them, fiscal transparency is

¹ The Public Sector Governance FotC group focuses on five priority areas, including: (1) strengthening public administration for the future; (2) improving public service quality; (3) leveraging ICTs to strengthen public sector governance; (4) enhancing fiscal transparency and public accountability; and (5) strengthening trust, integrity, and ethics.

² J. E. Alt, D. D. Lassen, & S. Rose, 2005. *The Causes of Fiscal Transparency: Evidence from the American States*. Washington, DC, International Monetary Fund, p.1.

highly valued by taxpayers because budgetary and fiscal policies not only address decisions on how much revenue to raise but also how to organize public expenditure, which affects the national economy and public life, in addition to fiscal sustainability for future generations.

Considering the importance of fiscal transparency, both academia and international organizations have devoted great efforts to its study. Several definitions of fiscal transparency can be found in the literature, but they mostly differ only in minor aspects.

A working definition that is popular among scholars states that fiscal transparency is “...*the openness toward the public at large about government structure and functions, fiscal policy intentions, public sector accounts, and projections. It involves ready access to reliable, comprehensive, timely, understandable, and internationally comparable information on government activities ... so that the electorate and financial markets can accurately assess the government’s financial position and the true costs and benefits of government activities, including their present and future economic and social implications.*”³

According to the aforementioned academic definition, fiscal transparency is a state of governance that entails the full disclosure of budgetary and fiscal activities. However, budgetary and fiscal activities are usually too complex for the public to understand. Most people possess little knowledge or insufficient time to fully understand the impacts of fiscal decisions, or to discern correct information from incorrect information. Therefore, to achieve true transparency, the government is obliged to build mechanisms and institutions that help citizens reduce the transaction costs of staying informed, including the costs of acquiring and understanding timely and reliable information.

Another popular definition provided by international organizations is that of the International Monetary Fund (IMF) website, which defines fiscal transparency as follows – “*Fiscal transparency entails being open to the public about the government’s past, present, and future fiscal activities, and about the structure and functions of government that determine fiscal policies and outcomes. Such transparency fosters better-informed public debate, as well as greater government accountability and credibility.*”⁴

The IMF definition implies that the objective of fiscal transparency is to foster a better-informed public such that society can trust public officials or governments who form fiscal policies and implement budgetary programs, or hold them accountable for the outcome of their actions.

³ G. Kopits & J. Craig, 1998. *Transparency in Government Operations*, Washington DC: International Monetary Fund, p.1.

⁴ IMF, 2013. Available at: <http://www.imf.org/external/np/exr/facts/pdf/fiscal.pdf> [Accessed May 9, 2013].

Fiscal transparency has recently drawn considerable attention because of the growing problems associated with government failure, primarily related to the lack of public accountability. A government that aims to achieve transparency must disclose complex and technical fiscal documents and data to facilitate informing the public, and ensure that the public has the power and means to reward or punish public officials, to motivate or enforce officials and organizations to adopt policy measures that meet citizen needs. The next section of this chapter presents a discussion on the relationship between fiscal transparency and accountability.

The conceptual definition of fiscal transparency from the IMF is largely qualitative and makes the measurement or quantification of the level of fiscal transparency a challenging task. Researchers have frequently proposed indices to measure the degree of fiscal transparency, which typically aim at capturing various dimensions of fiscal transparency identified in previous studies or international guiding principles. A common dimension involves the timely provision of comprehensive information on government policy intentions and operations, such as regularly published fiscal reports and medium-term budgeting and analyses that contain information on the general government and quasi-fiscal activities. Another popular dimension addresses institutional arrangements that encompass an open process for managing fiscal activities and an auditing mechanism for assuring the integrity of fiscal information. Chapter 2 of this report presents a detailed discussion of the various dimensions of fiscal transparency.

2. Linkages between Fiscal Transparency and Public Accountability

Since the concept of New Public Management gained prominence in the 1990s, governments worldwide have come to believe that public accountability leads to good governance.

In exploring the notion of public accountability, it is common to employ “agency theory” to illustrate the accountability relationship between a government and its citizens. Under this theory, a democratic society is built upon the agency relationship between citizens and the government, meaning that the government serves as an agent and citizens are the principal. Citizens choose the government through an election process, and the government acts as an agent to allocate public resources created by tax collection from citizens. Therefore, the government that serves as an agent is expected to appropriately allocate budgetary resources and implement policies to meet citizen needs. Citizens review the outcomes of resource allocation and the performance of fiscal management and decide whether to extend or lift the principal-agency relationship through the next election. Under the described public accountability, elections are the most powerful tool to achieve accountability in a democratic

society.

However, using an election successfully to achieve public accountability requires informing voters of government policies and activities. Effective accountability is built on the assumption that both citizens and the government have equal access to information. Under the conventional principal-agent relationship, citizens and the government do not necessarily share the same goals, and the government has abundant incentives to conceal information from the public.

Government officials may aim at maximizing the discretionary budgets of their agencies, or try to earn votes by engaging in fiscally irresponsible logrolling politics, whereas the goal of citizens is to implement policies that achieve efficient and equitable allocations of public resources. Under these circumstances, public officials tend to focus on pursuing their own interests and pay little attention to the needs of the electorate. Because of information asymmetry between the principal and the agent, the public (principal) has insufficient information to judge whether to give vote of no confidence to the government. However, by deception or hiding vital information, the government can avoid losing support or being punished.

Such moral hazard typically occurs in principal-agent relationships. If the government does not require or strictly enforce fiscal transparency, government officials may deliberately deceive the public and sacrifice public interests in exchange for private benefits by leveraging information asymmetry. Interest groups may have no choice but to bribe officials to gain more privileges or public resources. Without information accessibility to the public and transparency, corruptive practices cannot be disclosed or ended.

In order to enhance public interests and to hold the government more accountable, numerous studies have focused on this issue and concluded that fiscal transparency strengthens fiscal disciplines, lowers government debts, and generates fiscal sustainability.⁵ Greater fiscal transparency is expected to effectively reduce government malpractice, particularly in the area of fighting corruption. If the government is obligated to fully disclose fiscal information, government misconduct such as corruption and bribery can be prevented or reduced. This is the exact definition of public accountability; public officials and organizations are answerable for their actions and an opportunity exists for redress when public duties and commitments are not met.

⁵ Please see J. E. Alt & D. D. Lassen, 2006. *Fiscal Transparency, Political Parties, and Debt in OECD Countries*, European Economic Review, 8, 50(6), pp. 1403-1439; M. Marcel & M. Tokman, 2002. Building a Consensus for Fiscal Reform: The Chilean Case. *OECD Journal on Budgeting*; and J. M. Poterba & J. V. Hagen, 1999. *Fiscal Institutions and Fiscal Performance*. Chicago, The University of Chicago Press.

Public accountability cannot be achieved if citizens lack free access and good understanding of relevant information. The World Bank once warned of the consequences of such information asymmetry and indicated that transparency is the key to overcoming public accountability crises and to ensure congruency of the government and citizens.

The right to fiscal information allows citizens to clearly exam policy outcomes, accurately assess the ability of elected officials, and avoid problems resulting from adverse selection. Consequently, citizens motivate elected officials and their subordinates to be more attentive to balancing public needs and overall fiscal discipline.

Fiscal transparency is full disclosure of all relevant processes and organizations concerning government budget information and fiscal policies, to give the “right to know” of fiscal information back to citizens. Free access to fiscal information eliminates malpractice and generates preferable outcomes in making and implementing budgetary and fiscal policies.

In summary, by helping voters stay informed, fiscal transparency pushes the government to share the same goal with citizens, because only elected officials who respond to citizen needs can win the next election. Therefore, fiscal transparency and public accountability are mutually reinforcing in that fiscal transparency is a necessary condition for achieving public accountability. Without fiscal transparency, holding the government and public officials accountable for budgetary and fiscal activities is unlikely.

Although fiscal transparency is a prerequisite for public accountability, it does not always generate accountability. The empirical evidence of the effect of transparency on accountability is not as strong as expected⁶ because answerability without consequences falls short of accountability.⁷ If there is full disclosure of fiscal information and taxpayers know the exact level of government performance but have no power or tools to punish or reward the government, the impact of fiscal transparency will be limited. It means fiscal transparency is a necessary but not sufficient condition for public accountability. To ensure the realization of accountability, institutional arrangements which ensure answerability with consequences are required to support fiscal transparency.

Effective accountability institutions include free elections, governing regimes with appropriate checks and balances, independent social media, and a strong civic society. Only with these institutional arrangements in place can the linkage between fiscal transparency and accountability be sufficiently strong to empower citizens to change the behavior of public officials by holding them answerable and accountable in the glare of the public eye.

⁶ J. A. Fox, 2007. The Uncertain Relationship between Transparency and Accountability. *Development in Practice*, 1 August, pp. 664.

⁷ J. A. Fox, 2007. op. cit., p. 668.

II. Why Is It Necessary to Enhance Fiscal Transparency?

Fiscal transparency is not a new concept, but it has received increasing attention in the aftermath of the global financial crisis of the 1990s. The fiscal deficits and public debt in numerous nations have increased considerably in the wake of the financial crisis, leaving a risky and unsustainable fiscal environment. In this context, numerous governments have been forced to rebuild a sound financial management system that includes greater transparency in the various phases of budget preparation, execution, monitoring, and auditing. International organizations, such as the IMF, the Organization for Economic Co-operation and Development (OECD), have devoted themselves to promoting fiscal transparency. For instance, the IMF published the “Codes of Good Practices on Fiscal Transparency” in 1998, and the OECD developed the “Best Practices for Budget Transparency” in 2000. These well-received documents were published in the aftermath of the Latin American and Asian crises.

The following section presents a discussion of three major factors contributing to the recent global movement in fiscal transparency, including the global financial crises since the 1990s, the need to establish a sound fiscal management system, and international initiatives taken by influential organizations.

1. Worldwide Financial Crises Since the 1990s

The financial crises that occurred in the 1990s, including the Latin American Crisis in 1994 and the Asian Financial Crisis beginning in 1997, significantly hit the worldwide market and spotlighted the concept of fiscal transparency to a certain extent. A low degree of fiscal transparency is believed to be one of the causes of financial turmoil in these economies.

Financial crises refer to a government debt crisis and national economic instability and insecurity caused by a banking system crisis. A high probability of financial crisis exists when citizens’ right to information is unprotected.

Taking public debt crisis as an example, fiscal illusion theory suggests that a public that does not correctly perceive the overall fiscal condition of the government will not be able to

monitor, reward, or punish officials in a timely manner through the voting mechanism. Consequently, long-term fiscal imbalances or credit bankruptcy may occur.

Similarly, a low degree of information transparency within the banking sector can cause insecurity and trigger a crisis. Lack of transparency within the banking system implies information asymmetry between financial regulators and the banks that they supervise; therefore, government supervision of the banking system is weak, which may result in a failure to maintain a healthy banking sector. Furthermore, when financial difficulty occurs in the banking system, the government is often expected to provide loans or bailouts; consequently, moral hazard emerges gradually in the banking sector, increasing the difficulty of resolving public accountability issues.

The financial crises in recent decades have been a driving force for APEC member economies and other nations to actively promote fiscal transparency. In this section, we provide insight into the major financial crises occurred since the 1990s from the fiscal transparency viewpoint.

(1) Latin American Currency Crises in the 1990s

Beginning in the 1970s, currency crises frequently occurred in Mexico and Argentina. In the 1990s, financial and currency problems continued to surface, resulting from unstable economic and political systems in Central and South America.

Mexico witnessed high economic growth and experienced the so-called “Mexican miracle” during the 1990 to 1994 period because of the Brady Plan⁸ articulated in 1989, the North American Free Trade Agreement (NAFTA) initiated in 1993, and a fixed exchange rate system. However, the fixed exchange rate system eventually caused peso overvaluation, and the trade deficit widened and foreign reserves fell sharply.

In December of 1994, the Mexican government decided to devalue the peso, which was later referred to as the “December Mistake” or the “Tequila Effect.” The sudden devaluation of the peso cost foreign investors great loss and triggered fears of default. Mexico also experienced a large-scale account deficit, lax banking or corrupt practices, and unstable political disturbances. Consequently, the Mexican peso crisis quickly became a financial crisis which spread to other Latin American economies. Argentina and Brazil were affected heavily, with a sharp decline in investment spending and a loss of confidence in the banking sector.

⁸ The Brady Plan, the principles of which were first articulated by U.S. Treasury Secretary Nicholas F. Brady in March 1989, was designed to address Latin America’s debt crisis of the 1980’s.

The United States quickly intervened by buying pesos in the open market and granting loan guarantees. By 1996, the currency crisis in the region had ended.

(2) Asian Financial Crisis of 1997

Prior to 1997, Asian countries, particularly those in Southeast Asia, had attracted considerable foreign investments because of cheap labor, high savings rates, and substantial economic development. American and European countries thus referred to these countries as “Asian Tigers.” These Asian nations were notable for maintaining exceptionally high economic growth.

However, an Asian financial crisis that affected much of Asia occurred in July 1997. The crisis started in Thailand with the financial collapse of the Thai Baht. Facing a large long-term trade deficit and drops in its foreign reserves, the Thailand government was forced to float the currency. However, the devaluation of the Thai Baht quickly turned into a financial crisis, which posed a severe impact to Hong Kong, Indonesia, Malaysia, and Korea, and raised fears of a global economic recession caused by financial contagion.

Many factors played a role in the occurrence of the Asian financial crisis. The moral hazard problem in international lending is certainly a serious one that cannot be properly addressed without greater fiscal transparency.

Transparency, which was often lacking in Asian economies, is a functional requirement of a successful market. Compared with the principles of fiscal transparency in the Anglo-Saxon model of capitalism, the so-called “Asian capitalism” is more relational, based on expansive family and ethnic networks, and regional ties. This absence of transparency represents a fundamental flaw in Asian capitalism and is one of the major reasons for the Asian financial crisis of 1997.⁹

The term “crony capitalism” has been used to describe Asian capitalism following the Asian financial crisis of 1997. Crony capitalism in this context refers to the model in which business success relies on the close relationship with government officials. Prior to the outbreak of the 1997 Asian financial crisis, opaque practices such as favoritism in granting governmental subsidies and legal permits, implicit government guarantees that helped to underwrite highly risky and unpromising investments, and dubious transactions such as direct loans from foreign banks to companies controlled by powerful politicians, were common in certain Asian economies.¹⁰ Fiscal transparency was partially absent in Asian

⁹ G. Rodan, 2010. Asian Crisis, Transparency and the International Media in Singapore. *The Pacific Review*, 26 November, p. 218.

¹⁰ P. Krugman, 2009. *The Return of Depression Economics and the Crisis of 2008*. New York: W. W. Norton & Company, Inc., pp.120-121.

capitalist economies, and crony capitalism practices and lack of fiscal transparency, combined with other factors, eventually resulted in a financial-system collapse in the region.

(3) United States Subprime Mortgage Crisis of 2008-2009

Numerous economists have considered the United States subprime mortgage crisis that occurred in 2008 to be the worst financial crisis since the Great Depression of the 1930s. Wall Street bankers sold bundled derivative financial instruments, originally aimed at reducing risks. The crisis erupted primarily because these financial instruments became too complex, opaque, and risky. For example, collateralized debt obligations (CDOs) were used to collect corporate bonds to lower default risk. However, derivative financial instruments became so complex that even government financial regulators could not clarify how these instruments worked. Such a phenomenon eventually triggered a disastrous financial crisis.¹¹

According to official documents reviewing the United States subprime mortgage crisis released by the Central Bank of Chinese Taipei, most derivative financial instruments sold in the financial market were traded through agreements signed privately between buyers and sellers. Although these products were highly customizable and flexible, a low degree of transparency made it difficult to see total exposure, exposure concentration, and the true values of contracts. Hence, when a substantial shock hit the financial market, a lack of transparency regarding the underlying exposure of financial institutes led to psychological self-defensive reactions and distrust among counterparts, which consequently triggered systemic risk, collapsing the entire financial system.¹²

The United States subprime mortgage crisis has shown that a lack of information transparency in financial institutions prevents the market from knowing the actual financial conditions of these institutions. When information is not fully disclosed, investors are unable to correctly perceive financial risks, or have the opportunity to take precautionary measures or adjustments. Hence, to prevent financial crisis recurrence, bridging the information gap and reducing information asymmetry between financial regulators and financial institutes is necessary.

(4) European Sovereign Debt Crisis Since 2010

Beginning in early 2010, the Eurozone has faced a severe sovereign debt crisis, which poses enormous threats to global economic stability. Several Eurozone nations, including Greece, Ireland, and Portugal, have accumulated unsustainable levels of government debt. Among them, the opaque accounting practices of the Greek government have been a major cause of

¹¹ A. Greenspan, 2008. *The Age of Turbulence: Adventures in a New World*. Reprint edition. New York: The Penguin Group, p. 524.

¹² Central Bank of China, 2009. *The Report on Global Financial Crisis*. Taipei: CBC, pp. 192-193.

this debt crisis.¹³

According to the Maastricht Treaty, to enter the third stage of the Economic and Monetary Union (EMU) and adopt the Euro as their currencies, member states of the European Union (EU) are required to comply with the “deficit criterion” and “debt criterion” specified in the Treaty. Because the Greek government has experienced severe long-term public debt, to join the EMU successfully, the government resorted to creative accounting practices. Specifically, Wall Street bankers devised a type of cross-currency swap to help the Greek government hide the true extent of their loans and to mask the facts concerning their national debt, to successfully enter the Eurozone.¹⁴

However, the global financial tsunami caused by the United States subprime mortgage crisis in 2008 had begun to weaken investor confidence worldwide. When it was later revealed that Greece had falsified financial data to hide its debt, this opaque accounting practice further increased Greek borrowing costs. By 2010, Greece faced a debt default risk which consequently created a snowball debt effect in the Eurozone.

The Greek government’s default risk was not the only cause of the European sovereign debt crisis; demographic factors and social changes also played critical roles. European countries are known for their munificent social welfare programs. Baby boomers, born between 1946 and 1964, have begun to reach retirement age after 2010 and are beginning to claim lucrative pensions, exerting a direct influence on the fiscal condition of each European country, and sharply increasing government debt.

Sluggish economic growth is another contributing factor in the European debt crisis. In a globalized world, as capital and labor forces are able to move freely, factories tend to migrate to regions with relatively low labor costs. Because labor costs in Eurozone nations are typically higher than in other regions, Eurozone nations have recently witnessed soaring unemployment rates. High unemployment rates have lowered tax revenues and raised public expenditure on unemployment benefits. Debt burden and the future fiscal outlook in European countries have worsened considerably, and the Eurozone debt crisis has not been fully resolved.

¹³ The International Federation of Accountants has attributed the escalating sovereign debt crisis in the Eurozone, particularly in Greece, to opaque government accounting and has called for greater transparency in financial management. Please see ET Bureau, 2010. *The Economic Times*. Available at: http://articles.economicstimes.indiatimes.com/2010-05-12/news/28384932_1_transparency-greece-euro-zone [Accessed May 9, 2013].

¹⁴ D. Case, 2011. Greece’s Debt Crisis: Not Over Yet. *Global Post: American World News Site*. Available at: <http://www.globalpost.com/dispatch/news/regions/europe/110629/greece-debt-crisis-Goldman-Sachs-U-S-Europe-banks?page=0,1>, [Accessed April 10, 2013].

The European sovereign debt crisis has demonstrated that a low degree of fiscal transparency can cause financial crises and economic downturns. Governments facing ever-growing demand from citizens and a continually worsening fiscal outlook have no choice but to establish information transparency to prevent further financial crises generated by asymmetric information and fiscal opacity.

2. Fiscal Transparency and Sound Fiscal Management

A sound fiscal management system is characterized by fiscal transparency. Fiscal transparency generates positive effects on fiscal performance such as improving efficiency and the equity of budgetary resource allocation, controlling the annual budget deficit, reducing government debt, and creating a sustainable fiscal environment.

By contrast, a lack of transparency is detrimental to sound financial management and creates a haven for corruption in tax administration and public procurement. The corruption of tax officials is a severe problem in many less developed countries. Corrupt tax officials collude with those who try to evade taxes. Tax officials who fail to report such illegal practices in return for bribes severely erode the tax base and destroy the principle of fairness and justice in tax administration.

Public procurement, which is estimated to account for a minimum of 15% of GDP in many nations,¹⁵ is another hotbed for corruption. Numerous businessmen have admitted that in certain markets, bribery is simply “a normal way” of doing business.¹⁶ However, left unchecked, corrupt practices in public procurement distort free markets and undermine public trust in the government and institutions, thus harming national competitiveness and economic development.

Publicity and openness are crucial for combating corruption in tax collection, public procurement, and other fiscal management practices. Publicized and transparent procedures in the financial management system allow stakeholders to scrutinize the decisions and behaviors of public officials and force them to refrain from illegal activities.

Non-transparency breeds corruption and damages fiscal sustainability. Fiscal illusion theory suggests that when taxpayers cannot fully perceive the transparency or cost of a government program, the cost of the program is often seen to be less expensive than it actually is, such that taxpayers’ demand for public spending increases. Non-transparency deteriorates fiscal sustainability by reinforcing the fiscal illusion of taxpayers. Citizens are accustomed to

¹⁵ OECD, 2007. *Bribery in Public Procurement: Methods, Actors and Counter-Measures*. Paris: OECD Publishing., p. 9.

¹⁶ OECD, 2007. *op. cit.*, p. 12.

government spending and expect the government to continue to increase expenditures on public infrastructure and social welfare, with little consideration for fiscal sustainability. Elected officials who are only focused on winning the next election are likely to promote policies to satisfy electorate needs. Unless the government is legally forced to disclose readable and reliable fiscal information, the fiscal illusion and the endless desires of citizens cannot be effectively curbed.

3. International Initiatives

Fiscal transparency principles established by international organizations often serve as standards or benchmarks for countries to review and examine their own degree of fiscal transparency. In this section, we present a brief summary of the recent endeavors of the IMF, the OECD, the International Budget Partnership (IBP), and other international organizations in promoting transparency. The efforts by APEC members are discussed in the next section.

(1) International Monetary Fund

The IMF was one of the first international organizations to publish objective fiscal transparency standards. Following the Mexican and Asian financial crises of the 1990s, countries worldwide began to focus attention on fiscal transparency. “The Code of Good Practices on Fiscal Transparency: Declaration and Principles” (hereinafter referred to as “the Code”) released by the IMF in 1998 attempted to promote the fiscal transparency assessment of individual countries, draw up improvement plans, and establish a solid fiscal environment. The Code was revised twice, in 2001 and 2007, to better reflect new developments in public sector accounting and auditing standards and other emerging issues in public financial management. The “Manual on Fiscal Transparency” was also released with the Code to serve as a detailed guideline for countries to follow.

The Code is based on four general principles (or four pillars), briefly stated as follows.

a. Clarity of roles and responsibility

The first pillar identifies those entities that conduct government functions, and discusses best practices related to government structure and functions, the role of executive, legislative, and judicial branches, the responsibilities of various levels of government, the relationship between government and state-owned businesses, and governmental involvement in the private sector.

b. Open budget processes

The second pillar of the Code covers practices on transparent budget preparation, execution, and monitoring. The Code suggests that budget preparation be guided by

well-defined macroeconomic and fiscal-policy objectives, and emphasizes the importance of establishing clear procedures for budget execution, monitoring, and reporting.

c. Public availability of fiscal information

The third pillar suggests that governments provide the public with timely and comprehensive information on past, current, and projected fiscal activities and on major fiscal risks. The information should be presented in a manner that facilitates policy analysis and promotes accountability.

d. Assurances of integrity and public accountability

The Code requires that fiscal information meet acceptable quality standards. Its fourth pillar addresses ensuring fiscal data integrity and the need for an effective internal auditing and external oversight.

(2) Organization for Economic Co-operation and Development

Similarly to the Code, the “OECD Best Practices for Budget Transparency” (hereinafter referred to as “Best Practices”) released by the OECD in 2001, has also aroused considerable worldwide attention. The Best Practices consist of three parts: (a) Budget report: Part 1 lists all the primary fiscal reports that the government should publish and their general content; (b) Specific disclosures: Part 2 describes specific fiscal information that must supplement the general content of fiscal reports, including economic assumptions, tax expenditures, financial liabilities and financial assets, employee pension obligations, and contingent liabilities; (c) Integrity, control, and accountability: Part 3 highlights best practices for ensuring the quality and integrity of fiscal information, including accounting systems, parliamentary monitoring, institution auditing, and public scrutiny.

(3) International Budget Partnership¹⁷

In addition to the IMF and the OECD, the IBP also emphasizes promoting budget transparency. Collaborating with the worldwide civil society, the IBP aims to influence budget systems and fiscal policies to ensure that public budgets are more responsive to society, and to accordingly make budget systems more open, transparent, and accountable to the people to reduce poverty, fight corruption, and achieve good governance.

The IBP has conducted the Open Budget Survey biennially since 2006, and has completed its fourth round of the Survey in 2012. The survey assesses what occurs in practice in 100 partner countries, rather than what the law or regulation requires. The survey evaluates the

¹⁷ IBP, 2010. *International Budget Partnership*. Available at: <http://internationalbudget.org/what-we-do/major-ibp-initiatives/open-budget-initiative/> [Accessed April 28, 2012].

contents and timely release of eight key budget documents in each nation, including the pre-budget statement, executive budget proposal (EBP), supporting documents for the EBP, enacted budget, citizens' budget, in-year reports, mid-year review, year-end report, and audit report. The IBP believes it is necessary to issue key budget documents at various phases of the budget process, regardless of their budget systems and national income levels.

The results of the 2012 Open Budget Survey are based on a 125-item questionnaire. The questionnaire is composed of five sections and is built primarily on criteria drawn from the IMF "Code of Good Practices on Fiscal Transparency," the OECD "Best Practices for Fiscal Transparency," and the International Organization of Supreme Audit Institutions' (INTOSAI's) "Lima Declaration of Guidelines on Auditing Precepts."¹⁸ The first three sections of the Survey assess the public availability and comprehensiveness of key budget reports throughout the budget process. Sections 4 and 5, which were newly added to the 2012 survey, measure the strength of legislature and supreme audit institutions in the nation, and civic engagement in the budget process.

(4) Other International Organizations

In addition to the fiscal transparency initiatives that are adopted and introduced globally, other international organizations strive to promote fiscal transparency by other means than creating a set of fiscal transparency-focused standards or principles. For example, Oxford Analytica, as commissioned by the IMF, releases fiscal transparency reports of each country based on IMF standards. These reports serve as a major database to evaluate the degree of fiscal transparency of a country and a platform for countries to share and learn from each other.

INTOSAI is an independent, non-governmental organization aimed to enhance government audit capabilities and promote experience-sharing among member countries to assist governments in improving audit efficiency. Through launching the Project on Transparency and Accountability and exchanges among member countries, INTOSAI has established a set of principles — the Principles of Transparency and Accountability — to guide supreme audit institutions in each country to promote individual government transparency and accountability through external audits.

The Extractive Industries Transparency Initiative (EITI) is another international non-profit

¹⁸ INTOSAI was founded in 1953 and currently has a membership of 180 supreme auditing institutions. It adopted the "Lima Declaration of Guidelines on Auditing Precepts" in 1977, which provided the conceptual, philosophical and practical framework for INTOSAI's work. Additional information is available at: <http://www.10iacc.org/content-ns.phtml?documents=102&art=176> [Accessed May 1, 2013].

organization that actively promotes fiscal transparency. The organization was founded to prevent corruption and conflicts during the natural resource extraction process and to ensure that natural resource extraction brings beneficial results to help local communities achieve sustainable development and reduced poverty. Members of the EITI include governments and corporations (such as the mining industry and oil companies), and civic groups. The EITI focuses on information disclosure and transparency over resource extraction by governments or related companies. The organization believes that the public has the right to know and should be aware of the revenues and expenditures of such resource extraction activities.

Transparency International is a global, non-official organization focused on fighting government corruption and actively pursuing fiscal transparency. A similar non-governmental organization is the Corruption Perceptions Index (CPI) of the United States. The CPI has played a critical role in enhancing fiscal transparency by conducting numerous surveys on United States government institutions, which assess fiscal information disclosure.

The International Federation of Accountants (IFAC) is an international organization providing accounting and auditing standards. Because government accounting policies, such as formats and standards of fiscal reports and the classification and index of fiscal projects, serve as prerequisites to fiscal transparency and have considerable influence on fiscal information reliability, the activities that the IFAC promotes are closely linked with fiscal transparency.

The World Bank Group (WBG) focuses on fostering economic development in less developed countries; however, gaining a comprehensive understanding of the fiscal environment and the fiscal soundness of a country necessitates information on government transparency, investment transparency, and anti-corruption. Such information is collected and presented on the WBG website, which also aims to facilitate experience-sharing.

A primary objective of the Asian Development Bank is to enhance fiscal and economic development in the Asian region. Therefore, the organization encourages public sectors in individual countries to enhance revenue information disclosure and transparency to fight corruption and build a sound fiscal environment.

III. Promoting Fiscal Transparency in APEC Economies

Similarly to other international organizations, the APEC endeavors to promote fiscal transparency and foster accountability in both emerging markets and advanced economies. In the following section, we briefly summarize its endeavors and accomplishments.

1. Historical Review on Dialogues and Efforts to Promote Fiscal Transparency

The 1994 APEC Economic Leaders' Meeting was held in Bogor, Indonesia. In the "Bogor Goals" issued at the end of the meeting, leaders pledged to achieve free and open trade and investment in the Asia-Pacific region by 2010 for developed members and by 2020 for developing economies. The APEC economic leaders met in Osaka, Japan, in 1995 for the third time since the organization was created. The primary agenda was to initiate the mid- and long-term action agenda of the Bogor Goals, called the Osaka Action Agenda. In the agenda, the leaders endorsed enhanced transparency as one of the crucial indicators in realizing the Bogor Goals.

In 1999, the Government Procurement Experts Group (GPEG) launched the "Non-Binding Principles on Government Procurement (NBPs)". The NBPs stated that individual member economies should allow public access to government policy contexts, procurement schedules, procurement requirements, and criteria of tender to facilitate cross-country procurement or enable member economies to learn from one another.

In the Shanghai Accord released in 2001, leaders reaffirmed the determination of member economies to promote transparency. The Shanghai Accord was drafted based on the previously released APEC Trade Facilitation Principles, and primarily promoted trade-related policies to reduce trade costs and enhance cooperation efficiency among APEC economies.

General transparency principles were announced in the 2002 APEC ministerial meeting held

in Mexico, and the Leader Statement of the meeting observed that transparency¹⁹ :

- is a vital element in promoting economic growth and financial stability at the domestic and international levels;
- is conducive to fairer and more effective governance and improves public confidence in government;
- is a general principle in the Osaka Action Agenda, which requires its application to the entire APEC liberalization and facilitation process;
- is a basic principle underlying trade liberalization and facilitation;
- in monetary, financial, and fiscal policies, and in the dissemination of macroeconomic policy data, it ensures the accountability and integrity of central banks and financial agencies, and provides the public with needed economic, financial, and capital market data;
- is enhanced through well-targeted, demand-driven capacity building to assist developing economies to progress toward greater openness.

In 2003 and 2004, the general transparency principles were categorized into nine "Area-Specific Transparency Standards" according to various levels of trade policies. Furthermore, the general transparency principles have been included in annual reports of the Individual Action Plan since 2005. The APEC initiated the "Trade Facilitation Action Plan" to lower trade costs among member economies, and in 2007, member economies began to promote transparency. However, during this period, member economies placed more value on trade policy-related transparency, including accessibility to tariff, export, and import data.

The 19th APEC ministerial meeting held in Sydney, Australia promoted transparency as a key APEC principle fostering fiscal sustainability. APEC also encouraged member economies to adopt fiscal transparency standards launched by international organizations, such as IMF standards, and begin self-assessment. One of the most crucial and in-depth discussions on government transparency was the "Roundtable Discussion on Improving Public Sector Transparency: Good Practices and Reform Experience" held during the second APEC Economic Committee meeting, which took place in San Francisco in September 2011. The roundtable discussion was largely initiated because countries worldwide have acknowledged government transparency as a crucial factor to achieving good governance in the public sector. The event was organized by the "Friends of the Chair" group on public

¹⁹ APEC, 2002. *Asia-Pacific Economic Cooperation Leaders' Declarations*. Available at: http://www.apec.org/Meeting-Papers/Leaders-Declarations/2002/2002_aclm/statement_to_implement1.aspx [Accessed December 26, 2012].

sector governance, hosted by Chinese Taipei. It is also the first policy discussion focusing on government transparency in EC since the establishment of the APEC. The roundtable discussion was built on the outcomes generated by three previous workshops: Improving Public Consultations in the Rulemaking Process held in October 2009, Using Regulatory Impact Analysis (RIA) to Improve Transparency and Effectiveness in the Rulemaking Process, and Good Regulatory Practice, both held in March 2011. The aim of the discussion was to provide a platform for economies to exchange practices and experiences related to their improvements in public sector transparency. Chinese Taipei, Canada, Japan, New Zealand, Russia, Thailand, the United States, and Indonesia volunteered to present their experiences in the roundtable discussion. Each presentation centered on the following three parts: (a) brief presentations on current conditions concerning government transparency; (b) promoting government transparency, challenges, and experiences; and (c) future plans to persistently promote government transparency.

In the roundtable discussion, Hong Kong, Singapore, the Philippines, Mexico, and the APEC Business Advisory Council also shared their practical experiences and provided innovative viewpoints. The roundtable discussion has generated fruitful results and raised economies' awareness of the importance of transparency and accountability of the public sector. Hence, fiscal transparency and public accountability were chosen after the discussion as the major theme for the 2013 APEC Economic Policy Report.

The following table shows major APEC progress in promoting fiscal transparency. Table 1 and the previous progress review indicate that in the early stage, the transparency concept primarily focused on the disclosure of information involving trade policies, export and import data, and other free-trade related information. The current focus has shifted to disclosing public sector information, particularly fiscal and monetary-related information.

Table 1: APEC Progresses to Promote Fiscal Transparency

Year	Major Progresses
2004	<p>Leaders' statement to implement APEC transparency standards:</p> <ul style="list-style-type: none"> ▪ Transparency in monetary, financial and fiscal policies and the dissemination of macroeconomic policy data. ▪ Three key standards focus on transparency: code of good practices on transparency in monetary and financial policies, code of good practices on fiscal policy, and general and special data dissemination standards.

2007	<p>Report on the assessment of APEC economies' implementation of APEC transparency standards:</p> <ul style="list-style-type: none"> ▪ APEC agreed to a set of template to assess implementation of transparency standards in each economy. ▪ A total of 14 economies have submitted complete assessment reports, while 6 economies provided partial assessment reports.
2010	<p>Finance Ministers' Process (FMP):</p> <ul style="list-style-type: none"> ▪ One strategic goal of FMP: prudent public finance management. ▪ FMP also introduces project on promoting effective strategies to enhance fiscal sustainability and economic recovery, and the project has helped APEC economies to maintain mid- to long-term fiscal sustainability policies. <p>Finance Ministers' Meeting:</p> <ul style="list-style-type: none"> ▪ Ensure stable fiscal management and formulation of reliable and growth-oriented fiscal plans. ▪ Improve efficiency of public fiscal management through mid- and long-term budgetary plans. ▪ Ensure increasing social welfare expenditures on senior citizens will pose merely minor impacts on mid- and long-term fiscal sustainability.
May 2011	<p>"Key Trends and Developments relating to Trade and Investment Measures and their Impact on the APEC" released by APEC Policy Support Unit:</p> <ul style="list-style-type: none"> ▪ According to the IMF's Fiscal Monitor (FM), fiscal sustainability risks remain elevated in most advanced economies; while the fiscal outlook for emerging economies is more favorable. ▪ The FM asserts that advanced economies should start now to bring debt ratios to prudent levels. ▪ For emerging economies, the IMF's FM recommends that they use revenues to rebuild fiscal space rather than to increase spending. ▪ All economies should strengthen fiscal institutions and transparency.

September 2011	Roundtable discussion on “Improving Public Sector Transparency: Good Practices and Reform Experiences” during the 2011 EC2 plenary meeting.
November 2011	<p>APEC High Level Policy Dialogue on Open Governance and Economic Growth:</p> <ul style="list-style-type: none"> ▪ Re-affirm the importance to enhance public trust by combating corruption and by committing to transparent, fair, and accountable governance. ▪ Anti-Corruption and Transparency Experts’ Working Group (ACTWG) aimed to uphold public integrity by developing principles related to financial asset disclosure. ACTWG was projected to report to Ministers on progress on these initiatives in 2012.
December 2011	<p>“Sovereign Debt Challenges in the Euro Area: Implications for APEC” released by APEC Policy Support Unit:</p> <ul style="list-style-type: none"> ▪ Legislating fiscal rules to reduce future budget uncertainty; ▪ Introducing multi-year budgeting frameworks; ▪ Adopting or strengthening an objective and independent fiscal assessment body to monitor the adherence to fiscal rules and promote the transparency of fiscal policy.
2013	Selecting “Fiscal Transparency and Public Accountability” as the topic for 2013 AEPR.

Source: APEC released data, compiled by Chinese Taipei.

2. Key Trends in Fiscal Transparency Development

In the roundtable discussion on improving public transparency held in San Francisco in September 2011, APEC members reported on efforts made to promote government transparency and shared their experiences on recent achievements. In the following paragraphs, we briefly summarize their efforts and the outcomes shared in the roundtable discussion.

The Canadian government is devoted to improving national fiscal sustainability. In addition to fighting corruption and enacting laws to promote transparency and prevent political lobbying, the Canadian government has constructed a unified web platform characterized by Web 2.0 features to facilitate easy public access to government information.

The government of Indonesia began to promote information disclosure-related regulation,

Keterbukaan Informasi Publik (KIP), in 2008. However, by September 2011, the promotion of government transparency received responses from only a few areas ruled by relatively open local governments. Several local governments founded the Transparency and Participation Commission, which helps local governments increase information transparency, and among them, the Lebak District has recorded the most substantial advances. However, the establishment of major institutions promoting transparency in other areas, such as the special region of Yogyakarta, has been based merely on announcements and executive orders issued by chief executives, and the operations of these institutions could be terminated by political turmoil. Therefore, one of the main obstacles in promoting government transparency in Indonesia is the absence of a unified law.

The Japanese government launched the Public Project Review in 2010 to allow the public to gain enhanced understanding of government resource allocation and work flows. The project is aimed to increase accountability and efficiency in the public sector.

The government of New Zealand has invested considerable efforts in enhancing government transparency. Since 2010, the government has released the Investment Statement of the Government of New Zealand, which shows all government assets, debts, and performance in detail. The Declaration on Open and Transparent Government published in 2011 requires government agencies to actively disclose high-quality information.

The Russian government has claimed that it would begin conducting a related modification of federal law to include government service disclosure (No 8-FZ and 210-FZ). Since 2010, the government has forced any government-related service information to be made public on the Internet. Additionally, local governments are required to establish a one-stop open information platform and release public service information on the Internet. According to statistics released by the government, the public now spends 65% less time on accessing public service because of the one-stop platform. What the government promotes is easy access to public services, rather than achieving information transparency. However, the government's move is a crucial milestone in the pursuit of government transparency.

The Freedom of Government Information Law enacted in 2005 in Chinese Taipei, elevates government transparency to the legislation level. In accordance with the law, government information should actively be made available to the public (i.e., active disclosure) or provided as requested by any person (i.e., passive disclosure). Active disclosure refers to the official release of information regarding administrative measures directly related to people's rights and interests, including administrative plans, budgets and audits, procurement documents, subsidies that are paid or accepted. Detailed information that the public is interested in and open information that is accessible to the public through application are categorized as passively-disclosed information. The amount of information made accessible

to the public by public agencies has exceeded the items prescribed in the Freedom of Government Information Law, and the disclosed information is frequently updated. Academic research groups commissioned by the government also conduct frequent reviews of government transparency. The government of Chinese Taipei readily acknowledges the importance of transparency.

The government of Thailand has been devoted to reducing corruption and has recently listed anti-corruption as a major objective of the country. Private sector institutions, such as the Thai Banker Association (TBA) and the Stock Exchange of Thailand (SET) have also aggressively assisted the government in promoting anti-corruption. Anti-corruption in the Public Procurement Initiative is expected to be signed between the government and the private sector and all government agencies are expected to voluntarily sign and abide by the rules regulated in the Initiative.

Open government became a major policy objective of the United States government after President Obama took office. President Obama announced his first Presidential Memorandum on Transparency and Open Government in January 2009. Following the announcement, the Obama administration began actively promoting the open government concept. The establishment of the Open Government Partnership (OGP), led by the United States in cooperation with Mexico on July 12, 2011 aimed to bring international attention to government transparency. A total of eight APEC member economies had joined the organization by September 2011, and annual improvement plans have been launched to gradually enhance transparency within individual governments. The United States has been promoting the open government concept from a domestic level to an international level, and firmly believes that transparency will not be achieved without exchanges, monitoring, and experience-sharing with other countries.

IV. Future Challenges in Promoting Fiscal Transparency and Accountability

In this section, we analyse two primary challenges that have confronted APEC economies when striving to promote fiscal transparency and public accountability in recent years. The first challenge is how to shrink the existing gap between international standards and real

practices of fiscal transparency in the APEC region. The other is to emphasize the importance of linking fiscal transparency to accountability and to effectively strengthen their linkage.

1. Bridging the Gap between Standards and Achievements

The APEC member economies are at the forefront of fiscal transparency practices. However, if judged against the currently well-accepted international standards or best practices of fiscal transparency, a gap exists in numerous APEC economies between international standards and real achievements. For instance, even a fully developed economy may encounter difficulties in establishing and implementing a midterm budgetary framework as suggested in the international standards of fiscal transparency, let alone those who may not have a well-functioning annual budgeting process to begin with.

Although most international standards or best practices are universal and apply to enhancing fiscal transparency in any type and size of economy, certain standards are relevant to only certain types of fiscal environments. Because each society has its own unique political and economic system, certain member economies may not possess the required human resources or skills to maintain a fiscally transparent environment, and adopting best practices can be viewed as a continuous journey rather than a destination. Therefore, each member economy is encouraged to first assess its resource availability and skill level, identify its gap between where a government is and where it needs to be, and then develop its own priorities for adopting international standards of fiscal transparency. By assessing national strengths and weaknesses and focusing on the gap, economies can set priorities for improving fiscal transparency in a more efficient manner.

2. Strengthening the Linkage between Transparency and Accountability

Fiscal transparency alone is insufficient for holding governments accountable. Rather than an ultimate goal, fiscal transparency is a means to facilitate public accountability. The pursuit of fiscal transparency loses its legitimacy and support given the inability to move from fiscal transparency to public accountability. When government officials or agencies disclose the outcome of budgetary policies and fiscal activities, citizens should have the right and power to change the policy or activity if it fails to meet public demand. In the meantime, public officials or agencies should be rewarded or punished based on their actions and performances. Otherwise, they will lack the incentive to re-adjust their fiscal behavior in response to citizen demand, despite routinely disclosing all required fiscal information.

Fiscal transparency is a necessary condition for promoting public accountability, but is an insufficient condition. Therefore, urging more fiscal information and more openness is useless without simultaneously strengthening the monitoring and enforcement mechanism of public accountability, or the linkage between fiscal transparency and accountability.

Securing a strong linkage between fiscal transparency and public accountability requires well-established institutional arrangements. In addition to a check-and-balance mechanism that includes oversights, rewards, and punishments by legislative and judicial branches, institutional arrangements also refer to a well-functioning electoral system, an independent mass media, and a mature civil society.

On the premise of full information disclosure, elections are the most powerful accountability mechanism. The electorate can decide whether to vote for the ruling party or incumbents as a means to punish or reward candidates after reviewing the disclosed fiscal information. However, electoral fraud that interferes with the election independence frequently occurs in less developed APEC economies, consequently damaging the effectiveness of the electoral system as an accountability mechanism.

Mass media is another powerful external accountability mechanism. In a modern society, people are accustomed to receiving summarized and disseminated information from the mass media. Hence, media can be regarded as a bridge between governments and civilians. Mass media transmits government information to the public to reduce information asymmetry. The media can interpret and disseminate complex and incomprehensible information, such as fiscal policies and budgeting data, to the public to compensate for its opaqueness. Hence, the media has a huge impact on society in shaping public opinion on fiscal and budgetary policies.

The public trusts the mass media to provide unbiased fiscal information. Consequently, governments are forced to focus more attention on what mass media report and respond quickly to their criticisms or suggestions on fiscal activities. Given the substantial impact of mass media on shaping public opinion and holding government accountable, the challenge lies in how to maintain a healthy competitive environment for the media to better foster independence and professionalism.

The market pressure for mass media in a globalized society has grown rapidly. In coping with fierce competitive pressure, certain media have displayed a tendency to mistakenly interpret or filter information to provide the public with eye-catching headlines, or they may yield to certain political or partisan ideologies if doing so is more profitable. In addition to market pressure that could interfere with the independent press, certain mass media in authoritarian regimes are particularly vulnerable to state control and fall short of their

potential contribution to fiscal transparency. This situation could worsen if the electorate are misled and cast their votes based on biased or misinterpreted fiscal information disseminated by the media, causing a decoupled linkage between transparency and accountability and an ineffective accountability.

A mature civil society plays a vital role in reinforcing the effectiveness of election and mass media as a powerful accountability institution. Civil society refers to the wide array of non-governmental and non-profit organizations that have a presence in public life, which express the interests and values of their members or others, based on ethical, cultural, political, or philanthropic considerations.²⁰ Civil society contributes to the electoral process through its active involvement in civic and voter education, and election oversight. Civil society organizations, particularly those that aggressively defend freedom of the press, also contribute to mass media independence and professionalism by performing their duty as a mass media watchdog.

Although the civil society sector spreads over both developed and less developed economies in the APEC region, the development and maturity of civil society varies in different economies. To better serve societies and to facilitate a strong linkage between fiscal transparency and public accountability, the less mature civil society must be empowered by building expertise in election observation and oversight, foster dialogues between civil society organizations and mass media, and promote citizen capacity to participate in various civil society organizations.

²⁰ Please see the definition offered by The World Bank available at: <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/CSO/0,,contentMDK:20101499~menuPK:244752~pagePK:220503~piPK:220476~theSitePK:228717,00.html> [Accessed May 15, 2013].

Chapter 3

Summary of Individual Economic Reports

This chapter summarizes APEC economies' key initiatives and challenges in promoting fiscal transparency and accountability, as noted in responding economies' Individual Economic Reports (IERs). A complete set of IERs can be found in Annex 3-1.

I. Fiscal Institutions of the Central Government

A budget cycle consists of four major phases: budget preparation, budget review and approval, budget execution, and final account reporting. Although the length of a complete budget cycle varies among responding APEC economies, they all complete the budget cycle in accordance with a comprehensive legal framework. The legal framework typically encompasses the constitution, the basic law, the finance act, the budget law, the audit law, and several others. The legal framework not only establishes key fiscal rules for government officials to make budgetary and fiscal decisions, it also helps promote fiscal transparency and accountability. For instance, Chile enacted the Transparency Act in 2008, which created the Council for Transparency to promote transparency in the public sector. Similarly, Peru passed the Law on Fiscal Responsibility and Transparency to enhance the timely disclosure of relevant information.

In most APEC economies, the Ministry of Finance (MOF) or the treasury is the principal budget authority in charge of coordinating and preparing the budget of the central government. The MOF oversees the preparation of the annual budget proposal and submits it to parliament for deliberation. However, some economies, including the United States and Chinese Taipei, have a budget authority other than the MOF (or the Treasury) leading the process of budget preparation. In the United States, the Office of Management and Budget (OMB) is the hub of the federal budget process, whereas the Department of Finance assists the preparation of revenue estimates. The OMB assists the President by overseeing the preparation of the entire budget, and maintains liaison with the congress during the consideration of budgetary legislation. In Chinese Taipei, the MOF is responsible for tabling the available revenue, and the Directorate-General of Budget, Accounting, and Statistics (DGBAS) plays a greater role in the preparation and implementation of the annual budget. The DGBAS helps the cabinet prepare the annual budget by setting funding ceilings and assessing competing funding demands among agencies.

The annual budget has to gain approval from the legislature before it is implemented. The length of budget deliberation and approval phase varies among economies, in part because of the difference in the system of government. The United States, which is governed by a presidential system, appears to have the longest period of budget deliberation in the congress. The President typically transmits budget proposals to the congress between the first Monday

in January and the first Monday in February, and the congress passes the appropriation acts by October 1. Hence, the legislative review process spans from January to September in the United States. Conversely, for those who adopt a parliamentary system of government, legislative approval of budget is equivalent to a confidence vote for the government in power. Therefore, major amendments to budget proposals are not typically expected, and the time for legislative deliberation is shorter. For instance, New Zealand presents its budget to the House of Representatives after mid May to take effect from 1 July. The time for legislative deliberation is less than two months, and in practice, no amendments to the budget proposal have been passed in recent years. Canada, which also adopts a parliamentary system, submits its budget to the House of Commons between the end of February and March and parliamentarians vote on the budget only a few days after receiving the budget.

After the budget gains approval from the legislature, APEC economies follow similar legal frameworks and procedures in the budget execution stage. Budget laws and internal control regulations associated with the government's fiscal activities and public procurement are well-established. For example, Hong Kong stipulates a system of fiscal control and financial management in the Public Finance Ordinance (PFO) to guarantee the budget to be implemented within a legal framework. Indonesia established the Corruption Eradication Commission (KPK) in 2002. The duties of the independent commission included investigating and prosecuting corruption cases and monitoring the governance of the state.

All responding economies report the result of budget execution to the legislature after the end of the fiscal year. In most economies, this final report is externally audited by an independent auditing authority. In many APEC economies, including Australia, Canada, New Zealand, Thailand, and the United States, the auditing authority is an office of the legislative branch and independent of the government. The Board of Audit of Japan and the National Audit Office of Chinese Taipei enjoy the status of "the fourth power" and belong to neither the legislative, nor the judicial branches. The Audit Commission of Hong Kong is accountable to the chief executive of the Special Administrative Region only. Nevertheless, as indicated by responding APEC economies, the audit office is independent when performing duties and exercising audit powers and is not subject to the direction or control of any other person or authority.

II. Assessing Fiscal Transparency and Accountability

1. Open Budget Processes

Fiscal transparency requires budget processes to be undertaken in an open manner. The processes refer not only to the four phases in a typical budget cycle, but also to the adopted fiscal framework, fiscal policy, and projected fiscal conditions open to the public.

Responding APEC economies report that the budget processes in general follow a clear schedule. The budget authority typically submits the budget proposal to the legislature at least two months before the new fiscal year, allowing for legislative deliberations on the proposal. Budget implementation is internally controlled and most APEC economies have their final accounts externally audited within a few months after the end of the fiscal year.

Several APEC economies, such as Australia, Japan, Korea, Peru, and Chinese Taipei, adopt a top-down approach in the budget formulation stage to ensure the proposed budget is sufficiently funded by available revenue. Because the level of delegation and the method of determining the expenditure ceilings vary across economies, the Ministry of Finance or the authority in charge of budget allocation typically sets the overall expenditure ceiling and sub-ceilings in the early stage of budget preparation and delegates detailed resource allocation decisions to line ministries.

The responding economies place a high level of importance on ensuring that budget preparation are aligned with fiscal and other strategic objectives. Canada, for example, holds a retreat in the summer where members of cabinet discuss a broad strategy for the budget, based on the strategic objectives of the government. In accordance with the outcome of the cabinet retreat, central agencies and departments are provided with broad directions to guide them with budget preparations.

Most economies' annual budget is prepared in tandem with a medium-term framework. Reporting APEC economies state that the annual budget plans must not depart from the medium-term fiscal objectives. Since 2001, fiscal policy making in Chile has been guided by a pre-established goal of structural balance as a percentage of the GDP. Singapore's block budget framework also allocates projected expenditure allowances to each ministry in a medium-term framework. The ministry's budget is allowed to grow annually, at a rate fixed to a smoothed GDP growth rate. Additionally, in Singapore, unless the President's consent is obtained to draw on past reserves, each administration is required to balance its budget during its term of office, which typically lasts for five years.

The APEC economies' have varied experiences in producing the economic forecasts that underlie fiscal projections. Numerous economies prepare economic forecasts in consultation with external experts or scholars. Certain economies establish a task force for this purpose; for instance, in the United States, the Troika is responsible for forming economic forecasts. The Troika is an interagency group led by the OMB Director, the Secretary of the Treasury, and the Chairman of the Council of Economic Advisers. A unique case is that of Canada; the economic forecast underlying Canada's fiscal projections is based on an average of the survey of private sector economic forecasts. More than a dozen forecasters provide their views on a number of key economic variables, which serve as the basis for the government's fiscal planning.

According to the IERs provided by certain economies, citizens are encouraged to participate in the budget process in person. In Malaysia, for instance, annual consultations are held with captains of industry, trade and industry groups, professional organizations and civil society to elicit their suggestions and concerns at the start of the annual budget preparation. In Australia and Hong Kong, the governments invite families, individual citizens, businesses,

and community groups to submit their feedback on the pre-budget. The Canadian government holds a series of regional pre-budget roundtables, directed by various ministers, and citizens are able to send their feedback through online pre-budget consultations every year. In the United States, congressional meetings regarding the budget are open to the public. In Brunei Darussalam, engagement in the budget process is directed through citizen's respective Legislative Council representatives.

2. Public Availability of Fiscal Information

Many APEC economies have embarked on efforts to improve the accessibility of information to the public. They publish their quarterly, semi-annual, and annual budget information, as well as annual final accounts, on a regular basis. Most economies have their fiscal data undated at least on a quarterly basis. However, whereas certain economies disclose those budget-related documents in great detail, others may simply release expenditure and revenue tables. In economies where the government releases detailed budget documents, performance information is a non-separable aspect of the budget information, and the key performance indicators and measurements are attached to spending programs. Australia's reform agenda "Operation Sunlight," launched in 2008, has encouraged a greater focus on performance information.

Information on public debt attracts widespread attention, and is reported to the public regularly in most responding APEC economies. Chinese Taipei, for instance, has set up a "National Debt Meter" to report the central government's long-term and short-term outstanding debts, and the per capita debt burden. Pension liabilities and tax expenditures are also published annually in many economies – either included in the annual budget reports or stated in single documents.

Certain economies have released vital fiscal information that can greatly increase public accountability. For instance, Australia releases a pre-election economic and fiscal outlook in election years and intergenerational reports every five years. Pre-election fiscal reports are considered a powerful accountability mechanism, because they report the fiscal performance of the current government and demonstrate the feasibility of each electoral candidate's fiscal plan. The intergenerational reports inform people about fiscal sustainability under demographic change. Another example is the United States, which has introduced the recovery.gov website to provide easily accessible information on how recovery act funds are being spent by the recipients of contracts, grants, and loans. The website also offers the public the ability to report suspected fraud, waste, or abuse related to recovery funding.

3. Assurance of Integrity and Accountability

To assure the integrity of fiscal data, the government accounting system should provide a reliable basis for tracking revenues, commitments, payments, liabilities, and assets. The IERs typically show that economies have established their accounting system either based on Generally Accepted Accounting Practice (GAAP), which is aligned with the International Financial Reporting Standards (IFRS), or based on the International Public Sector Accounting Standards (IPSAS).

Additionally, APEC economies prepare their financial statements with accounting policies that are adapted to their specific needs. Economies such as Brunei Darussalam and Singapore apply cash basis accounting, and Canada, Japan, and New Zealand adopt accrual accounting. Most economies follow a modified accrual basis system or a mixed system to prepare their financial statements, including Australia, Chile, Hong Kong, Korea, Malaysia, Peru, Chinese Taipei, Thailand, and the United States.

In addition to complying with accepted accounting standards, fiscal activities should also be subject to effective internal oversight and external scrutiny. Although nearly all responding APEC economies report that internal auditing is implemented within each agency to control and monitor governmental fiscal activities, priority has been assigned by certain economies to the task of external auditing. For instance, in Japan, the Board of Audit's authority was broadened and its relationship with the Diet was strengthened, whereas in Mexico and Chinese Taipei, the supreme auditing office has followed the international trend of actively promoting performance audits to provide enhanced performance information of expenditure programs, with the objective of correcting information asymmetry between the government and the public.

To strengthen the link between fiscal transparency and public accountability, the finance ministry should actively promote an understanding of the budget process by individual citizens and non-governmental organizations. Some APEC economies have developed innovative measures to fulfill this goal.

Canada, Hong Kong, Korea, New Zealand, Peru, Singapore, Chinese Taipei, and Thailand all indicate in the IERs that they have developed user-friendly layouts for budget documents. Certain of these also provide enhanced search functions and optimized navigation for traditional and mobile browsing on smart phones and tablets. Additionally, brief videos summarizing key elements of the budget are provided, and information flyers with illustrative graphics or cartoons are sent to the general public to help improve their understanding of the impacts and relevance of the budget measures.

Hong Kong has recently improved its budget website to ensure that the content disseminated is accessible to people with disabilities, particularly the visually impaired.

For social media users, fiscal information and public opinions are collected through Facebook, Twitter and other websites in economies including Canada, Korea, New Zealand, and Singapore. The Parliament of Chinese Taipei has set up a "video on demand multimedia system," allowing citizens to view the progress of plenary sessions and committee meetings held in Parliament, by using the Internet.

Certain economies indicate that the government has implemented numerous citizen participation measures. For example, Korea holds a local finance conference and open forums to discuss policy issues, and the results of these discussions are published as press releases to the general public. Similarly, in Singapore, the key budget measures are communicated and discussed by senior civil servants, on television and radio forums held in various languages, to enhance public understanding.

III. Common Achievements and Challenges

Over the past decades, APEC economies have made substantial improvements to the presentation and accessibility of fiscal information to the public. Although various economies may approach fiscal transparency differently, because of variations in resources and technology, common achievements are met by most APEC economies.

First, the institutional design for governmental budgeting is well established in APEC economies. In general, an effective legal framework is in place to guide each economy's budget process. Independent auditing is implemented to ensure the quality of reported data and to monitor governmental fiscal activities. Overall, the current budget process is open and transparent.

Second, major budget and fiscal documents are available to the public in most APEC economies. Many economies' budget websites allow for free browsing and downloading. Certain economies create interactive websites or mobile applications to collect feedback. A substantial development toward improved transparency and accountability is the use of information and communication technology. Most economies provide the public with improved access to government information through the enhanced web-presence of governmental agencies.

Two primary challenges are addressed by responding economies. The first is to provide fiscal reports that are easily understood by the general public. Certain economies have issued a budget or fiscal report, written in plain language without specialized terminology, to help people understand public budgets, such as Thailand's "Citizen Budgets", or Peru's "Orientative Guide on the Public Budget." Nevertheless, it remains difficult to ensure that legislators and citizens read and understand the various kinds of fiscal information. Hence, improving the readability and comprehension of released information is a challenging task faced by many economies.

The second challenge raised by economies concerns effectively enhancing public engagement in budget processes. Although there remain debates over the forms of citizen participation, citizen input and feedback are crucial to the linking of transparency and accountability. Inviting public opinion on the budget proposal is popular in responding APEC economies, either through direct communication in the public meetings or by using social networking sites such as Facebook and Twitter.

Most APEC economies have made great progress on the level of fiscal transparency in recent decades, but it is uncertain whether the improvement in transparency leads to a more accountable public sector in practice. As mentioned in Chapter One of this report, fiscal transparency alone is insufficient for holding governments accountable. Unless we strengthen the link between the two, greater transparency will not necessarily generate

greater accountability.

Securing a strong link between fiscal transparency and public accountability requires well-established institutional arrangements. The accountability institutions include a check-and-balance mechanism that monitors, rewards, or punishes public officials' fiscal activities through legislative and judicial branches. In addition, institutional arrangements refer to an effectively functioning electoral system, an independent mass media, and a mature civil society. However, not all APEC economies currently perform satisfactorily in establishing and maintaining these accountability institutions. Therefore, although not raised in the economies' IERs, the task of improving the effectiveness of accountability institutions should be considered as APEC economies' third challenge.

IV. Priorities for Future Reform

This section enumerates responding economies' priorities for future reform with respect to open budget processes, public availability of fiscal information, and assurance of integrity and accountability.

- Australia: Australia aims to enhance the role of a newly established Parliamentary Budget Office, which provides independent analysis of the budget cycle, fiscal policy, and the financial implications of proposals.
- Brunei Darussalam: Brunei Darussalam is currently in the progress of implementing public finance management reform. Its top priorities include: (1) to achieve a functioning medium-term fiscal framework, (2) to introduce an audit based on the Financial Management Accountability Index, and (3) to implement risk based auditing in the fiscal year 2014/2015.
- Canada: One of the key challenges remaining is to ensure that Parliamentarians and citizens are able to understand various fiscal reports. The treasury board secretariat has recently launched a searchable expenditure database, which assists users to obtain and compare fiscal data more easily.
- Chile: A proposal has been submitted to the senate to modify the transparency law in aspects such as active transparency, access, and reporting rights of third parties, reserve and secrecy periods, and claims and remedies.
- Hong Kong: To enhance public accessibility of fiscal data, and to ensure that the disseminated content is accessible to people with disabilities, particularly the visually impaired, Hong Kong has recently improved its budget website.
- Indonesia: The proposed priorities include: (1) to strengthen the organization and presentation of fiscal policy formulation; (2) to strengthen the capacity of parliament to address the technical basis for the annual budget; (3) to improve the standard of fund

management and accounts reconciliation; and (4) to strengthen both internal and external audits.

- Japan: Japan will continue: (1) implementing the “Programme Review of Entire Public Activities” and further improving the methods for implementation; (2) promoting increased efforts for the information disclosure of budget execution.
- Korea: Korea will continue its efforts to further increase information accessibility and public understanding of the budget, including the use of broadcast media, establishing an online budget system, publishing information pamphlets, using interactive videos and cartoons, and using info-graphics.
- Malaysia: Major fiscal reforms currently underway include fully implementing outcome-based budgeting by 2015, implementing accrual accounting at the federal level by the end of 2015, and migrating from the current modified cash-based accounting system to the accruals-based GFSM 2001.
- Mexico: Reform priorities are oriented toward the strengthening and consolidation of the “System of Performance Evaluation”, the PbR, and its natural evolution, to results-oriented management. The 2013-2018 National Development Plan includes a series of reforms to strengthen regulatory and operational aspects of the public audit, which is expected to result in developmental steps in the consolidation of accountability.
- New Zealand: New Zealand is currently implementing changes to its Public Finance Act (as well as the State Sector Act and the Crown Entities Act). The first half of these reforms focus on government fiscal management and strategy in its entirety. The second half of the PFA reforms focus on the financial governance of state sector agencies.
- Peru: One of the highest priorities is to expand the Integrated Public Sector Financial Management Information System (SIAF-SP) to include information on all public entities that are not covered in the budget.
- Singapore: The MOF will improve the historical coverage and usability of fiscal data available online, and promote even greater awareness and enhanced understanding among the public of how the government’s finances have evolved.
- Chinese Taipei: The continuing effort to render fiscal information more comprehensive, more reliable, and more readable remains the top priority of future reform, which includes: (1) introducing a “Transparency 2.0” website for all public records of the central government; (2) improving methodologies and techniques in the calculation and projection of contingent liabilities, potential debt, and tax expenditure; and (3) promoting performance audits, and enhancing audit methodologies and skills, to perform outstanding audit services.
- Thailand: The government will (1) continue increasing the availability of fiscal

information to the public, including reports of budget performance; (2) enhance the oversight and reporting of the extra-budgetary funds; and (3) assure integrity and accountability in Thailand.

- United States: The Chief Financial Officer (CFO) Council and the Council of the Inspectors General on Integrity and Efficiency advocate a continued focus on: (1) enhancing the role of CFOs to direct the entire budget process; (2) evolving the financial reporting model for increased accountability; (3) strengthening internal control and risk management activities; and (4) continuing to improve financial management systems.

附件 8.Nomination for a Vice Chair(文件編號：2013/SOM3/EC/037)



**Asia-Pacific
Economic Cooperation**

2013/SOM3/EC/037
Agenda Item: 14

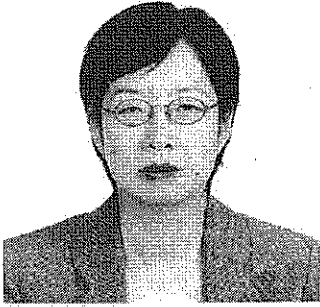
Nomination for a Vice Chair

Purpose: Consideration
Submitted by: Chinese Taipei



Second Economic Committee Meeting
Medan, Indonesia
29-30 June 2013

Mrs. Cheryl H.J. Tseng



**Director General
Department of Overall Planning
Council for Economic Planning and Development (the Cabinet)
Chinese Taipei**

Mrs. Cheryl H.J. Tseng is currently the Director General of Department of Overall Planning in the Council for Economic Planning and Development, the Cabinet, Chinese Taipei. She received her M.A. in International Development Economics from Yale University and B.A. in Economics from the National Taiwan University respectively.

Within the capacity of her current position, she is in charge of drafting the 4-year national development plan and the annual national development plan of Chinese Taipei, which lay out the overall policy framework and concrete policy measures to be taken for mid-term and annual national development respectively. In addition, she has been the coordinator of attendance for APEC's Economic Committee since 2007.

In her early career, Mrs. Tseng was also heavily involved in the process for Chinese Taipei's accession to the WTO.

**附件 9.Economic Committee's Terms of the Establishment (文件編號：
2013/SOM3/EC/036)**



**Asia-Pacific
Economic Cooperation**

2013/SOM3/EC/036

Agenda Item: 13

Economic Committee's Terms of the Establishment

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



**Second Economic Committee Meeting
Medan, Indonesia
29-30 June 2013**

TERMS OF THE ESTABLISHMENT OF THE APEC ECONOMIC COMMITTEE¹

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.

¹ 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.

