FUNDING CRITERIA FOR ALL APEC-FUNDED PROJECTS IN 2011

In assessing APEC-funded projects in 2011, priority should be given – pursuant to instructions from Leaders and Ministers – to funding capacity-building activities, with special emphasis on developing economies, in accordance with the following rankings. These criteria will be used for ranking all of APEC's funded projects.

Rank 1: Projects that specifically and significantly contribute to promoting regional economic integration via free and open trade and investment

This includes projects related to:

- Next generation trade and investment issues as building blocks to a Free Trade Area of the Asia-Pacific
- Investment
- Services
- o Standards, conformity assessment, technical regulations, and regulatory cooperation
- Trade facilitation, including projects related to implementing the supply chain connectivity framework action plan, simplifying rules of origin documentation and procedures, and improving transparency to facilitate trade
- Ease of doing business
- Digital economy
- o Environmental goods and services

Rank 2: Projects that directly support the Action Plan in the APEC Leaders' Growth Strategy

This includes, but is not limited to, projects closely related to:

- Implementation of the APEC New Strategy for Structural Reform (ANSSR)
- o Implementation of the Beijing APEC Human Resources Development Action Plan
- o Development and implementation of the APEC Green Growth Plan, including work on:
 - Low-carbon and energy-efficient technologies
 - Phasing out inefficient fossil fuel subsidies
 - Remanufactured products
 - Conservation, sustainable management, and rehabilitation of forest resources, and combating illegal logging and associated trade
 - Green jobs education and training
 - o Climate change mitigation and adaptation
 - Activities which support the implementation of the 2007 Leaders Declaration on Energy Security and Clean Development, including the APEC Peer Review on Energy Efficiency and the EWG Energy Security Initiative
- Promotion of innovative growth
- o Promotion of SMEs, entrepreneurship, and education
- o Implementation of the Niigata APEC Action Plan on Food Security
- Implementation of the FSCF/PTIN roadmap for food safety
- Fighting corruption, and improving governance and transparency
- o Emergency preparedness

Rank 3: Projects that are **linked to other priorities** identified by Leaders and Ministers but are less closely linked to regional economic integration via free and open trade and investment

For example:

- Activities which contribute to balanced, inclusive, sustainable, innovative and secure growth in the longer-term, such as:
 - Promotion of healthy oceans and marine environment
 - o Initiatives which support trade recovery (e.g. the APEC Trade Recovery Programme)

- Prevention and control of emerging infectious diseases
- o Counter terrorism initiatives/anti-money laundering activities

NOTES

Cross-cutting issues: All projects should maximise: developing human capital; building linkages between APEC economies; gender equality; engagement of other APEC fora, ABAC, the private sector and other multilateral organisations; multi-year capacity building opportunities; and the spectrum of capacity building models and activities, although the extent to which projects incorporate these methodologies will not affect their priority rankings.

Prioritisation within a rank: In the event that there are more project proposals than available funding for initiatives within a particular rank, projects will be prioritized in accordance to the degree to which they contribute to its rank's objective (and therefore to APEC's overall objective of furthering the goal of economic integration via free and open trade and investment).