**Guidance on the Process for Accessing the APEC Support Fund Supply Chain Connectivity Sub-Fund (ASF SCC)**

**Background**

In 2013, APEC Leaders in Bali established the Supply Chain Connectivity Sub-Fund under the APEC Support Fund to advance projects related to improving supply chain performance. The priority of the Sub-Fund is to support developing economies to overcome the specific obstacles they face in enhancing supply chain performance, in line with the Capacity Building Plan to Improve Supply Chain Performance to be executed as part of advancing Stage 3 of the Systematic Approach to the Supply Chain Connectivity Framework Action Plan (SCFAP). As a sub-fund under the APEC Support Fund, the sub-fund is governed by rules and procedures outlined in the Guidebook on APEC Projects.

At the Ministers Responsible for Trade meeting in Qingdao in May 2014, Trade Ministers welcomed the **Capacity Building Plan to Improve Supply Chain Performance (2014/SOM2/CTI/045**), as a means of executing on the resources in the sub-fund**.** This plan is designed to carry forward Stage 3 of the systematic approach to improving supply chain performance and reflect the past and future outcomes under Stages 1 and 2 of the systematic approach: 1) the inventories of policy recommendations endorsed in November at Bali; and 2) the diagnostic reports for Chokepoints 1‐8 (recognizing that economies are finalizing all eight diagnostic reports for endorsement at the APEC Ministers Meeting in Beijing in November).

The Supply Chain Capacity Building Plan is also designed to give APEC economies and their stakeholders a very clear picture of the specific projects, and help APEC reach its target objective of a ten percent improvement in supply chain performance by 2015 in terms reduction of time, cost, and uncertainty of moving goods and services through the region, as declared by Leaders in 2010 and reaffirmed in subsequent years. It is a living document and open for inclusion of additional projects.

Any APEC economy may submit a Concept Note to apply to access the ASF SCC. The APEC Committee on Trade and Investment (CTI) shall be the APEC forum responsible for assessing eligibility and scoring Concept Notes that seek to access the ASF SCC. The APEC Secretariat will be responsible for the administration of the ASF SCC and all projects will be subject to the policies and procedures as set out in the current edition of the Guidebook on APEC Projects.

**Criteria for accessing the ASF SCC**

To apply for the ASF SCC, Concept Notes must contain at least two co-sponsors and must be endorsed by the proposing forum before they can be considered by CTI. CTI will assess eligibility and score Concept Notes following the Final Submission Deadline which applies to the Project Session in question.

To be eligible for the ASF SCC, Concept Notes must demonstrate to CTI they meet the criteria for inclusion in the Capacity Building Plan. Economies proposing projects for inclusion in this plan should follow four key principles:

1) They should be designed to meet our 2015 objective of a 10% improvement in supply chain performance and yield reductions of time, cost, and uncertainty of moving goods and services through the region, related to that goal[[1]](#footnote-1);

2) They should concern delivering technical assistance to APEC developing economies who agree to participate; these projects should not concern additional information sharing exercises, workshops, or seminars;

3) They should help economies implement their WTO Trade Facilitation Agreement commitments; and

4) They should be tailored to meet the recipient economies’ specific needs and directly involve officials in their supply chain agencies. The assistance would be delivered to economies wishing to adopt better practices in each of these areas, create new state‐of‐the art programs, or improve on existing programs.

Each APEC project in the plan should contain ten key pieces of information, which the CTI, working with the APEC Alliance for Supply Chain Connectivity, can help economies to develop:

1. Synopsis

2. Relevant Policy Recommendation(s)

3. Relevant WTO Trade Facilitation Agreement provision(s)

4. Co‐sponsoring Economies

5. Participating Economies

6. Overall Estimated Project Cost and Goals

7. Available Tools and Methodologies for Implementation

8. Available Technical Experts for Delivery of Technical Assistance

9. Available Project Resources

10. Post‐Implementation Measurement Tools and Timelines

While projects should focus on meeting the APEC-wide 10 percent performance improvement goal by the end of 2015, some projects may have longer time horizons or require monitoring and evaluation that will continue past the target year.

Concept Notes will be considered eligible for ASF SCC unless there is a dissenting view raised by one or more members of CTI. If there is a dissenting view, the Concept Note will be considered ineligible for the sub-fund. Following the rules that apply to all APEC Concept Notes, if a Concept Note is found to be ineligible, reasons should be given. If a Concept Note is ineligible, it cannot proceed in the selection process. Ineligible Concept Notes may be re-submitted at a subsequent Project Session.

Concept Notes that have been assessed by CTI as eligible for the ASF SCC will be scored by CTI, in line with APEC project session timelines and the Guidebook on APEC Projects. In scoring, consideration will be given to the extent that the Concept Note supports the priorities of the ASF SCC as described in the Background, above. Following scoring, the Secretariat will calculate how many of the projects can be funded from the available sub-fund balance. It will then make recommendations to the Budget and Management Committee (BMC) for in-principle approval, per the usual APEC project approval process. Successful applicants will then be invited to develop a full Project Proposal. All Project Proposals must be endorsed by CTI and meet the Secretariat quality assessment process before they will be recommended to BMC for final approval.

1. <https://www.apec.org/Publications/2017/11/Review-of-External-Indicators-for-SCFAP-II>; <http://publications.apec.org/Publications/2013/04/The-2013-Interim-Assessment-for-Supply-Chain-Connectivity-Framework-Action-Plan> [↑](#footnote-ref-1)