



**Asia-Pacific
Economic Cooperation**

Advancing Free Trade
for Asia-Pacific **Prosperity**

Annual Report 2020

APEC Policy Support Unit

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The views expressed in this report are those of the authors and do not necessarily represent those of APEC Member Economies.



APEC Senior Officials

Dear Senior Officials

On behalf of the APEC Policy Support Unit (PSU) and in accordance with clauses 54 and 55 of the APEC PSU Governance Arrangements, I am pleased to enclose the APEC PSU Annual Report 2020.

A handwritten signature in black ink, appearing to read 'Denis Hew', is positioned above the typed name and title.

Denis Hew
Director
APEC Policy Support Unit

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PROJECTS AND ACTIVITIES

OVERVIEW OF PROJECTS AND ACTIVITIES

Year 2020 was when a number of APEC goals became due. The longest of these was the Bogor Goals, set 26 years ago in 1994, envisioning a region of free and open trade and investment. The others had a shorter period: 5 years for the APEC Strategy for Strengthening Quality Growth (ASSQG) and Renewed APEC Agenda for Structural Reform (RAASR). APEC Economic Leaders, Ministers or Senior Officials had entrusted the task of reviewing the achievement of these goals as well as the APEC Connectivity Blueprint 2015-2025, currently at the halfway mark of its implementation, to the PSU. The PSU had fulfilled them all with its best efforts.

Year 2020 was also when an unexpected event occurred – the outbreak of the COVID-19 pandemic. That created ripples worldwide, affecting many facets of life including the economy, health, employment and education, and many people including the youth, women and workers. The pandemic too affected the APEC region. Like APEC that quickly pivoted and prioritized its work in response to the crisis, the PSU directed attention towards examining the unfolding impact of the crisis on the region. Besides addressing COVID-19 in its current work, the PSU produced new work covering various topics on how the pandemic has gotten a grip on the region and how APEC can respond to and recover from it. An overview of such work is as follows:

- Policy briefs covering topics on: (1) COVID-19 impact and APEC economies' response measures; (2) trade in medical products; (3) export restrictions on food products; (4) food security and resiliency in food systems; (5) global value chain resilience; (6) fourth industrial revolution and the future of work; (7) women and the future of work; and (8) digitalization of MSMEs.
- Periodic publications consisting of:
 - 1) APEC Regional Trends Analysis, giving the latest economic, trade and investment situation in the region, and discussing thematic issues – circular economy including the opportunities it can provide during the pandemic, and how the pandemic has unveiled old challenges that existed pre-COVID-19. To show the latest growth estimates, the PSU published an additional update on top of the usual biannual reports.
 - 2) APEC in Charts, showing in graphical form the region's growth, trade and investment performance as well as the projected economic impact of the pandemic where data were available. There was also a section on COVID-19, showing the number of cases and deaths, the healthcare capacity and resources, and its impact on international arrivals in the region.

In addition to the above, the PSU went on to fulfil what was in its work program including:

- Committee on Trade and Investment (CTI): Study on the capacity needs to support the WTO negotiation on trade related aspects of e-commerce, and providing technical support in preparing the Free Trade Area of the Asia-Pacific (FTAAP) report.
- Economic Committee (EC): Producing in partnership with EC their flagship report for the fifth consecutive year – 2020 APEC Economic Policy Report (AEPR) themed Structural Reform and Women's Empowerment, and providing technical support to the RAASR Action Team in preparing input papers for the new structural reform agenda.
- SOM Steering Committee on Economic and Technical Cooperation (SCE): Studies on inclusive policies and on SME market access and internationalization for the Small and Medium Enterprises Working Group.

When APEC convened the annual APEC Economic Leaders' Week later in the year, there was recognition of the work completed. APEC Leaders and Ministers welcomed the Bogor Goals' final review; Ministers noted the ASSQG final assessment, APEC Connectivity Blueprint mid-term review and 2020 AEPR; and Senior Officials welcomed the RAASR final review.

Senior Officials and various APEC groups also continued to acknowledge the PSU's contributions. In an annual survey conducted by the PSU, Senior Officials and 10 other groups were overall satisfied with the projects completed by the PSU in 2019 and found them of good quality and useful. Among

others, the PSU's research and analysis have contributed to improving the quality of discussions and decisions in APEC. Positive feedback aside, they also offered useful suggestions to the PSU such as to provide more in-depth analysis, to study more into the impact of the pandemic, and to further disseminate and publicize its work.

On that last note relating to outreach, the PSU was able to increase its presence and participation in meetings and events organized in and outside APEC with the shift to online platforms. A list of these meetings and events is available in the two half-year evaluation reports prepared by the PSU. The PSU's work related to the pandemic also became critical resources for communication. Together with the Communications and Public Affairs Unit, more communication materials than before were produced – more blogs, news releases, articles, infographics and videos. They also became important contents on the COVID-19 Latest and Immediate Virtual Exchange (or COVID-19 LIVE).

On collaboration, the PSU found a new partner in The Asia Foundation. Building on the good working relationship established in co-authoring three policy briefs this year, The Asia Foundation provided the PSU with a grant to support fellowship/internship and research on topics related to the digital economy. The PSU also engaged other organizations in discussion on collaboration opportunities, new institutions being LinkedIn, The Hinrich Foundation, and The Temasek Foundation. Engagement with international organizations such as the ADB and OECD, think tanks like ERIA, APEC Study Centres, and APEC Business Advisory Council continued.

With 2020 being an exceptional year, the PSU is especially grateful and thankful for the continued support it has received from APEC member economies, particularly economies in the PSU Board and economies who have remained steadfast in their financial and in-kind commitment. The PSU will continue to work closely with the PSU Board on issues relating to its financial sustainability and human resources.

In the coming year, the PSU will endeavour to support APEC 2021 policy priorities focusing on addressing immediate economic response to COVID-19 as well as economic recovery for the region. The PSU also stands ready to support Senior Officials in developing a plan of action to implement the APEC Putrajaya Vision 2040. These with the spirit as reflected in the theme for APEC 2021 "Join. Work. Grow. Together".

COMPLETED PROJECTS IN 2020

For Senior Officials (SOM)

A. Final Review of APEC's Progress Towards the Bogor Goals

Year 2020 was the end-point of the Bogor Goals, a vision of free and open trade and investment in the Asia-Pacific region set 26 years ago in 1994. This final review marked the pinnacle of the PSU's journey in reviewing the progress achieved by APEC towards the vision, an endeavor which started with the PSU providing inputs to the initial assessment in 2010 and the endorsement of the Bogor Goals Progress Report Guidelines in 2011. Since then, the PSU had completed three biennial reviews (in 2012, 2014, and 2018) a second-term review (in 2016), and the final review (in 2020). These reviews were complemented by dashboards, prepared annually since 2012.

Progress was achieved on many fronts – growth in trade and investment flows involving APEC economies, reduction in tariffs, more trade agreements in place, increased openness in services and investment, and positive developments in trade and investment facilitation. Notwithstanding the good progress, more can still be done with non-tariff measures becoming more prevalent, uneven sectoral liberalization, and emerging new restrictions in services, to name a few.

The final review was presented to CTI and SOM, and welcomed by APEC Ministers. APEC Economic Leaders during their annual meeting in November 2020 welcomed the significant progress made under the Bogor Goals, including the final review, in facilitating trade and investment. They recognized more will need to be done in fostering an enabling environment for trade and investment in the region.

B. Final Assessment of APEC Strategy for Strengthening Quality Growth

Five years after the adoption of the APEC Strategy for Strengthening Quality Growth (ASSQG) in 2015, the PSU fulfilled the mandate given by APEC Leaders to carry out an assessment on APEC's progress in implementing the ASSQG. The ASSQG, built on the 2010 APEC Growth Strategy, was forward-thinking as it called for action in the three key accountability areas of institution building, social cohesion, and environmental impact.

Both APEC members and APEC fora had made progress in a number of areas relevant to pursuing quality growth, but considerable areas for improvement remain. Achievements in improving governance and fighting corruption have been recognized, but improvements in institutional integrity and judicial independence are perceived to have stagnated. Economic participation and overall affluence have increased, but income gaps have widened while public trust has been eroded by the proliferation of misinformation and fake news. Renewable energy use has increased and growth of carbon emissions has slowed, but many economies are not on track to meet their commitments on climate change.

The assessment was presented to SOM. It was noted by APEC Ministers who acknowledged the importance of promoting institution building, enhancing social cohesion, and mitigating harmful environmental impacts, towards strong, balanced, inclusive, sustainable, innovative and secure growth in the region. APEC Leaders also expressed their resolve in the 2020 Kuala Lumpur Declaration to further navigate the region towards recovery from the COVID-19 pandemic along the path of economic growth in the aforementioned six growth attributes.

C. APEC Connectivity Blueprint: The 2020 Mid-Term Review

At the halfway mark of the APEC Connectivity Blueprint spanning the period 2015 to 2025, the PSU conducted a mid-term review on the implementation progress, a task entrusted by Senior Officials who oversee the implementation of the Blueprint. Notable progress was reported in

the three pillars of connectivity: physical, institutional and people-to-people. The adoption of digital technology remains a key factor across all three pillars, and quality infrastructure as well as institutional collaboration remain vital in achieving a seamlessly connected and integrated Asia-Pacific region. The review reaffirmed the need for APEC to continue implementing measures that strengthen regional economic integration and support resiliency within global value chains. These could be achieved through maintaining an open environment to global trade and investment and improving digital connectivity.

The assessment was presented to SOM and noted by APEC Ministers. Reaffirming their commitment to strengthen physical, institutional and people-to-people connectivity by 2025, Ministers looked forward to enhancing digital technology, facilitating seamless connectivity, developing quality infrastructure based upon relevant APEC work, promoting trade facilitation and strengthening supply chain resilience, as well as promoting cooperation on mobility of people. APEC Leaders also underscored the importance of improving regional connectivity. The next review – final review – will be carried out in 2026.

For Committee on Trade and Investment (CTI)

D. Trends and Developments in Provisions and Outcomes of RTA/FTAs Implemented in 2018 by APEC Economies

This was the fifth annual report produced by the PSU for the APEC Information Sharing Mechanism on Regional Trade Agreement (RTA) / Free Trade Agreement (FTA). Besides giving an overview on the evolution of RTA/FTA network in the APEC region, the report addressed similarities and differences in the structure and content of the trade agreements. Specifically, it included an analysis of the chapters on intellectual property, investment and rules of origin in four trade agreements put in force by at least one APEC economy in 2018. The four agreements were: (1) China – Georgia FTA; (2) Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP); (3) Hong Kong, China – Macao, China FTA; and (4) The Philippines – European Free Trade Association (EFTA) FTA.

E. Assessment of Capacity Building Needs to Support WTO Negotiation on Trade Related Aspects of E-commerce

A study for CTI, the aim was to contribute to the current WTO negotiations on e-commerce as well as the capacity building activities that may arise from it. Reviewing publicly available submissions issued by WTO members since 2018 made up a primary component as it provided clarity on the elements collectively viewed by members as critical in facilitating e-commerce. After categorizing these elements into six focus areas, namely: A (electronic transactions framework); B (openness and cross-border related issues); C (consumer protection and privacy issues); D (cybersecurity/network security); E (infrastructure-related aspects); and F (market access), and using them as a basis of assessment, variations were found in the state of APEC economies' laws, regulations and initiatives.

The study surmised the need for capacity building activities across all focus areas to assist economies in realizing the elements identified in the eventual agreement. The area/theme that these activities could potentially cover include: (1) encouraging the adoption of international standards, practices, guidelines and recommendations in economies' laws and regulations; and (2) improving mutual recognition and interoperability among the laws, regulations and initiatives. Such activities could be considered for economies that have yet to have the necessary laws, regulations and initiatives pertaining to specific elements, as well as those that already have them so they can be fine-tuned to better facilitate e-commerce.

The study was presented to CTI and Digital Economy Steering Group (DESG). The PSU also participated in a discussion on this topic at the virtual preparatory meeting organized for the Symposium on APEC Supporting the WTO Negotiations on Trade Related Aspects of E-commerce in February 2021.

F. Technical Support for CTI's Work on FTAAP Report to Leaders

This marked the second time the PSU was called upon to provide technical support in this work. The first was in 2018 when CTI Chair requested the PSU to prepare a first draft of a report on progress made on the Lima Declaration on FTAAP, which APEC Leaders endorsed in November 2016. This year, the PSU conducted an analysis of proposals and work relevant to the Lima Declaration. The analysis was provided to CTI Chair for members' deliberations on the reporting of progress made towards the realization of FTAAP to APEC Leaders.

The progress was reported through the CTI's 2020 Annual Report to Ministers and the CTI Chair's Letter to Ministers, and referenced by the APEC 2020 Chair during the APEC Economic Leaders' Meeting.

For Economic Committee (EC)

G. APEC Economic Policy Report (AEPR) 2020: Structural Reform and Women's Empowerment

For the fifth consecutive year, the PSU managed the production of EC's annual flagship report and worked closely with a core team comprising EC members in the process. The 2020 report, with a topic on structural reform and women's empowerment, examined structural reforms implemented and enforced by APEC economies to enable the full participation and inclusion of women in economies and societies. It identified five areas that are critical to supporting women's economic empowerment, namely: (1) access to education, training and skills; (2) access to credit and financial services; (3) maternity leave, return to work and access to childcare support; (4) employment restrictions and practices; and (5) freedom from violence and freedom of movement. While significant progress was achieved in the last two decades, there remain a need to address inadequate policies, gaps in implementation, as well as weaknesses in enforcement and monitoring.

The AEPR 2020 was presented to EC and Policy Partnership on Women and the Economy (PPWE), endorsed by Senior Officials and noted by APEC Ministers. Recognizing that women still face significant structural barriers that affect their economic participation and security, Ministers are committed to undertake the necessary steps to address these challenges and advance efforts to remove existing legal, regulatory and structural barriers faced by women in the economy, in workforce participation and entrepreneurship. In light of the impact of COVID-19 on women, APEC Leaders also indicated their intent to pursue inclusive economic policies through effective and equal participation in economic activities and opportunities.

H. Renewed APEC Agenda for Structural Reform (RAASR): Final Review 2016-2020

The PSU achieved what was entrusted by APEC Structural Ministers in 2015 – assessing APEC economies' progress in structural reform efforts through a mid-term review and final review in 2018 and 2020, respectively. APEC had made good strides, both collectively and individually, in advancing RAASR. However, backtracking, decline and uneven progress in a number of indicators indicated that RAASR had not been fully accomplished. A number of recommendations was provided to EC for the next iteration of APEC's structural reform agenda. Some of these include: (1) continuing with some of the existing areas even as it tackles other challenges and adapts to the changing landscape; (2) acting decisively to ensure that a new structural reform agenda contributes not only to tackling the challenging tasks at hand, but also to building resilience in the region against shocks similar to COVID-19 pandemic in the future; and (3) reinforcing the importance of holistic approaches to structural reform efforts in the next agenda.

The final review was presented to EC and noted by Senior Officials. It will be presented to the Structural Reform Ministers' Meeting in 2021.

I. Technical Support to RAASR Action Team in Preparation of Input Papers for Structural Reform Ministers' Meeting

Continuing the work on RAASR, the PSU provided technical support to the RAASR Action Team, an informal group set up by EC to take forward work on planning priorities for the successor to RAASR, in the preparation of input papers for the Structural Reform Ministers' Meeting. The support consisted of providing comments on the terms of reference for recruitment of external consultants, scoring proposal submissions, and reviewing draft input papers prepared by the consultants. The inputs papers covered the three topics on: (1) Adapting APEC's structural reform efforts to the digital economy; (2) Advancing progress of unfinished business from RAASR for inclusive growth; and (3) Leveraging structural reform for improved labour productivity and sustainable growth.

APEC Ministers noted the progress and urged economies to finalize the enhanced structural reform agenda. APEC Leaders also emphasized the importance of structural reforms – recognizing the need for continued structural reforms to improve the ways of doing business and unleash economic prosperity for the people, as well as reaffirming support for structural reforms that drive innovation, productivity and sustainable growth.

For SOM Steering Committee on Economic and Technical Cooperation (SCE)

J. Implementing Inclusion: APEC Case Studies on Inclusive Policies

The PSU contributed to the SCE project by synthesizing case studies provided by eight APEC economies to identify good practices in promoting inclusive growth as well as the common factors contributing to both economic growth and inclusion. It reported that inequality in the region in terms of income gaps have been growing and persistent. Drawing on economic literature and case studies from the economies, it discussed inclusion in the context of APEC: what it means, how economies have implemented it, and where it fits into APEC's work. It recommended operationalizing the APEC Leaders' mandates on inclusion, facilitating cross-fora collaboration, and mainstreaming inclusion in APEC projects and discussions.

K. Overview of the SME Sector in the APEC Region: Key Issues on Market Access and Internationalization

For Small and Medium Enterprises Working Group (SMEWG). An update to a previous study conducted by the PSU in 2010, the report presented an overview of the SME sector across the APEC region – a profile of SMEs and their contribution to the economy. A key finding was that there are nearly 150 million businesses considered to be SMEs across the APEC region, accounting for around two-thirds of employment. The report also discussed the market access and internationalization of SMEs. It looked at policies that aim to raise the level of engagement of SMEs in cross-border activities, particularly through increasing exports, as well as some initiatives currently in place among APEC economies to improve the internationalization of SMEs. Recommendations to increase the internationalization of SMEs were also provided.

Others

L. Support to Event Organization

The panel on regional economic outlook has become a mainstay in EC plenary meetings. The PSU supported EC in organizing a panel with a focus on regional economic outlook during EC1 Plenary Meeting (Putrajaya, February 2020). In addition to organizing speakers from the ADB, OECD and ASEAN Secretariat, PSU Director facilitated and spoke in the panel.

M. Participation in Meetings and Events

The First Senior Officials' Meeting (SOM) and Related Meetings took place in Putrajaya from 3 February to 22 February. Following the announcement of COVID-19 as a pandemic by the World Health Organization on 11 March, all subsequent APEC meetings and events were held virtually using online platforms. This allowed the PSU to increase and widen its participation in meetings and events spanning across the APEC structure.

At the level of Economic Leaders,

- (1) APEC Economic Leaders' Meeting (20 November)

At the level of Ministers,

- (1) Finance Ministers' Meeting (FMM) (25 September): The PSU participated in a brainstorming session for the APEC Finance Ministers' Process 2020 priority areas (Putrajaya, 21 January), three preparatory meetings leading to the Virtual FMM (17 August, 4 September, 15 September), and gave a presentation on APEC Regional Trends Analysis during the Virtual FMM.
- (2) 10th High-Level Meeting on Health and the Economy (23 September): The PSU addressed the topic on COVID-19 and the economic imperative for investing in health in a panel on moving from impacts to investments for resilient economies.
- (3) Others: Ministers Responsible for Trade Meeting (25 July), 2020 APEC Women and the Economy Forum (30 September), and APEC Ministerial Meeting (16 November).

At the levels of Senior Officials, committees and fora, the PSU's participation covered:

- (4) SOM from the First to the Concluding SOM and the two virtual extraordinary meetings held in between, then to the Informal SOM. Other meetings and events were: SOM Friends of the Chair on Connectivity Meeting; High Level Multi-Stakeholder Dialogue on Post-2020 Vision; SOM Dedicated Sessions on Post-2020 Vision; and SOM-Level Policy Dialogue on Beyond GDP.
- (5) Committee on Trade and Investment (CTI) plenary and virtual extraordinary meetings, as well as events convened with the OECD and World Economic Forum.
- (6) CTI fora, specifically the Digital Economy Steering Group (DESG), Group on Services (GOS), and Investment Experts' Group (IEG). Other related activities were convened by the APEC Alliance for Supply Chain Connectivity (A2C2) and the Asia-Pacific Model E-Port Network (APMEN).
- (7) Economic Committee (EC) plenary and informal meetings.
- (8) SOM Steering Committee on Economic and Technical Cooperation (SCE) meetings.
- (9) SCE fora, specifically the Experts Group on Illegal Logging and Associated Trade (EGILAT), Human Resources Development Working Group (HRDWG), Policy Partnership on Women and the Economy (PPWE), Small and Medium Enterprises Working Group (SMEWG), and the Tourism Working Group (TWG).
- (10) Budget and Management Committee (BMC) meetings.
- (11) Others, specifically the Policy Partnership on Food Security (PPFS) as well as events convened by the APEC Business Advisory Council (ABAC) and the APEC Study Centres Consortium (ASCC).

The full list of the PSU's participation in APEC meetings and events can be found in the two PSU half-year evaluation reports prepared for 2020.

CURRENT PROJECTS - DISCRETE

For Committee on Trade and Investment (CTI)

A. Peer Review and Capacity Building on APEC Infrastructure Development and Investment (Reviewed Economy: Papua New Guinea)

After the Philippines; Viet Nam; and Indonesia, Papua New Guinea becomes the fourth economy to be reviewed under the mechanism on 'Peer Review and Capacity Building on APEC Infrastructure Development and Investment'. There is a two-fold objective to the project: (1) conduct a peer review on policies and practices, including relevant laws, regulations and guidelines relating to the planning, selection and implementation process of infrastructure projects in Papua New Guinea, and (2) identify capacity building needs based on the results of the peer review. The sectors covered by the review are road, sea port and airport infrastructure.

Tasked by CTI, the PSU continues to support the project by taking on the role of an ad-hoc review team secretariat, and will work collaboratively with Japan (facilitating economy), Australia and the United States (co-facilitating economies), and external experts (review team) in the process. The project is due for completion in late 2021.

B. APEC Supply-Chain Connectivity Framework Action Plan (SCFAP) 2017-2020: Final Assessment

Continuing the involvement from the first phase of SCFAP (2010-2015) and at the request of CTI, the PSU will be reviewing the implementation of the second phase of SCFAP (2017-2020). The interim review was completed in 2019 while the final review will take place in 2021.

The final review will assess how APEC has fared in unblocking the five supply chain chokepoints, namely: (1) lack of coordinated border management and underdeveloped border clearance and procedures; (2) inadequate quality and lack of access to transportation infrastructure and services; (3) unreliable logistics services and high logistical costs; (4) limited regulatory cooperation and best practices; and (5) underdeveloped policy and regulatory infrastructure for e-commerce. The analysis will be based on voluntary case study submissions from economies, and external indicators included in the Review of External Indicators to Monitor Progress for SCFAP-II that the PSU prepared in 2017. The assessment will be completed in the last quarter of 2021.

For SOM Steering Committee on Economic and Technical Cooperation (SCE)

C. Compendium of Resources for the Facilitation of the Trade and Distribution of Legally Harvested Forest Products in the APEC Region

Experts Group on Illegal Logging and Associated Trade (EGILAT). This project supports the EGILAT's goal to promote trade in legally harvested forest products by preparing a compendium of resources that will assist timber operators in conducting trade in legally harvested forest products. The compendium will consist of resources and tools, including economy risk assessments, economy guides, timber legislations and legality frameworks that have been created by relevant parties to facilitate trade in legal forest products. The project is expected for completion in the last quarter of 2021.

Others

D. Other Projects

The PSU has been engaged in preliminary discussion on a few projects – with CTI on research on voluntary measures facilitating the essential movement of people across borders; with EC on AEPR 2021 on Structural Reform and Future of Work; with GOS on a mid-term review of

the APEC Services Competitiveness Roadmap; and with APEC 2020 SOM Chair's Office on the proposed policy tracker under the COVID-19 Latest and Immediate Virtual Exchange (or COVID-19 LIVE).

CURRENT PROJECTS - ONGOING

A. APEC Regional Trends Analysis

The PSU publishes the APEC Regional Trends Analysis report two times a year. The May report, with a theme chapter on "What Goes Around Comes Around: Pivoting to a Circular Economy" discussed a more sustainable production model — the circular economy — which minimizes waste and optimizes resource use by incorporating reuse, repurposing and recycling of materials into manufacturing and logistics. It discussed new business and trade opportunities provided by the circular economy in general and during the COVID-19 pandemic. Regional cooperation has an important role to play in facilitating the transition to a circular economy.

The next chapter on economic and trade trends showed that the APEC region had been slowing down in 2019, even before the onset of the pandemic. The region's GDP growth slowed down to 3.6% in 2019 while merchandise trade value contracted due to uncertainty arising largely from persistent trade and technology tensions. In 2020, the APEC region was expected to contract by 2.7% due to the economic fallout from the pandemic, equivalent to an estimated output loss of USD 2.1 trillion. Getting back on the path of economic recovery post-pandemic requires a coordinated approach that could only be achieved through regional cooperation. APEC as a region needs to bolster health systems, improve social protection, exercise prudent fiscal management, and maintain monetary stability to be able to deploy emergency measures during episodes of crisis.

In the November report, the theme chapter on "New Virus, Old Challenges and Rebuilding a Better Asia-Pacific" discussed how the COVID-19 has mercilessly exploited old challenges of environmental damage and growing inequality that have not been adequately addressed. It has also accelerated the process of digitalization, with adoption of digital solutions no longer an option but a necessity. The pandemic has shown the importance of a coordinated and cooperative response to regional and global crises. Economies will need to share experience and information, develop trust, and build avenues for cooperation and policy coordination.

The other chapter showed the impact of COVID-19 on APEC region's economy, which contracted by 3.7% in the first half of 2020. Trading activity in the region was adversely affected by the combined impact of the temporary closure of borders, disruptions in global supply chains, proliferation of trade-restrictive measures, and persistent trade and technology tensions. The APEC region was expected to contract by 2.5% for 2020, equivalent to an output loss of around USD 1.8 trillion, while a recovery could be initiated in 2021, hinged on virus containment and continued policy support measures. There are risks ahead, but there are also opportunities to build back better, stronger and more resilient economies.

In addition to the biannual reports, the PSU published a special update in July 2020 reflecting revised economic growth estimates in relation to the pandemic.

B. PSU Policy Brief Series

The PSU published a record of 10 policy briefs in 2020, fueled primarily by a need to inform APEC policy response to the COVID-19 pandemic:

- (1) Do Public Capital Investments have an Impact on Economic Growth? (No. 29, January):
This brief contributed to better understanding of the relationship between capital investment and growth. It complemented existing literature by examining the relationship between different types of capital and growth using a global dataset, and provided key takeaways for the APEC region.

- (2) Circular Economy: Don't let Waste go to Waste (No. 30, January): This brief considered the transformation to a circular economy as a response to the growing waste crisis. It discussed the waste problem in APEC and presented the benefits of circular practices in ensuring almost zero waste generation. It also discussed policies to enable the smooth adoption of circular economy principles and the role for APEC.
- (3) APEC in the Epicentre of COVID-19 (No. 31, April): This brief offered a glimpse into how the COVID-19 pandemic had impacted the APEC region. The economic fallout from the pandemic was expected to lead to a contraction in real GDP, output loss, and millions of workers unemployed. The healthcare systems also came under strain. APEC economies had responded with fiscal and monetary measures, targeting at bolstering health systems and providing direct support to households and businesses. The brief put the spotlight on regional cooperation: during a pandemic it is even more imperative that economies come together to exchange health information, keep open the supply chains for medical and food products, and coordinate policy responses.
- (4) Promoting Trade in Medical Products to Tackle COVID-19 Challenges (No. 32, April): The brief highlighted the importance of trade in medical goods, analyzed the tariff levels affecting these products in the APEC region, and provided policy recommendations to facilitate the provision of medical goods. Additionally, it offered suggestions on what APEC could do collectively to ensure that economies are able to access these vital products to combat COVID-19.
- (5) Export Restrictions and Food Security in the Context of the COVID-19 Pandemic (No. 33, May): The brief provided an overview of the WTO rules on export bans and restrictions, and argued that governments should adopt an open trade policy as one of the most important tools to improve food security. It looked at the current situation in the APEC region concerning the implementation of export bans and restrictions targeting food products, and evaluated food security in the region by looking at food stocks and consumption levels. It also provided recommendations on what APEC fora could do collectively to ensure the provision of food in APEC economies.
- (6) COVID-19, 4IR and the Future of Work (No. 34, June): Marking the first of a series of policy briefs that was co-authored with The Asia Foundation (TAF), this brief discussed how the pandemic is contributing to the accelerated deployment of Fourth Industrial Revolution (4IR) automation technologies, and how it will impact not only the manufacturing sector but also white collar jobs in both front- and back-office contexts, thus complicating post-pandemic job recovery in the APEC region. It offered recommendations on regional- and economy-level policy actions that could mitigate the risks of labour market disruption and jobless economic recovery in the aftermath of the crisis.
- (7) Supporting MSMEs' Digitalization Amid COVID-19 (No. 35, July): Another collaboration with TAF, this brief focused on the challenges, risks, and opportunities of MSME digitalization efforts over the immediate, near-term often characterized as the "New Normal". It outlined how digital solutions can be used to support MSMEs as the COVID-19 situation evolves, and described numerous examples of existing technology solutions and partnerships that are currently underway in APEC. It also offered a set of policy recommendations that could facilitate MSMEs' digitalization efforts in the near-term, before concluding with an eye towards the future, noting how the right mix of policies can build long-term enterprise resilience and more innovative economies.
- (8) Food Security Response Measures to COVID-19 (No. 36, October): This brief provided an overview of current global and regional food security and highlighted a number of best practices that APEC economies could implement to address some of the challenges caused by COVID-19 and improve resiliency in food systems. It also offered suggestions on what APEC could do to help improve regional food security.
- (9) Managing Risks in Global Value Chains: Strengthening Resilience in the APEC Region (No. 37, December): This brief examined supply chain resilience, a pertinent topic since supply chains have been negatively affected by COVID-19. It identified the key pillars that

are important to measuring value chain strength, and provided a comparative analysis of APEC's value chain strength vis-à-vis other regional groupings. The brief reinforced the message that APEC economies should aim to be more resilient and the region to redouble its commitment to strengthening the institutions, structures and facilities that are key to stronger economic resilience in the face of systemic risks.

(10) Women, COVID-19 and the Future of Work (No. 38, December): This brief outlined the impact of COVID-19 on women in the economy, recommended immediate actions to mitigate the disproportionate impact of the pandemic on women, and proposed steps that APEC can take to address existing inequalities so that women can capitalize on opportunities emerging from the changing nature of work as COVID-19 ushers in new ways of doing business.

C. StatsAPEC

StatsAPEC (statistics.apec.org) is a statistics portal with data dating back to APEC's inception in 1989. The PSU updates the portal consisting of two databases – Key Indicators and Bilateral Linkages – two times a year with data from over 30 data providers. Data for 2019 are available for most indicators and APEC economies after the updates in June and December 2020. The portal has also been given a new look 10 years after it was launched.

D. APEC in Charts

APEC in Charts has remained well received since its debut in 2013. The annual publication depicts the economic, trade, investment and policy-related performance of the APEC region in the form of charts. This year's issue which incorporated elements related to COVID-19 was published during the APEC Economic Leaders' Week in November. The next issue will be published in November 2021.

E. Renewed APEC Agenda for Structural Reform (RAASR) Sub-Fund Assessment Group

A role it has assumed since 2017 as part of the assessment group for the RAASR Sub-Fund, the PSU continues to provide advice and feedback on the concept notes submitted by APEC economies when applying for project funding under the sub-fund.

F. Support to APEC Services Competitiveness Roadmap (ASCR)

As tasked under the Implementation Plan of the ASCR, the PSU has been supporting the Group on Services (GOS) in monitoring the progress of the Roadmap. This year, the PSU participated in a Webinar on Advancing the Services Trade Agenda in APEC: Analytical Application of the STRI – Trade Cost Implications of Services Barriers (15 September). The PSU also provided technical inputs to the proposal on mid-term review of ASCR in 2021.

MANAGEMENT AND ACCOUNTABILITY

ROLE AND STRUCTURE

The PSU was established in 2008 as APEC's research and analysis arm. The founding principles and expectations of the PSU are set out in the [PSU Governance Arrangements](#).

The PSU comprises a Board and staff under the management of the PSU Director. The Board is made up of:

- representatives from each of the current, immediate past and next host economies (often referred to collectively as the 'troika');
- a representative of each contributing economy; and
- APEC Secretariat Executive Director, PSU Director, and chairs of the CTI, EC and SFOM in an ex-officio capacity.

The Chair of the Board is the current SOM Chair (represented by his delegate). The Vice-Chair is the Senior Official (represented by her delegate) of the next host economy. Members have agreed that where a member economy is nominally entitled to more than one representative on the PSU Board, due to being both a troika member and a contributing economy, that economy would only send a single representative to sit on the Board. PSU Board decisions are made by consensus.

PSU research professionals are contracted employees, recruited on merit through an internationally competitive selection process. Information on the PSU Board members and PSU staff members in 2020 are set out in the 'About the PSU' section in this annual report.

KEY RESPONSIBILITIES

The PSU Board provides strategic guidance to the PSU. The PSU Director is responsible for implementing the principal objectives of the PSU, while ensuring its work program is undertaken in a timely manner, and managing its budget and procurement of consultants.

The Senior Analysts assist in research, project management and supervision of staff. With respect to financial management, accounting services are outsourced and the PSU Director and Administrative Executive are responsible for financial management.

CONTRIBUTIONS IN 2020

The PSU received financial and in-kind contributions from the following APEC economies in 2020:

APEC economies	Contributions (in original currency)	Contributions (in SGD)
Financial contributions:		
Australia	AUD 550,000	SGD 525,490
China	USD 200,000	SGD 264,850
Japan	JPY 33,350,000, SGD 325,000	SGD 772,690
Korea	USD 246,752.17	SGD 342,221
New Zealand	NZD 130,000	SGD 116,833
The Philippines	PHP 400,000	SGD 11,021
Chinese Taipei	USD 50,000	SGD 67,288
United States	USD 400,000	SGD 529,700
In-kind contributions:		
Singapore	Office space	

The PSU also accepted a grant of USD 72,500 from The Asia Foundation for the purpose of supporting fellowship/internship and research on topics related to the digital economy. The grant period is from September 2020 to December 2021. The PSU received 95% of the grant (USD 68,875 / SGD 94,193) in 2020.

FINANCIAL STATEMENTS 2020

AUDITOR'S REPORT

As required by the PSU Governance Arrangements, the auditor's report on the financial statements for the financial year ended 31 December 2020 is presented.

APEC POLICY SUPPORT UNIT

ANNUAL REPORT

31 DECEMBER 2020

UNITY ADVANCE LLP
Chartered Accountants
Singapore

**APEC POLICY SUPPORT UNIT
ASIA-PACIFIC ECONOMIC COOPERATION (APEC) SECRETARIAT**

CORPORATE DATA

Director Dr. Hew Wei Yen (Denis Hew)

Registered office 35 Heng Mui Keng Terrace
Singapore 119616

Banker DBS Bank Limited

Auditor UNITY ADVANCE LLP

APEC POLICY SUPPORT UNIT**STATEMENT BY THE DIRECTOR**

In our opinion, the accompanying financial statements with the notes thereon, are drawn up in accordance with the Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the PSU as at 31 December 2020 and the statement of comprehensive income, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The Director has, on the date of this statement, authorised these financial statements for issue.

The Sole Director



Dr. Hew Wei Yen (Denis Hew)
Director

Singapore

4 May 2021



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF APEC POLICY SUPPORT UNIT (PSU) BOARD
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of APEC POLICY SUPPORT UNIT (the "PSU"), as at 31 December 2020, which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the PSU as at 31 December 2020 and of the financial performance and cash flows of the PSU for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PSU in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the FRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the PSU's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the PSU or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the PSU's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT (Continued)
TO THE MEMBERS OF APEC POLICY SUPPORT UNIT (PSU) BOARD
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the PSU's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the PSU's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the PSU to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT (Continued)
TO THE MEMBERS OF APEC POLICY SUPPORT UNIT (PSU) BOARD
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Unity Advance LLP

UNITY ADVANCE LLP
Public Accountants and
Chartered Accountants

Singapore, 4 May 2021

APEC POLICY SUPPORT UNIT

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	2020 \$	2019 \$
ASSETS			
Plant and equipment	4	13,089	23,598
Current assets			
Contribution receivable	5	264,850	40,068
Other receivables	6	17,671	73,864
Cash and short term deposit	7	10,392,183	10,078,496
		<u>10,674,704</u>	<u>10,192,428</u>
Total assets		<u><u>10,687,793</u></u>	<u><u>10,216,026</u></u>
LIABILITIES			
Current liabilities			
Other payables	8	154,528	65,727
		<u>154,528</u>	<u>65,727</u>
Net assets		<u><u>10,533,265</u></u>	<u><u>10,150,299</u></u>
Represented by:			
Accumulated fund	9	<u><u>10,533,265</u></u>	<u><u>10,150,299</u></u>

The accompanying notes form an integral part of the financial statements.

APEC POLICY SUPPORT UNIT

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Revenue	10	2,630,093	2,624,782
Other income	11	200,356	162,016
Administrative expenditure	12	(2,447,483)	(2,659,845)
Surplus for the year		<u>382,966</u>	<u>126,953</u>

The accompanying notes form an integral part of the financial statements.

APEC POLICY SUPPORT UNIT

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Surplus for the year		382,966	126,953
Adjustments for:			
Depreciation of plant and equipment		10,864	12,116
Fixed deposit interest		(99,620)	(161,746)
		<u>294,210</u>	<u>(22,677)</u>
Change in working capital			
Increase in:			
Contribution receivable		(224,782)	(40,068)
Other receivables		56,193	(2,991)
Increase / (Decrease) in:			
Other payables		88,801	(33,385)
		<u>(79,788)</u>	<u>(76,444)</u>
Net cash from / (used in) from operating activities		<u>214,422</u>	<u>(99,121)</u>
Cash flows from investing activities			
Purchase of plant and equipment		(355)	(28,206)
Fixed deposit interest		99,620	161,746
Net cash flows from investing activities		<u>99,265</u>	<u>133,540</u>
Cash flows from financing activities			
		-	-
Net increase in cash and cash equivalents		<u>313,687</u>	<u>34,419</u>
Cash and cash equivalent at beginning of year		<u>10,078,496</u>	<u>10,044,077</u>
Cash and cash equivalent at end of year	7	<u><u>10,392,183</u></u>	<u><u>10,078,496</u></u>

The accompanying notes form an integral part of the financial statements.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

The financial statements are expressed in Singapore dollars (\$).

The principal activities of the APEC Policy Support Unit (PSU) include the following:

- I. Undertaking analytical work or commissioning research for consideration by APEC committees;
- II. Preparing policy dialogue papers for APEC committees;
- III. Evaluating progress in implementation of policy measures; and
- IV. Identifying high level policy principles and best practice.

The Asia-Pacific Economic Cooperation (APEC) Secretariat (the "Secretariat") is a body corporate established in the Republic of Singapore under the International Organisations (Immunities and Privileges) Act. The principal place of operations of the Secretariat is located at 35 Heng Mui Keng Terrace, Singapore 119616.

The PSU become active in August 2008 as a new function within the Secretariat with a mandate to provide a policy and research capability to assist in the implementation of APEC's ongoing regional economic integration agenda. It currently focuses on behind-the-border (structural) economic reforms and at-the-border trade policy reforms; both of which contribute to increase living standards in APEC economies and the enhancement of trade and investment amongst them. It is funded differently from the Secretariat under arrangements as set out in the APEC PSU Governance Arrangements.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the PSU have been drawn up in accordance with Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the PSU's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the PSU has adopted all the new and amended standards which are relevant to the PSU and are effective for annual financial periods beginning on or after 1 January 2020. The adoption of these standards did not have any material effect on the financial performance or position of the PSU.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

2. Summary of significant accounting policies (Continued)

2.3 Standards issued but not yet effective

The PSU has not adopted the following applicable standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendment to FRS 116 <i>Leases: Covid-19-Related Rent Concessions</i>	1 June 2020
Amendments to FRS 109 <i>Financial Instruments</i> , FRS 39 <i>Financial Instruments: Recognition and Measurement</i> , FRS 107 <i>Financial Instruments: Disclosures</i> , FRS 104 <i>Insurance Contracts</i> , FRS 116 <i>Leases: Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Amendments to FRS 16 <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Amendments to FRS 37 <i>Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to FRS 110 <i>Consolidated Financial Statements</i> and FRS 28 <i>Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

Certain new accounting standards and interpretations have been published that are mandatory for accounting years beginning on or after 1 January 2020.

The PSU does not expect that adoption of these accounting standards and interpretations will have a material impact on its financial statements in the year of initial application.

The director expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 Plant and equipment

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment losses.

The cost of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be operating in the manner intended by management.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (Continued)

2. Summary of significant accounting policies (Continued)

2.4 Plant and equipment (Continued)

Depreciation of plant and equipment is calculated on the straight line method so as to write off the cost of the assets over their estimated useful lives as follows:

Computer	3 years
Furniture and fittings	3 years
Office equipment	3 years
Software	3 years

The residual values, useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of comprehensive income when the changes arise.

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the PSU and the cost of the item can be measured reliably. All other repair and maintenance expense is recognised in the profit or loss when incurred.

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the profit or loss.

2.5 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the PSU measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Contribution receivable is measured at the amount of consideration to which the PSU expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in financial assets

Subsequent measurement of financial assets depends on the PSU's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of financial assets are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The PSU only has financial assets at amortised cost.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

2. Summary of significant accounting policies (Continued)

2.5 Financial instruments (Continued)

(a) Financial assets (Continued)

Subsequent measurement (Continued)*Investments in financial assets (Continued)*

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for financial asset is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the PSU becomes a party to the contractual provisions of the financial instrument. The PSU determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

APEC POLICY SUPPORT UNIT

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)**

2. Summary of significant accounting policies (Continued)

2.6 Impairment of financial assets

The PSU recognises an allowance for expected credit losses (ECLs) for all financial assets not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the PSU expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For contribution receivable, the PSU applies a simplified approach in calculating ECLs. Therefore, the PSU does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The PSU has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the receivables and the economic environment which could affect receivables' ability to pay.

2.7 Impairment of non-financial assets

The PSU considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the PSU may also consider a financial asset to be in default when internal or external information indicates that the PSU is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the PSU. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The PSU assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists (or, where applicable, when an annual impairment testing for an asset is required), the PSU makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

2. Summary of significant accounting policies (Continued)

2.8 Employee benefits

(a) Defined contribution plans

Contributions made to defined contribution plans, the Central Provident Fund ("CPF") are recognised as an expense in the statement of comprehensive income as incurred.

(b) Employee paid leave entitlement

Employee paid leave entitlement is recognised when they accrue to employees. A provision is made for the estimated liability for unconsumed leave as a result of services rendered by employees up to reporting date.

2.9 Income Tax

The PSU, as a special unit within the Secretariat, is similarly exempted from tax liability in respect of its income generated from its principal activities by virtue of the provisions of Section 11(1) of the Singapore Income Tax Act, Chapter 134.

2.10 Operating lease

Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and fixed deposits.

2.12 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the PSU are measured using the currency of the primary environment in which the PSU operates ("the functional currency"). The financial statements are presented in Singapore dollars, which is the PSU's functional and presentation currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.13 Provisions

Provisions are recognised when the PSU has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

2. Summary of significant accounting policies (Continued)

2.14 Revenue recognition

Revenue is measured based on the voluntary contributions from member economies to which the PSU expects to be entitled in exchange for transferring promised goods or services to the member economies, excluding amounts collected on behalf of third parties. Revenue is recognised at the point in time when the PSU obtains the rights to receive cash from the respective member economies.

(a) Contribution from member economies

The PSU is funded by voluntary contributions and overseen by a governance board. Contribution from member economies are recognised on a cash receipt basis.

(b) Interest income

Interest on fixed deposit is recognised on time-proportion basis using the effective interest method.

3. Significant accounting judgements and estimates

The preparation of the PSU's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The PSU based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the PSU. Such changes are reflected in the assumptions when they occur.

Expected credit loss (ECL)

The PSU did not provide detailed information on how the forecast economic conditions have been incorporated in the determination of ECL because the impact is not significant. Entity is expected to provide more detailed information if the forward-looking information has a significant impact in the calculation of ECL.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

4. Plant and equipment

	Computer \$	Furniture and fittings \$	Office equipment \$	Software \$	Total \$
At cost					
At 1.1.2019	57,563	15,172	10,479	9,426	92,640
Additions	27,636	570	-	-	28,206
At 31.12.2019 and 1.1.2020	85,199	15,742	10,479	9,426	120,846
Additions	-	355	-	-	355
At 31.12.2020	85,199	16,097	10,479	9,426	121,201
Accumulated depreciation					
At 1.1.2019	50,333	15,069	10,304	9,426	85,132
Charge for the year	11,850	167	99	-	12,116
At 31.12.2019 and 1.1.2020	62,183	15,236	10,403	9,426	97,248
Charge for the year	10,579	210	75	-	10,864
At 31.12.2020	72,762	15,446	10,478	9,426	108,112
Net book value					
As at 31.12.2020	12,437	651	1	-	13,089
As at 31.12.2019	23,016	506	76	-	23,598

5. Contribution receivable

	2020 \$	2019 \$
Member economy	264,850	40,068

Contribution receivable is non-interest bearing and is generally on cash receipt basis.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

6. Other receivables

	2020	2019
	\$	\$
Prepayments	13,276	14,588
GST recoverable	1,447	6,368
Interest receivable	2,948	52,846
Other receivables	-	62
	<u>17,671</u>	<u>73,864</u>

7. Cash and short-term deposits

	2020	2019
	\$	\$
Bank balances	2,427,851	2,225,458
Fixed deposits	7,964,332	7,853,038
	<u>10,392,183</u>	<u>10,078,496</u>

Fixed deposits are placed with financial institutions and earn interest at the rates ranging from 0.08% to 2.6% per annum (2019: 1.38% to 2.6%). The fixed deposits are on auto rollover and have maturity terms of 183 days to 365 days (2019: 183 days to 267 days) from the reporting date.

8. Other payables

	2020	2019
	\$	\$
Accrued operating expenses	82,302	65,727
Unutilised leave liabilities	72,226	-
	<u>154,528</u>	<u>65,727</u>

9. Accumulated funds

	2020	2019
	\$	\$
Movement in accumulated fund:		
At beginning of year	10,150,299	10,023,346
Surplus for the financial year	382,966	126,953
	<u>10,533,265</u>	<u>10,150,299</u>

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

10. Revenue

Contribution from member economies:

	2020	2019
	\$	\$
Australia	525,490	511,100
Chile	-	40,068
China	264,850	-
Hong Kong, China	-	269,622
Japan	772,690	640,059
Korea	342,221	415,948
New Zealand	116,833	116,360
The Philippines	11,021	30,605
Chinese Taipei	67,288	66,780
United States	529,700	534,240
	<u>2,630,093</u>	<u>2,624,782</u>

All the revenue are recognised at a point in time.

11. Other income

	2020	2019
	\$	\$
Fixed deposit interest	99,620	161,746
Others	100,736	270
	<u>200,356</u>	<u>162,016</u>

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

12. Administrative expenditure

	2020	2019
	\$	\$
Accountancy fee	6,000	5,400
Audit fee	3,800	3,800
Bank charges	952	1,026
Consultants and research fee	276,114	250,190
CPF and SDL	71,926	69,377
Data subscription	1,279	623
Depreciation of plant & equipment	10,864	12,116
Foreign currency exchanges loss	64,872	53,552
Function expenses	163	624
FWL	1,300	7,800
General expenses	26,470	15,293
Insurance	22,672	24,569
Medical fee	3,556	4,485
Newspaper and periodical	2,088	3,298
Office and building maintenance	38,241	39,181
Printing and stationery	5,109	16,489
Professional fee	2,817	7,070
Postage and courier	63	289
Rental - office equipment	1,680	1,680
Staff salaries and bonuses	1,665,252	1,570,180
Staff welfare	225,345	222,597
Telecommunication	2,989	5,008
Transportation	911	1,808
Travelling expenses	11,433	340,063
Utilities	1,587	3,327
	<u>2,447,483</u>	<u>2,659,845</u>

13. Leases

The PSU also has certain lease of equipment with lease of office equipment with low value. The PSU applies the 'lease of low-value asset' recognition exemptions for this lease.

Amount recognised in statement of comprehensive income as follow:

	2020	2019
	\$	\$
Lease expense not capitalised in lease liability:		
- Expense relating to lease of low-value asset	<u>1,680</u>	<u>1,680</u>

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

14. Low-value operating lease commitment

As at the end of the financial year, the commitment under low value operating lease for office equipment, but is not recognised as lease liability is as follows:

	2020 \$	2019 \$
Payable within 1 year	1,680	1,680
Payable after 1 year	2,100	3,780
	<u>3,780</u>	<u>5,460</u>

15. Financial Risk Management

The PSU's activities expose it to a variety of financial risks from its operation. The key financial risks include, credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The PSU Board reviews and agrees policies and procedures for the management of these risks, which are executed by the management. It is, and has been throughout the current and previous financial year, the PSU's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the PSU's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the PSU's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the PSU. The PSU has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The PSU performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the PSU's performance to developments affecting a particular industry.

Exposure to credit risk

The PSU has no significant concentration of credit risk. The PSU has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

15. Financial Risk Management (Continued)

(a) Credit risk

Financial assets that are neither past due nor impaired

Contribution receivable and other receivables that are neither past due nor impaired are with creditworthy receivables with good payment record with the PSU. Cash and cash equivalents are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 5.

(b) Liability risk

Liquidity risk refers to the risk that the PSU will encounter difficulties in meeting its short-term obligations due to shortage of funds. The PSU's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The PSU's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The PSU's operations are financed mainly through equity. The director is satisfied that funds are available to finance the operations of the PSU.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the PSU's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount \$	Contractual cash flows \$	Within 1 year \$	Within 2 to 5 years \$
As at 31.12.2020				
Financial assets				
Contribution receivable	264,850	264,850	264,850	-
Other receivables (excluding GST recoverable)	2,948	2,948	2,948	-
Fixed deposits	7,964,332	7,964,332	7,964,332	-
Cash and bank balances	2,427,851	2,427,851	2,427,851	-
	<u>10,659,981</u>	<u>10,659,981</u>	<u>10,659,981</u>	<u>-</u>
Financial liabilities				
Other payables	154,528	154,528	154,528	-
	<u>154,528</u>	<u>154,528</u>	<u>154,528</u>	<u>-</u>
Total net undiscounted financial assets	<u>10,505,453</u>	<u>10,505,453</u>	<u>10,505,453</u>	<u>-</u>

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

15. Financial Risk Management (Continued)

(b) Liability risk (Continued)

The table below summarises the maturity profile of the PSU's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount \$	Contractual cash flows \$	Within 1 year \$	Within 2 to 5 years \$
As at 31.12.2019				
Financial assets				
Contribution receivable	40,068	40,068	40,068	-
Other receivables	59,276	59,276	59,276	-
Fixed deposits	7,853,038	7,853,038	7,853,038	-
Cash and bank balances	2,225,458	2,225,458	2,225,458	-
	<u>10,177,840</u>	<u>10,177,840</u>	<u>10,177,840</u>	<u>-</u>
Financial liabilities				
Other payables	65,727	65,727	65,727	-
	<u>65,727</u>	<u>65,727</u>	<u>65,727</u>	<u>-</u>
Total net undiscounted financial assets	<u>10,112,113</u>	<u>10,112,113</u>	<u>10,112,113</u>	<u>-</u>

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the PSU's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(d) Interest rate risk

The PSU is exposed to interest rate risk through the impact of rate changes on interest earning assets.

Interests earning financial asset is mainly fixed deposit interest from financial institutions. The interest rates of the PSU is disclosed in the notes to the financial statements.

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

15. Financial Risk Management (Continued)

(d) Interest rate risk (Continued)

	2020 \$	2019 \$
Financial assets		
Fixed deposits	7,964,332	7,853,038

The sensitivity analysis below has been determined based on the exposure to interest rates for interest-bearing financial instruments at the end of the reporting date. A 1% increase or decrease is used for the possible change in interest rates.

If the interest rates had been 1% higher and all other variables were held constant, the PSU's surplus would increase, or deficit would decrease, by the amounts shown below:

	2020 \$	2019 \$
Effect on surplus or deficit	79,643	78,530

If the interest rates had been 1% lower and all other variables were held constant, the above would show an opposite effect.

(e) Foreign currency risk

The PSU's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the PSU does not have any formal policy for hedging against currency risk. The PSU ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The PSU has transactional currency exposures arising from income or expenditure that are denominated in a currency other than the functional currency of the PSU, i.e. USD.

	2020 \$	2019 \$
Financial assets		
Contribution receivables	264,850	-
Other receivables	2,367	40,960
Cash and cash equivalents	6,596,995	5,690,648
	<u>6,864,212</u>	<u>5,731,608</u>
Currency exposure	<u>6,864,212</u>	<u>5,731,608</u>

APEC POLICY SUPPORT UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Continued)

15. Financial Risk Management (Continued)

(e) Foreign currency risk (Continued)

A 5% strengthening of Singapore dollar against the foreign currency denominated balances as at the reporting date would decrease surplus, or increase deficit, by the amounts shown below. This analysis assumes that all other variables remain constant.

	Effect on surplus or deficit	
	2020	2019
	\$	\$
Financial assets	343,211	286,580

A 5% weakening of Singapore dollar against the foreign currency would have had the opposite effect that is equal to the amounts shown above, on the basis that all other variables remain constant.

16. Fair Value

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, fixed deposits, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

17. COVID-19 related disclosures

Management has not identified any material uncertainties resulting from the COVID-19 pandemic and the aftermath of the pandemic surrounding the PSU's business, and accordingly none is disclosed in these financial statements.

18. Authorisation for issue of Financial Statements

The financial statements for the financial year ended 31 December 2020 were authorised for issue by PSU Director on 4 May 2021.

ADDITIONAL NOTE

With reference to Notes to the Financial Statements for the Year Ended 31 December 2021, a breakdown of accrued operating expenses under Note 8 - Other payables is as follows:

Accrued operating expenses

	2020
	\$
2020 Q4 Expense Reimbursement (to APEC Secretariat)	7,116.72
2020 Q4 Professional Fees (to accountant, auditor and lawyer)	8,368.23
2020 Q4 Invoices (to vendors)	1,138.13
12/2020 Salary (to staff)	<u>65,679.30</u>
Total	<u><u>82,302.38</u></u>

ABOUT THE PSU

ESTABLISHMENT AND MANDATE

In September 2007, APEC Ministers agreed to establish a Policy Support Unit (PSU) attached to the APEC Secretariat. The unit, funded by voluntary contributions, was to provide analytical capacity, policy support and assistance in coordinating related capacity building for APEC's trade, investment and economic reform agenda and related Economic and Technical Cooperation (ECOTECH) activities. The underlying aim was to offer the potential for APEC fora to elevate the quality of their deliberations with access to tailor-made analytical work and provide for greater follow-up of initiatives intersessionally.

In March 2008, Senior Officials approved a foundation document for the PSU – [PSU Governance Arrangements](#) – and the PSU became operational a few months later in August. Since then, the PSU had gone through three reviews – in 2010, 2012 and 2017. The last (a mid-term) review led to the granting of an ongoing mandate to the PSU by APEC Ministers and Senior Officials. This means that with effect from 1 January 2018, the PSU will continue to operate as long as it has the financial resources. Financial sustainability of the PSU remains a topic of discussion for Senior Officials and the PSU Board.

VISION, MISSION AND OBJECTIVES

Vision: Recognized as an integral part of the APEC architecture and highly respected source of policy research and analysis, contributing to APEC's goal of supporting sustainable economic growth and prosperity in the Asia-Pacific region.

Mission: PSU is the policy research and analysis arm of APEC comprising openly recruited professionals working together with APEC Senior Officials and APEC fora, in improving the quality of their deliberations and decisions and promoting policies that support the achievement of APEC's goals, by providing objective and high quality research, analytical capacity and policy support capability.

Objectives: (1) Provide high-value policy research and analysis (actions - maintain quality and increase utility of the PSU products); (2) Raise profile as research and analysis arm of APEC (actions - disseminate the PSU products, and engage and foster existing and new partnerships); and (3) Ensure sustainability and enable future growth (actions - secure financial sustainability of the PSU, ensure appropriate staffing levels and mix in the PSU, and enhance research and analytical capability of the PSU).

RESEARCH AGENDA

The PSU pursues a policy research and analysis agenda that was developed since the first strategic plan (2013-2017). Over the years, the PSU has built a strong body of knowledge in the five core areas under the agenda, namely: (1) trade and investment liberalization and facilitation; (2) structural reform; (3) connectivity including supply chain connectivity and global supply chains; (4) economic and financial analysis; and (5) sustainable economic development.

The PSU recognizes that the agenda is not static as new goals and priorities could emerge in response to changes in the environment. There are two significant events this year – the declaration of the APEC Putrajaya Vision 2040 by APEC Economic Leaders, and the health and economic crisis brought on by the COVID-19 pandemic. Under the guidance of the PSU Board, the PSU will orient the agenda towards supporting the implementation of the new vision and resilient economic recovery of the region.

PSU BOARD MEMBERS

Datuk Bahria Mohd. Tamil, Malaysia	PSU Board Chair (current Host Economy)
Mrs Tamsin Royson, New Zealand	PSU Board Vice-Chair (next Host Economy)
Ms Catharina Muller, Chile	Immediate Past Host Economy representative
Mr David Jory; and Ms Tracey Bajenoff, Australia	Contributing Economies: SOM and/or their representatives
Mr Zhou Ningyu, China*	
Ms Helen Kwan; and Ms Joanie Fok, Hong Kong, China	
Mr Niikura Takayuki; and Mr Takuya Takeda, Japan	
Mr Lee Seong-ho; and Ms Hara Jang, Korea	
Mr Eric Tamayo; and Mr Oliver Cutamora Delfin, the Philippines	
Ms Chin Siew Fei, Singapore	
Mr Loong-Jin Chen, Chinese Taipei	
Ms Sandra Oudkirk; and Ms Deanne DeLima, USA	
Dr Rebecca Fatima Sta Maria	
Dr Denis Hew	APEC PSU Director
Ms Krasna Bobenrieth	CTI Chair
Mr James Ding	EC Chair
Dato Asri Hamidon, Malaysia	SFOM Chair

(*) In 2021.

PSU STAFF MEMBERS

Dr Denis Hew Wei Yen	PSU Director
Ms Chang Hui Ling	Administrative Executive
Ms Esther Neelavani d/o Magalingam	Administrative Assistant
Ms Aveline Low Bee Hui	Policy Advisor
Mr Carlos Kuriyama	Senior Analyst
Dr Akhmad Bayhaqi	Senior Analyst
Mr Emmanuel A. San Andres	Analyst
Mr Andre Wirjo	Analyst
Ms Rhea Crisologo Hernando	Researcher
Ms Divya Sangaraju	Researcher (until 31 October)
Ms Satvinderjit Kaur	Researcher
Ms Crystal Liu Jiquan	Researcher (until 6 April)
Mr Jason Carlo Ong Carranceja	Researcher
Mr Allan Goh Chye Soon	Researcher

Staff biographies are available on the [PSU website](#).