#### **Business Mobility Group (BMG)**

#### Report for the

#### CTI ANNUAL REPORT TO MINISTERS

#### For AMM's information

- (a) Key outcomes and achievements in 2024
  - In December 2023, CTI endorsed updated BMG Terms of Reference which included edits reflecting the new and endorsed **shared leadership model**. The shared leadership model states that Australia will continue to be Convenor of the BMG and will be supported by a Deputy Convenor from a volunteer economy, selected by consensus of the BMG, for a one-year term. In 2024, the BMG implemented the shared leadership model and undertook a fora endorsed process to seek nominations. At the conclusion of this process, the BMG endorsed an inaugural Deputy Convenor in March. The Deputy Convenor joined the Convenor in engagement with a number of stakeholders, assisted in the development of the agenda for BMG2 and provided valuable insight and leadership throughout the workshop and second meeting of the BMG
  - In the context of communication between ABTC administrators and with ABTC holders, a number of actions were also taken to improve communication, including: review of the ABTC Operating Framework to establish communication standards and practices between economy administrators; investigate possibility of updates to the ABTC Core inbox to allow for multiple economies to be selected for a message to be sent to and whether an improved alert system can be implemented; and, publication of where APEC lanes are located across all APEC members' land, air and sea ports.
  - Members of the BMG were invited to attend a workshop held in the margins of Senior Official Meeting (SOM) 3 to inform Australia's 'Performance Review Study of the ABTC Scheme' project, facilitated by Washington Core. The workshop was attended by 45 participants from 11 economies. Prior to the workshop, Washington Core conducted a pair of surveys to examine the current implementation of the ABTC scheme in each economy. One survey was provided to officials responsible for the operation of the ABTC Scheme, with the other survey provided to business associations that play a valuable role in the ABTC application process. Washington Core further undertook case studies on select economies, which were chosen to represent the varying nature of APEC members as well as due to their recent activities or challenges regarding the ABTC scheme. The workshop outcomes, survey finding and case studies all inform the development and delivery of a report to be finalized in 2024, which seeks to assess how well the ABTC scheme is function and meeting its goals in the post-pandemic era.
  - Through intersessional engagement, the BMG Convenor invited the APEC Business Advisory Council (ABAC) to present to the BMG. ABAC acknowledged its long-standing relationship with the BMG and the opportunity to engage more productively in 2024 and beyond. Following the endorsement of the members of the Regional

Economic Integration Working Group (REIWG), ABAC and BMG collaborated to develop a survey aimed at gathering business insights on areas of improvement for the ABTC. At BMG2, ABAC presented the findings of the survey, which indicated that the majority of ABTC holders valued access to the Scheme but application and pre-clearance times remained a concern. The final report was shared with the BMG following ABAC's endorsement. The survey was highly valuable and is a critical input to understanding the efficacy of the ABTC product and associated services. As a result, the Convenor committed to discuss with ABAC the opportunity to implement a regular survey of ABTC holders to track consumer sentiment.

- The BMG engaged in productive discussions about the sharing of information and integrity of the ABTC Scheme. Members discussed opportunities to improve preclearance processes and times through changes to the data collected from applicants and shared between economies. The Convenor advised that this was also raised in the 'Performance Review Study of the ABTC Scheme' workshop and that recommendations would likely be made to the BMG on data gaps, and how to progress the identification and implementation of additional data collection and sharing. Singapore led discussions on the impact of slow pre-clearance times, with economies citing risks and issues associated with: lost business communityconfidence, reputational damage, and costs to business due to the need to cancel travel in the absence of the relevant pre-clearance. Members also shared practices to mitigate the risks and issues, transitioning to the virtual ABTC and/or printing cards on request (ahead of normal practice due to incomplete pre-clearances from all economies), acceptance of an official letter from the home economy stating that the entrant has been granted an ABTC (Australia only), and maintaining communication with approved ABTC applicants.
- The APEC Communication and Public Affairs Unit (CPAU) presented to BMG1 to share insights arising the recently release Perception Survey report "Communicating the APEC Putrajaya Vision 2040". The CPAU referred to opportunities for the BMG to elevate the ABTC's visibility, and deconflict the recognition of the ABTC Scheme as an exclusive program, while it also seeks to improve and promote inclusivity; promote the ABTC Scheme through innovative, and targeted and improved communication methods and media, including engaging better through social media. The BMG Convenor committed to work with the CPAU to improve APEC's website for the ABTC, including to ensure language is simple and gender sensitive, and explore opportunities to promote the ABTC through social media.
- (b) Work undertaken by fora in pursuit of the <u>Putrajaya Vision 2040</u>, including through the <u>Aotearoa Plan of Action (APA)</u>

The BMG contributes to the Putrajaya Vision 2040 and all three APA economic drivers through:

- enhancement and digitization of the ABTC Scheme, including through seeking to improve transparency, simplicity, and reliability of the Scheme
- sharing innovations and best practices associated with safe and seamless crossborder travel facilitation and people-to-people connectivity, in consideration of economic resilience and recovery

 advancing inclusivity in the ABTC Scheme, including MSMEs and bona fide businesswomen.

## Supporting inclusivity and the advancement of gender equality

The BMG continues to explore opportunities and remove barriers to advancing inclusivity in the ABTC Scheme, including MSMEs and bona fide businesswomen. This includes discussions and activities on gender and the uptake of the ABTC; data gaps to report such information; the importance of gender equality in the ABTC and frontline staff at international ports; and, the implementation of policies and practices that support the advancement of inclusivity associated with the ABTC.

This focus directly aligns with 'Strong, Balanced, Secure, Sustainable and Inclusive Growth' within the Putrajaya Vision 2040, and the APA to: "Build on APEC's Agenda on Advancing Economic, Financial and Social Inclusion to enhance economic inclusion for all."

## **Online lodgment**

The APEC Business Travel Card (ABTC) facilitates short-term business travel within the APEC region by streamlining the entry process into APEC economies. It helps facilitate business-to-business interaction to boost economic growth in the region. Australia continues to work with Singapore and Thailand on a pilot to facilitate online lodgment. The progress towards online lodgment for economies will further streamline the application process for economies and its business travelers. This directly aligns with the objectives of the Putrajaya Vision 2040: "We will promote seamless connectivity, resilient supply chains and responsible business conduct" and APA to: "Improve digital connectivity in the region".

## **Virtual ABTC**

The BMG continues to explore ways to modernize the ABTC Scheme through initiatives aimed at digitizing and enhancing its efficiency and integrity. This includes ongoing work to transition all member economies to the virtual ABTC. This focus directly aligns with 'Innovation and Digitalisation' within the Putrajaya Vision 2040 and the APA to: "Adopt new and emerging technologies to stimulate growth, connectivity and digital transformation".

#### **Artificial Intelligence (AI)**

The BMG welcomed the opportunity to explore the current and future potential of AI – as well as consider challenges that it may present. The BMG invited a number of guests and economies to present to members. Members heard from APEC Policy Support Unit, on the role of governments in AI developments; AI characters, on behalf of the World Tourism and Travel Organisation, on its AI research and practice; United States on its Customs and Border Protection's use and exploration of AI; and, Australia on its AI Integrated Document Analysis and Screening Capability.

Continued focus and sharing of best practices aligns directly with 'Innovation and Digitalisation' within the Putrajaya Vision 2040 and the APA to: "Adopt new and emerging technologies to stimulate growth, connectivity and digital transformation".

Furthermore, this focus aligns with the APA to: "Build on APEC's Agenda on Advancing Economic, Financial and Social Inclusion to enhance economic inclusion for all."

# (c) Work Undertaken by the fora in response to Ministerial, SOM and CTI direction

- The BMG discussed the upcoming Fora Assessment renewal exercise (2025) and the opportunities for the BMG to undertake a holistic review of its terms of reference (ToR) and Operating Framework, should the CTI agree to the BMG's continuation.
- The Convenor raised that the ToR is focused narrowly on the economic driver of 'innovation and digitalization' through the ABTC Scheme and its post-COVID 19 recovery, and does not reflect the breadth of actual and potential contributions it does and should be making to all economic drivers— 'trade and investment', as it relates to modernising border agencies, working on the future of the ABTC Scheme, digitalising border processes, and promoting safe and efficient cross-border movement; and, 'strong, balanced, secure, sustainable and inclusive growth', through for example, the advancement of gender equality and economic empowerment of women through the implementation of the La Serena Roadmap; and, the promotion of start-ups and MSMEs with respect to their capacity to participate in the region's economy.
- The BMG agreed for the Convenor's Office to prepare suggestions for a future ToR that meets the interests and scope of the BMG as it has operated over at the last couple of years, and based on strategy work undertaken by the BMG in 2023. This will be undertaken alongside a holistic review the ABTC Operating Framework, as proposed by the Convenor.

## (d) Key Issues Under Discussion by the Fora (if any); &

- ABTC Inclusivity (MSME & Gender)
- AI and technological advancement
- Passport Checking Service (PCS)
- Consideration on extending the ABTC to business persons living and working in host economies
- Increasing data collected and shared between economies
- Outcomes and recommendations from Australia's 'Performance Review Study of the ABTC Scheme'

## (e) Private sector / Stakeholder engagement and cross-fora collaboration in 2024 (if any)

- APEC Business Advisory Council
- APEC Communications and Public Affairs Unit
- APEC Policy Support Unit
- APEC Project Management Unit
- Friends of the Chair on Connectivity
- Policy Partnership on Women and the Economy
- Small and Medium Enterprise Working Group
- Sub-Committee on Customs Procedures

## (f) Items to submit to Senior Officials or Ministers (if applicable)

• N/A			