

May 9, 2007

Mr. Michael Crouch ABAC Australia

Dear Mr. Crouch,

On behalf of the members of the Pacific Area Standards Congress (PASC), we wish to thank you for your tremendous and effective efforts taken to represent the APEC Business Advisory Council (ABAC) in its first meeting with the CEOs of the standards bodies of the APEC region at PASC 30 in Cartagena, Colombia on April 26, 2007.

The interest of the ABAC to seriously address the issues of standards and conformance in the region is encouraging and welcomed by the Asia Pacific standards and conformance communities as represented by PASC and the other APEC Specialist Regional Bodies (SRBs) in support of the APEC Committee on Trade and Investment/Sub-Committee on Standards and Conformance (CTI/SCSC).

We feel that this first meeting was a success, that the issues ABAC raises are of primary importance to PASC, and that PASC and ABAC should resolve to work closely together in identified key areas in order to most efficiently strive to achieve the APEC Bogor goal of free and open trade in the region through the reduction of business transaction costs – leveraging improvements in the standards and conformance infrastructures in the region.

Please find attached to this letter as the outcome of our recent meeting, the list of recommendations and specific actions that PASC is putting forward to ABAC for its assistance and collaboration.

We look forward to working with you and ABAC

Sincerely,

Gary W. Kushnier

Chair – PASC Standing Committee

Vice President of International Policy – American National Standards Institute

Cc. Mr. Geoffrey Brennan Executive Director – ABAC

Mr. Fabio Tobón PASC Chair (2007) Mr. Juichi Nagano PASC Secretary



Executive Summary

Following the successful meeting between the Pacific Area Standards Congress (PASC) and the APEC Business Advisory Council (ABAC) held 26 April 2007, PASC agreed to address the ABAC recommendations for collaboration in the following areas:

- 1. Program of Capacity Building
- 2. Program to Raise Awareness
- 3. Greater Regional Collaboration
- 4. Greater Harmonisation
- 5. Identification of Key Areas

In response, PASC provides eight specific recommended actions required by ABAC to achieve the above working together with PASC. These detailed recommendations are contained in the annex list. The top three recommendations are:

- 1) ABAC is encouraged to highlight in its annual Report to APEC Leaders the value that international standards can have in achieving the APEC Bogor goal of free and open trade in the region through the reduction of business transaction costs.
- 2) ABAC has identified priority areas such as health, security and food where steps to achieve harmonization/alignment of national standards in the Asia Pacific region with international standards would be undertaken in a reasonable timeframe. PASC commits to work in a timely fashion to harmonize/align these national standards with international standards and to do so for other specific prioritized areas identified by ABAC and communicated to PASC and the SCSC.
- 3) PASC unanimously agreed to a project on Security and Emergency Management Standards to deliver tangible positive results to business and government, and which may permit regional agreement on adoption of international standards. PASC seeks ABAC support of this PASC initiative developed in response to the ABAC recommendation.



FORWARD PROGRAM FOR STANDARDS AND BUSINESS

Following the dialogue meeting between the Pacific Area Standards Congress (PASC) and the APEC Business Advisory Council (ABAC) held 26 April 2007, PASC agreed on the following ABAC recommendations for collaboration:

1. Program of Capacity Building

PASC supports a program of capacity building that will facilitate strengthening of national standards structures where that is required.

2. Program to Raise Awareness

PASC supports greater awareness of the role and importance of standardisation in effective regional trade.

3. Greater Regional Collaboration

PASC supports steps for greater regional collaboration on standardisation.

4. Greater Harmonisation

PASC supports efforts to achieve more extensive harmonisation with international standards throughout APEC economies.

5. Identification of Key Areas

PASC supports agreement on identification of areas, which may permit regional agreement for adoption of international standards.

The specific recommended actions required by both the ABAC and PASC to achieve the above items are provided below:



1. Program of Capacity Building

PASC Action

PASC and the other APEC SRBs have developed a draft strategic plan for capacity building (A Strategic Plan for Technical Infrastructure Development in Support of Trade Facilitation for and in APEC Economies) working together with the APEC CTI/SCSC, as the primary mechanism within APEC for capacity building for standards and conformance in the region.

ABAC Action

Acknowledge and support the strategic plan as the primary mechanism within APEC for capacity building for standards and conformance in the region.

2. Program to Raise Awareness

ABAC Action

ABAC is encouraged to highlight in its annual Report to APEC Leaders the value that international standards can have in achieving the APEC Bogor goal of free and open trade in the region. The reference can seek APEC Leader assistance in disseminating this message within their governments and business communities, and should:

- Emphasise the value that international standards can have in contributing to free and open trade in the region through the reduction of business transaction costs;
- Increase the awareness and visibility among high-level business and government leaders of the need for sound policies in each economy that allow for and promote the use and reference of internationally accepted standards to meet trade and regulatory needs;
- Encourage industry and government leaders to budget for, and actively participate in, international standards development activities to harmonize technical and procedural criteria;
- Encourage regulatory authorities in each economy to consult and cooperate amongst themselves, with input from their private sectors, in the process of promulgating any new mandatory requirements and to reference compatible international standards in regulations wherever possible.

PASC Action

PASC will work with ABAC in action to maximise the value of the reference to standards in the annual ABAC Report to Leaders.

3. Greater Regional Collaboration

ABAC Actions

- ABAC is requested to invite a representative of PASC to future meetings where appropriate.
- ABAC members are requested to support the work of their respective national standards bodies. (A list of APEC national standards bodies contact information is given in Annex B.)

PASC & ABAC Action

PASC members and ABAC are urged to extend an invitation to industry leaders and regulators to attend the SCSC Good Regulatory Practice (GRP) conference and Standards and Conformance conference planned to be held in Peru in 2008. PASC members are also encouraged to provide input to the conferences in their capacity.



PASC Action

- PASC members are encouraged to develop closer ties with their national ABAC representatives to ensure greater coordination and stronger linkages between standards work and business goals in APEC
- PASC Secretary to make more information available for SMEs on the value of standards and their use in trade and regulations, through the PASC website for broad public dissemination.
- PASC members are encouraged to initiate and enhance their dialog with their regulators, to better understand and help in identifying their regulators' standards and conformance needs.
- PASC members are also encouraged to make strong efforts to educate their standards clients (regulators, businesses, etc.) on how to effectively use internationally harmonized standards.

4. Greater Harmonisation

ABAC Actions

- ABAC has identified the priority areas of health, security and food in which to achieve
 harmonization/alignment of national standards in the Asia Pacific region with international
 standards. ABAC is requested to forward to PASC, on an ongoing basis, lists of other specific
 priority areas for the business community for harmonisation/alignment of national standards
 with international standards.
- ABAC is encouraged to liaise with PASC and where appropriate other APEC Specialist Regional Bodies (SRBs) and the APEC/SCSC on issues of standards, conformance and its role supporting technical regulations (and facilitate trade), bringing together industry, standards developers and regulators.

PASC Actions

- PASC will work in a timely fashion to harmonise national standards with international standards in the areas from the priority list provided by ABAC.
- PASC will continue to work with the APEC CTI/SCSC and the other APEC SRBs on issues of standards, conformance and its role supporting technical regulations (and facilitate trade), bringing together industry, standards developers and regulators.

5. Identification of Key Areas

PASC Action

PASC unanimously agreed to a project on Security and Emergency Management Standards to deliver a "quick win" to also to deliver tangible positive results to business and government, and which may permit regional agreement on adoption of international standards. Details of the project are given in Annex A.

The Project offers a tried and tested methodology for use at national and regional level in support of international standards development related to security and emergency management, aligned to the ISO Security Advisory Group on Security (SAG-S) and its parent bodies - ISO/IEC/ITU.

ABAC Action

To support this PASC initiative developed in response to ABAC recommendations.



ANNEX A

THE INTERNATIONAL SECURITY AND EMERGENCY MANAGEMENT STANDARDS PROJECT

Purpose of this document

This document provides a <u>draft</u> overview of a potential project related to security and emergency management that could be undertaken under the auspices of ABAC (APEC Business Advisory Council).

Recommendation

Recently Standards Australia undertook a project named the Security Standards and Support Systems Project (4S Project) to identify the security standards needs of owners and operators of critical infrastructure. The project was supported by the Australian Commonwealth Attorney General and was considered very successful by stakeholders. The project also provided excellent information that helped to:

- Describe some of the issues, barriers and solutions related to protecting critical infrastructure;
- Identify the importance of standards to securing critical infrastructure;
- Identify and prioritise the standards required by the owners and operators of critical infrastructure;
- Identify the gaps between existing standards and the needs of the owners and operators of critical infrastructure;
- Make recommendations on how the gaps in standards may be addressed;
- Develop a blue-print for the development of a security standards framework that may be useful in identifying and categorising security standards.

It is recommended that the 4S Project be extended internationally under the banner of ABAC while supported by APEC, Pacific Area Standards Congress (PASC), the International Organization for Standardization (ISO), The International Electrotechnical Commission (IEC) and the International Telecommunications Union (ITU) through the Strategic Advisory Group for Security (SAG-S).

Standards Australia is currently chairing the working group under the SAG-S that is responsible for security needs assessment and this working group has already expressed an interest in utilizing the methodology adopted under the 4S Project for an international needs assessment exercise.

This project could provide a quick win for ABAC to deliver tangible positive results to business and government through the application of a proven and successful project



methodology. It will also enhance collaboration between APEC, PASC, ABAC, ISO, IEC and the ITU.

Background

Good security management is an increasingly important part of running a successful business. The pressure on security professionals and businesses to manage and respond appropriately to security threats has never been greater.

Respondents to the Australian 4S Project survey believed that standards were critical to improved security. 89% believed that they are fundamental to overcoming the barriers to improved security. Many respondents had positive experiences in using standards. 84% of respondents believed that standards had provided substantial improvements or encouraging benefits to the overall level of security of their organisation.

This is why good security standards are so valuable. They provide essential information and advice to guide decisions on a whole range of issues. Of course, standards can't tell businesses what they need to do – but they provide critical benchmarks which say what is reasonable and prudent. Standards can be used to:

- Promulgate best practices and methodologies for security management.
- Specify test methods and parameters to aid in detection of threats.
- Specify performance requirements to ensure equipment and systems provide the necessary performance and protection in extreme conditions.

The International Security Standards and Support Systems Project will be developed to promote a framework for collaboration between the private and public sectors across many countries. The objective is to develop standards designed to assist the private sector in the protection of critical infrastructure.

The project will take an all hazards approach to critical infrastructure protection as critical infrastructure can be damaged or destroyed by a number of factors including the following:

- Natural disasters
- Negligence
- Identity theft
- Accidents
- Terrorism
- Hacking and vandalism
- Criminal activity
- Malicious damage



ANNEX B

Contact Information for PASC Members in APEC (<u>www.pascnet.org</u>)

PASC 30 (2007) Chair	Mr. Fabio Tobón	ftobon@icontec.org.co
PASC Standing Committee Chair	Mr. Gary Kushnier	gkushnie@ansi.org
PASC Secretary	Mr. Juichi Nagano	nagano-juichi@meti.go.jp

APEC member	National Standards Body	website	Primary Contact
Australia	Standards Australia (SA)	www.standards.org.au	Mr. Colin Blair
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			Colin.blair@standards.org.au
Brunei Darussalam	Construction Planning and	www.mod.gov.bn	Ms. Rosalind Khan
	Research Unit (CPRU)		Program Coordinator
Canada	Standards Council of Canada (SCC)	www.scc.ca	Mr. Michael Bourassa
			Director Standards
			mmbourassa@scc.ca
Chile	Instituto Nacional de Normalizacíon	www.inn.cl	Sergio Toro, Executive Director
	(INN)		sergio.toro@inn.cl
People's Republic of China	Standardization Administration of	www.sac.gov.cn	Mr. Zhang Lin, Director General
i copie a itepublic di dillia	China (SAC)	WWW.cuc.gov.cn	zhanglin@sac.gov.cn
Hong Kong, China	Innovation and Technology	www.itc.gov.hk	Mr. Terence S S Chan
Hong Kong, China	Commission (ITCHKSAR)	www.ncc.gov.nk	Executive Administrator (Accreditation)
	Commission (ITCHKSAK)		sschan@itc.gov.hk
Indonesia	Badan Standardisasi Nasional	www.bsn.or.id	Mr. Iman Sudarwo
Indonesia	(BSN)	www.bsn.or.iu	Director General
lanan	Japanese Industrial Standards	wayay ilee go in	Mr. Mitsuo Matsumoto
Japan	Committee (JISC)	www.jisc.go.jp	Matsumoto-mitsuo-dos@meti.go.jp
Daniella of Kana			
Republic of Korea	Korean Agency for Technology and	www.ats.go.kr	Mr. Choong Ho Lee
	Standards (KATS)		Director, International Standards
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Malaysia	Department of Standards Malaysia	www.standardsmalaysia.g	Ms. Fadilah Baharin
	(DSM)	<u>ov.my</u>	Director of Standards
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Mexico	Direccion General de Normas	www.economia.gob.mx	Mr. Carlos Berzunza
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			Mr. Rafael Nava
			Rafael.nava@mabe.com.mx
New Zealand	Standards New Zealand (SNZ)	www.standards.co.nz	Ms. Karen Hitchiner
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			karen.hitchiner@standards.co.nz
Papua New Guinea	National Institute of Standards and	www.nisit.gov.pg	Mr. Ronald Paita
	Industrial Technology (NISIT)		rpaita@nisit.gov.pg
Peru	El Instituto Nacional de Defensa de	www.indecopi.gob.pe	Mr. Mario Sandoval Tupavachi
Tota	la Competencia y de la Protección		msandoval@indecopi.gob.pe
	de la Propiedad Intelectual		
	(INDECOPI)		
Philippines	Bureau of Product Standards (BPS)	www.bps.dti.gov.ph	Mr. Jesus L. Motoomull, Director
Timppines	Bureau of Froduct Standards (Br 6)	www.bps.dti.gov.pii	bps@dti.gov.ph
Russian Federation	Federal Agency on Technical	www.gost.ru/wps/portal	S. Komeeva
	Regulating and Metrology (GOST)	www.gost.ru/wps/portal	3. Romeeva
Singapore	Standards, Productivity and	www.spring.gov.sg	Mr. Teo Nam Kuan, Group Director
Singapore	Innovation for Growth (SPRING)	www.spring.gov.sg	Teo_nam_kuan@spring.gov.sg
The Head	Thai Industrial Standards Institute		
Thailand		www.tisi.go.th	Mr. Supachai Tepatanapong
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United States	American National	www.ansi.org	Mr. Steven Bipes
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Viet Nam	Directorate for Standards and	http://tcvn.gov.vn	Mr. Ngo Quy Viet, Director General
	Quality (TCVN)		
			Mr. Tran Van Hoc
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