

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

### APEC Consolidated Counter-Terrorism and Secure Trade Strategy

Updated 21 September 2019

Endorsed by CTWG

**Updated APEC Consolidated Counter-Terrorism and Secure Trade Strategy**

1. **Overview**

APEC economies recognize that creating a secure environment for economic activity is essential for fostering regional growth and prosperity. Terrorist activities – whether direct attacks against economies or the misuse of financial and commercial systems to fund and carry out such actions – can threaten citizens’ economic and physical well-being by disrupting trade and travel, reducing economic productivity, and undermining public confidence in economic institutions in the region.

Since 2001, APEC has played a valuable and constructive role in helping to protect the economic systems of the Asia-Pacific region from attack, disruption, and misuse – a role that was further enshrined in 2010 within the APEC Leaders’ Growth Strategy. APEC’s work to address counter-terrorism and secure trade is dispersed across a number of APEC sub-fora, which include, but are not limited to, the Counter-Terrorism Working Group (CTWG)[[1]](#footnote-2), the Transportation Working Group (TPTWG), the Subcommittee on Customs Procedures (SCCP), the Business Mobility Group (BMG), the Telecommunications and Information Working Group (TEL), the Emergency Preparedness Working Group (EPWG), and the Tourism Working Group (TWG).

APEC Economic Leaders have recognised the continuing threat of terrorism in the Asia-Pacific region, including from ISIL, Al-Qaida, and other terrorist groups, plus foreign terrorist fighters, and the importance of mitigating this threat to achieve APEC’s vision and objectives. APEC Economic Leaders have committed their economies, through successive Leaders’ Declarations and Ministerial Statements, to continue to implement the APEC Consolidated Counter-Terrorism and Secure Trade Strategy by jointly taking action and sharing best practices in the Strategy’s four cross-cutting areas: secure supply chains, secure travel, secure finance, and secure infrastructure.

From a counter-terrorism and human security perspective, APEC is well positioned to further consolidate its counter terrorism efforts and promote security measures. Many of the representatives that participate in its expert groups face the dual responsibility of facilitating and regulating commerce on one hand, while also safeguarding it from threats on the other.

Specifically, APEC provides member economies with opportunities for regionally-tailored capacity building, information-sharing, and collaboration in addressing threats to economic growth, while working closely with the private sector and other multilateral organizations. This work includes efforts to mitigate risks to transportation, the supply chain, and the financial system, without compromising the flow of legitimate trade and travel.

***Objectives*.** This Strategy outlines a vision for APEC’s counter-terrorism and secure trade efforts over at least the next five years, subject to periodic review. In particular, the Strategy seeks to articulate a common APEC strategic framework from which economies can pursue an integrated approach to counter-terrorism and secure trade issues within APEC’s broader economic agenda. It also outlines a mechanism for closer collaboration among APEC sub-fora to best utilize the expertise distributed across these groups, as well as with other multilateral organizations and the private sector. Finally, the Strategy seeks to facilitate the development of capacity-building initiatives to address key gaps and challenges, strengthen the security of regional commerce, and enhance member economies’ counter-terrorism capabilities. Such efforts will remain consistent with APEC’s voluntary principles and with broader efforts at the global level.

The Strategy builds upon current efforts in such areas as transportation security (including maritime, aviation, and surface transportation), supply chain security and trade recovery, customs and border security, anti-money laundering and counter-terrorism financing, cyber-security, and protecting critical infrastructure and soft targets.

***APEC’s Work in Counter-Terrorism and Secure Trade*.** Consistent with its core economic mission, APEC’s efforts on counter-terrorism and secure trade are structured around three fundamental pillars:

* **Security:** To prevent and protect against attack, disruption, and misuse of the region’s supply chains, travel systems, financial systems, and infrastructure.
* **Efficiency:** To ensure that security efforts do not compromise, or have minimal impact on, the flow of legitimate trade and travel. APEC is particularly focused on promoting effective, balanced, and well-structured security programs and practices that both facilitate and secure regional commerce.
* **Resilience:** To enable effective response and recovery of commerce in the wake of disruptions. APEC must not only strive to enhance preparedness, but also build on efforts aimed at the expeditious recovery of trade and restoration of vital infrastructure to ensure the continuity of economic activity in the APEC region.

In practical terms, APEC’s work on these three strategic pillars can be categorized into the following cross-cutting activity areas, all of which are tied to key aspects of the regional economy:

* **Secure Supply Chains.** Provide for the secure, efficient, and resilient movement of goods throughout the region;
* **Secure Travel.** Provide for the secure, efficient, and resilient movement of travelers across the region;
* **Secure Finance.** Protect against the flow of finance for use in terrorist and associated illicit activities, and secure financial institutions against knowingly or unknowingly becoming complicit in such activities; and
* **Secure Infrastructure.** Ensure the security and resilience of critical infrastructure, which supports and enables economic activity across the APEC region.

***Vision*.** Moving forward, the relevant APEC sub-fora will undertake a comprehensive, integrated approach to enhance member economies’ ability to protect their economic systems and infrastructure from misuse, attack and disruption. The core tenets of this approach are:

* Identifying key counter-terrorism and secure trade challenges facing APEC economies;
* Building capacity and resilience in ways that serve to both secure and facilitate regional commerce, taking into account differing capacities across the region;
* Fostering whole-of-government approaches within APEC economies, as well as enhancing cooperation and coordination among economies and relevant APEC sub-fora;
* Ensuring comprehensive and mutually reinforcing efforts across all modes of transportation (air, sea, and land), while taking into account the inherent differences between those modes; and
* Enhancing intra-APEC cooperation and strengthening cooperation with the private sector and with relevant multilateral organizations.

1. **Moving Forward: A Strategy for APEC Efforts on Counter-Terrorism and Secure Trade**

APEC sub-fora will continue to collaborate on a comprehensive and integrated approach to address counter-terrorism and secure trade matters, reflecting the wide-ranging and cross-cutting nature of this challenge. They will leverage APEC’s expertise and track record in promoting regional implementation of international standards and as an incubator of new approaches to securing regional supply chains, travel, finance, and critical infrastructure. In doing so, they will ensure that APEC efforts are consistent with the three fundamental pillars of this strategy: security, efficiency, and resilience.

To further these efforts, the CTWG will enhance its role as a promoter and facilitator of cooperation to counter terrorism and secure regional commerce within APEC. It will work closely with relevant sub-fora to identify current and emerging challenges facing the region, and areas where sub-foras’ interests and efforts converge. The CTWG will continue to lead efforts to identify counter-terrorism challenges and opportunities in the APEC region, and sponsor capacity building and technical assistance programs in response. It will continue to enhance and develop cooperation with relevant multilateral fora on counter-terrorism issues to ensure a synergy of efforts.

The CTWG has developed a series of Focus Areas 2018-2022 aligned to support the Strategy’s vision, including APEC’s counter-terrorism related activities and the long-term objectives of the CTWG. One or several focus areas may be incorporated into annual work plans to guide the primary activities for that year, as agreed by economies. The decision on which focus areas to use for any given year could be guided by previous years’ Leaders Statements, the APEC theme for that year, or those issues which are of intense interest to economies as a significant or emerging counter-terrorism threat.

***Key Areas for Future Work****.*APEC sub-fora will undertake activities that reflect the following thematic areas:

* **Promoting Risk-Based Approaches to Security:** Risk-based approaches to security offer the most promising means to securing trade and travel in a way that minimizes the impact on legitimate commerce. They allow authorities to expedite legitimate trade and travel while focusing on the relatively small percentage of goods and travelers that may pose a greater risk. Future APEC efforts should include capacity building activities to help economies – not only government, but also the private sector – to better understand and implement risk-based security approaches to secure supply chains, finance, travel, and infrastructure. Such activities should include efforts to define and understand Risk and Risk-based approaches, foster advanced information sharing, share expertise (e.g. conducting Risk Assessments, undertaking Risk Management), best practices, lesson learnedand develop and disseminate capacity-enabling tools. Such efforts must include close collaboration with the private sector, given the fundamental role it plays in commerce and the expertise and capabilities it would bring to addressing this issue, and with other regional and international fora.
* **Fostering Compatibility of and Sharing of Best Practices on Security Standards and Programs:** APEC sub-fora will work to foster compatibility of and sharing of best practices on security standards and programs in accordance with international standards, including between customs and transportation security authorities, which would lead to increased efficiency and reduced costs while maintaining security.
* **Enhancing Resilience:** APEC sub-fora will work together to enhance the resilience of regional trade, travel, finance, and critical infrastructure against attacks and other disruptions, such as natural hazards and disasters. In addition, enhancing resilience should include close partnership with the private sector to protect business, trade and economic growth from disruption.

***Encouraging Innovative APEC Programs in the Four Cross-Cutting Activity Areas***: Future activities by APEC sub-fora should be guided by the above principles and build upon the body of work APEC has completed. These activities should include:

* **Secure Supply Chains:** APEC will foster more secure supply chains across the competencies of its sub-fora, and across all modes of transportation. In light of recent threats, APEC recognizes air cargo security as being a particularly urgent, high-priority area for attention and will promote cross-cutting collaboration between transportation security, customs, and counter-terrorism officials in this regard.

The SCCP will continue to foster the development of AEO programs to include the execution of a capacity building plan and exchange of expertise, implementation of regional customs exercises on the detection and interdiction of dangerous and illicit goods.

The TPTWG will continue efforts to protect all modes of transportation, including through capacity building, exchanging of good practices, and promoting implementation of security practices and recommendations, consistent with international standards. MEG-SEC will further develop and disseminate capacity-enabling tools such as the PSRAT and CART, assist economies to codify maritime security standards within domestic laws, and conduct activities on such issues as cargo screening, information sharing, drills and exercises, and access control. AEG-SEC will advance efforts to prepare economies to respond to current and emerging threats to air cargo by providing targeted capacity building support and facilitating exchange of best practices.

The CTWG will implement plans to develop region-specific training tools for food defense, and updated guidance materials that can be used throughout the region to better secure the food supply. Relevant sub-fora, including the CTWG, should also consider exploring opportunities to address supply chain security vulnerabilities in other commercial and industrial sectors, working with the private sector to develop effective capacity building activities. Efforts should complement existing work being done in other international fora, such as the World Customs Organization (WCO).

* **Secure Travel**: APEC will strengthen efforts to make regional travel both secure and efficient, including through the enhancement of the processing of international travelers on departure and arrival. This work will include initiatives on passenger security screening that are currently led by the TPTWG, and on immigration and entry/exit processing that are led by the BMG. Relevant sub-groups should coordinate their respective efforts on secure travel to promote compatibility and efficiency of measures being pursued.

The BMG will continue to identify new opportunities for border management capacity building with respect to the movement of people, working in partnership with APEC sub-fora such as the SCCP, CTWG, and TPTWG.

The CTWG will work with APEC member economies, sub-fora and other multilateral organizations to increase member economies’ capacities to disrupt the flow of foreign terrorist fighters within the region without interrupting the movement of bona-fide international travelers between economies and promote exchange of information between special and law enforcement agencies of APEC economies regarding actions and movements of terrorist organizations and individuals. In this light, the CTWG will endeavor to work with APEC member economies and relevant sub fora, particularly SCCP and BMG and relevant multilateral organizations in the effort to develop and implement the Advance Passenger Information and Passenger Name Record (API/PNR) to secure and facilitate legitimate travel within the region, as well as rely on databases such as Interpol’s to identify foreign terrorist fighters.

Additionally, CTWG and the APEC Tourism Working Group will continue to explore new activities and opportunities to improve protections for tourists as well as to share experiences and best practices in securing tourist destination and tourist products. A recent example is the 2018 Workshop on the Protection of Soft Targets in a Counterterrorism Context.

* **Secure Finance**: APEC, through the CTWG, will promote the ability of economies to implement standards for secure finance. To do so, it will conduct workshops and engage other multilateral groups such as the FATF and the Asia-Pacific Group on Money Laundering to coordinate activities and prevent unnecessary duplication.
* **Secure Infrastructure:** APEC sub-fora will explore new opportunities to enhance the protection of critical infrastructure as well as soft targets across the region. Activities could include tailored capacity building and sharing of information, expertise, and lessons learned on protection of critical infrastructure and soft targets in order to promote effective, risk-based protection and emergency preparedness practices, capabilities and resources; raise awareness of the role and importance of secure infrastructure in support of secure trade and travel; and coordination of efforts to improve the security and resilience of infrastructure and soft targets, including in key sectors such as transportation, telecommunications, and energy. Cross-fora collaboration and partnership with the private sector, which owns and operates a significant share of critical infrastructure and potential soft targets in many APEC economies, and with multilateral organizations, will be important in such efforts. These efforts could complement work being done in other multilateral fora, such as the Global Counterterrorism Forum (GCTF), United Nations (UN), Organization of American States (OAS), and European Union (EU).

TEL/SPSG will continue to lead cyber security efforts, which will include review of the APEC Cyber Security Strategy and the TEL Strategy to Ensure a Trusted, Secure and Sustainable Online Environment (TSSOE), as a basis for planning future APEC cyber-security activities.

***Enhancing Capacity Building with APEC***

Broad-based capacity building cooperation must be a central pillar of future APEC work on counter-terrorism and secure trade and take account of the variation in technical and financial capacities among APEC member economies.

* New approaches. APEC will continue to raise regional awareness and facilitate cooperation on economic-related security issues facing the Asia-Pacific region through workshops and information exchange. At the same time, APEC will explore and encourage innovative approaches for effective, sustained capacity building. These approaches could include training courses, pilot projects for capacity-enhancing tools and technologies, exchange and mentoring programs, a practitioners’ network, and practical exercises that could provide customized and in-depth capacity building assistance.
* Multi-stage, multi-year initiatives. With the introduction of multi-year project funding in the APEC process, relevant APEC sub-fora should explore development of longer-term, multi-stage security initiatives that will foster capacity building cooperation in a more strategic manner. Such multi-year efforts can provide an excellent opportunity to leverage the collective expertise of the various APEC sub-fora to address issues of common concern.

***Enhancing Mechanisms to Promote Comprehensive Cooperation and Coordination***

APEC will seek to promote comprehensive and coordinated approaches to securing commerce and critical infrastructure, both among economies and among agencies within economies. For example, APEC sub-fora could promote coordinated border management to safeguard economies against dangerous goods and individuals. This could leverage efforts to identify and develop initiatives that improve border management across the region. Additionally, the TPTWG could assist, coordinate, and collaborate with other sub-fora and the private sector to foster cooperation on supply chain security. Similarly, APEC could help coordinate efforts to address terrorist financing and money laundering threats associated with cross-border trade (trade-based money laundering).

APEC economies will work to strengthen APEC processes for facilitating cooperation and coordination among relevant sub-fora on counter-terrorism and secure trade and travel, taking into consideration scheduling and budgetary constraints. This effort could include regular exchange of briefings by sub-fora chairs and reports on meeting outcomes and key initiatives; convening joint meetings; and pursuing joint projects.

To assist in planning APEC-wide and joint activities, including capacity building projects, sub-fora will strengthen cooperation to identify current and emerging counter-terrorism and secure trade issues facing the region, and areas where sub-fora interests and efforts converge, by presenting their work and strategic plans and activity reports to other APEC sub-fora. This enhanced cooperation should include augmenting the use of the biannually-submitted Counter-Terrorism Action Plans as a key tool for progress assessment, identification of gaps in member economies’ counter-terrorism capacity, and activity planning.

Relevant APEC sub-fora will work to enhance cooperation with the private sector on counter-terrorism and secure trade. As the primary conductors of economic activity, the private sector has a vital role to play in helping economies in this effort and in APEC’s security-related efforts to support APEC’s core mission of promoting economic growth and prosperity in the Asia-Pacific region. Additionally, APEC sub-fora will seek to foster robust and regular engagement with relevant multilateral organizations to understand the regional and global context within which they are operating, coordinate efforts and avoid unnecessary duplication, and share lessons learned from efforts conducted elsewhere that could be applicable to the Asia-Pacific region.

Working with annual APEC hosts and the APEC Secretariat, members of the relevant APEC sub-fora should endeavor to meet together at least once per year to consider current and emerging challenges collectively, review progress on initiatives, exchange ideas and experiences, and coordinate efforts going forward. Such a meeting would include participation from relevant multilateral organizations and the private sector. To this end, the CTWG will explore ways to institutionalize the Secure Trade in the APEC Region (STAR) Conference as a venue for conducting coordination, public-private cooperation, progress assessment, and discussion of future directions for APEC activities, taking into consideration scheduling and budgetary constraints.

1. **Counter-Terrorism/Secure Trade in APEC: Cross-Cutting Activity Areas**

Effective efforts to secure regional commerce require close cooperation among a wide-range of government agencies, as well as key stakeholders such as the private sector and multilateral organizations. APEC’s cross-cutting work on CT/Secure Trade includes:

1. **Secure Supply Chains:** APEC efforts support the secure, yet efficient movement of goods throughout the region. APEC’s various activities address security vulnerabilities and challenges faced in the supply chain, from the origin of goods to their final destination. These activities also complement APEC’s separate but parallel efforts on supply chain facilitation and connectivity. Major components of supply chain security work include:

* **Customs**: Customs officials play a critical role in protecting the regional supply chain from disruption and misuse and ensuring the integrity of member economies’ borders. In addition to processing and facilitating the movement of legitimate goods, customs authorities screen shipments for dangerous and illicit materials. Customs cooperation in APEC is coordinated by the Subcommittee on Customs Procedures (SCCP), whose key security activities include:
  + Implementation of the APEC Framework for Secure Trade, specifically by fostering development of Authorized Economic Operator (AEO) programs in member economies and establishing common AEO guidelines and standards in the region.
  + Conducting practical exercises targeting the shipment of counterfeit goods, including postal and express consignments.
* **Transportation Security**: Transportation security officials protect and maintain the resilience of transportation systems that support regional trade. This work includes securing cargo and key transportation infrastructure, and expeditiously restoring key transportation corridors following a disruption. Security measures implemented by the APEC Transportation Working Group (TPTWG) and its subsidiaries include:
  + **Maritime Security Experts Group (MEG-SEC)**: fosters the implementation of global maritime security standards set forth by the International Maritime Organization through capacity building.
  + **Aviation Experts Group – Security Sub-Group’s (AEG-SEC)**: conducts capacity building initiatives which include workshops on air cargo security and challenges to enhance air cargo security.
* **Addressing Sector-Specific Vulnerabilities:** Consistent with an end-to-end approach to addressing security vulnerabilities in the supply chain, APEC also undertakes activities to address challenges faced by specific economic sectors. For example, the CTWG implemented the APEC Food Defense Initiative to protect the food supply from terrorist contamination. Working in close cooperation with governments, the private sector, and academia, this initiative developed indigenous expertise to provide economies with ongoing food defense training and capabilities.
* **Strategic Trade Management**: Efforts should be made to implement and strengthen strategic trade controls among APEC member economies to prevent the diversion of dual-use and defense goods to terrorist actors.

1. **Secure Travel:**APEC initiatives provide for the secure and efficient movement of travelers across the region. These wide-ranging efforts seek to address all security issues challenges that travelers may encounter when traveling to and from destinations in APEC member economies. Major components of this work include:

* **Immigration and Border Management**: Immigration and border officials manage cross-border movement of bona-fide international travelers, while guarding against the entry or departure of proscribed travelers and other persons of concern. The APEC Business Mobility Group (BMG) is a unique gathering of regional immigration, consular, and border officials focused on facilitating the movement of legitimate travelers. The BMG’s security-related activities include:
  + Addressing ideal modern border security capabilities and improve border management systems across the region with respect to the movement of people.
  + Furthering the Passport Checking Service, which enables APEC economies to detect lost, stolen and otherwise invalid passports.
  + Fostering implementation of Advance Passenger Information Systems in the region, which help economies facilitate the processing of legitimate travelers while more efficiently identifying travelers requiring additional scrutiny.
* **Transportation Security**: Transportation security officials play a central role in securing the transportation systems that move people throughout the Asia-Pacific region.

The TPTWG understands that the international community shares the responsibility of addressing the continuous threat posed by adversaries committed to disrupting aviation security, and more largely, global commerce. Thus the TPTWG AEG-SEC works to strengthen air passenger security standards, enhance passenger security policies, encourage a culture of security, and augment landside/public area security within the airport environment and other transport facilities to address current and emerging threats. This includes facilitating information sharing on screening technologies and training, promoting improvement of security oversight and quality control, and harmonisation of aviation security measures in accordance with international standards. Recent AEG-SEC activities in this area include both collaborating with CTWG in workshops on Advanced Passenger Information/Passenger Name Record (API/PNR) and discussions at TPTWG AEG meetings to understand import and uses of API/PNR. These engagements help economies understand the process and benefits of differentiating low-risk and high-risk passengers.

In addition to aviation-related activities, the TPTWG also undertakes initiatives related to sea-borne and land-based passenger transportation. The TPTWG conducts capacity building and information exchange to enhance land transportation security, including the development of the APEC International Land Security and Commuter Advocacy Protocol and implementation of workshops on such issues as bus security. Additionally, TPTWG MEG-SEC’s efforts cover development and sharing of solutions on such issues as screening of maritime travelers, passengers’ vehicles on ferries, and other security risks.

* **Security at the Travel Destination**: APEC has a valuable role to play in ensuring the security of travelers when they arrive at their destination (for example, a hotel, tourist site, or international event). Such efforts require balancing the needs of traveler-driven economic growth with the challenges of public security, and close cooperation between governments and the private sector. Examples of such an effort are the 2017 Workshop on Strengthening Tourism Business Resilience Against the Impact of a Terrorist Attack and the 2018 Workshop on the Protection of Soft Targets in a Counterterrorism Context.

1. **Secure Finance:** APEC, under the standards of the Financial Action Task Force (FATF), seeks to protect against the misuse of financial systems for terrorist and criminal purposes and secure financial institutions against such threats, while avoiding unnecessary duplication and overlap with the Asia Pacific Group on Money Laundering (APG). This work includes:

* **Financial Regulation and Enforcement:** Financial regulatory agencies along with the financial intelligence units detect and disrupt the illegal flow of funds for terrorist and criminal use. The CTWG has pursued projects on anti-money laundering and countering terrorist financing, including implementation of the international standards set forth by the FATF. These include workshops on securing cross-border payments from terrorist use, preventing the misuse of non-profit organizations, halting terrorist financing, including through the United Nations Security Council targeted financial sanctions regime, and identifying and addressing current and emerging trends in terrorist finance.
* **Customs and Border Security:** Customs and border security officials also play a critical role in helping to detect, deter, and interdict the smuggling of cash across borders. The CTWG has sponsored workshops to raise awareness and build capacity of customs officials to combat bulk cash smuggling, including examination of emerging methods for cash smuggling, such as the use of stored value/pre-paid cards. The Working Group has also addressed the use and analysis of API/PNR as essential tools which are part of a risk-based approach to border security.

**D. Secure Infrastructure**: APEC works to enhance the security and resilience of critical infrastructure and soft targets across the APEC region, including identification of regional risks, infrastructure protection priorities and promotion of best practices. These activities cover a broad range of sectors and are aimed at enhancing and leveraging intra-APEC cooperation as well as cooperation with the private sector and multilateral organizations. An example of this work is the holding of the APEC CTWG Workshop on the Protection of Soft Targets in a Counterterrorism Context in Tokyo, Japan, that produced a set of recommendations to better protect soft targets regionally and globally, in conjunction with other APEC sub-fora and multilateral organizations. Moreover, the TPTWG has undertaken work on transportation infrastructure and cyber security efforts led by the Telecommunications and Information Working Group’s Security and Prosperity Steering Group (TEL/SPSG).

1. The APEC Counter-Terrorism Task Force (CTWG) was established in 2003 in response to the increased terrorist threats to the Asia-Pacific region’s people and economic, trade, investment and financial systems. In 2013, cognisant that the threat of terrorism, frequency and intensity of disruption continue to persist, the SOM Steering Committee on Economic and Technical Cooperation (SCE) endorsed the CTWG’s upgrade to a Counter-Terrorism Working Group (CTWG). [↑](#footnote-ref-2)