Digital and Sustainable Trade Facilitation in Asia and the Pacific

Mr. Yann Duval, Chief, Trade Policy and Facilitation Section, ESCAP

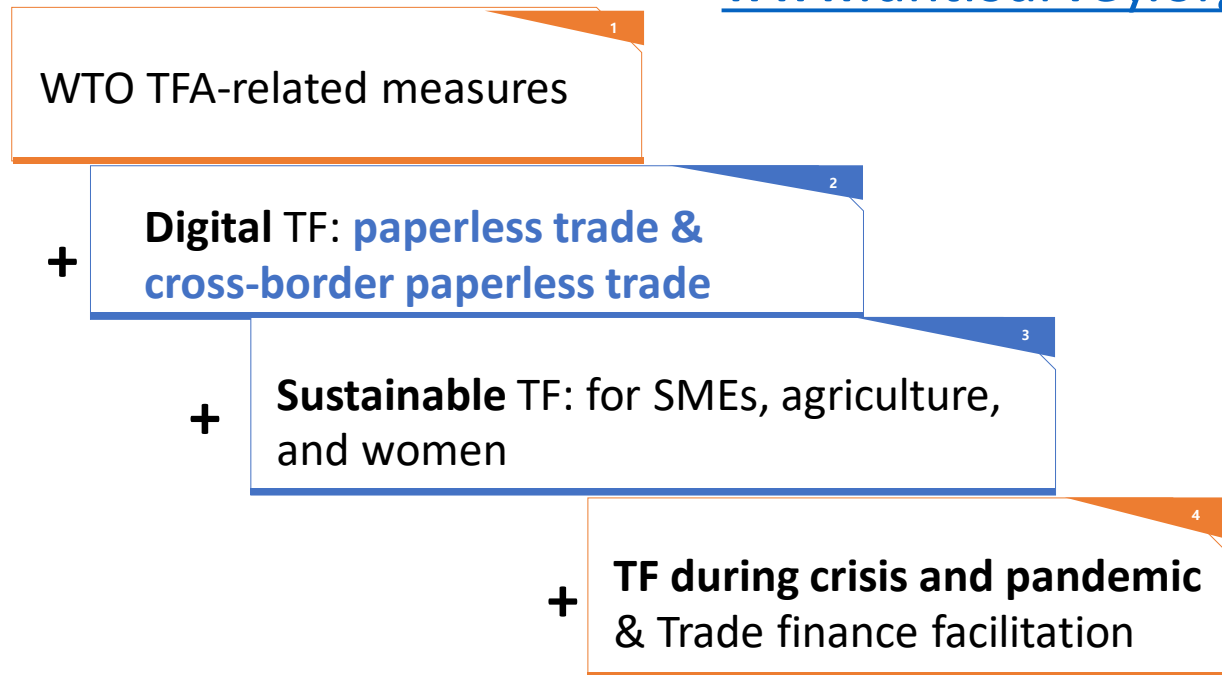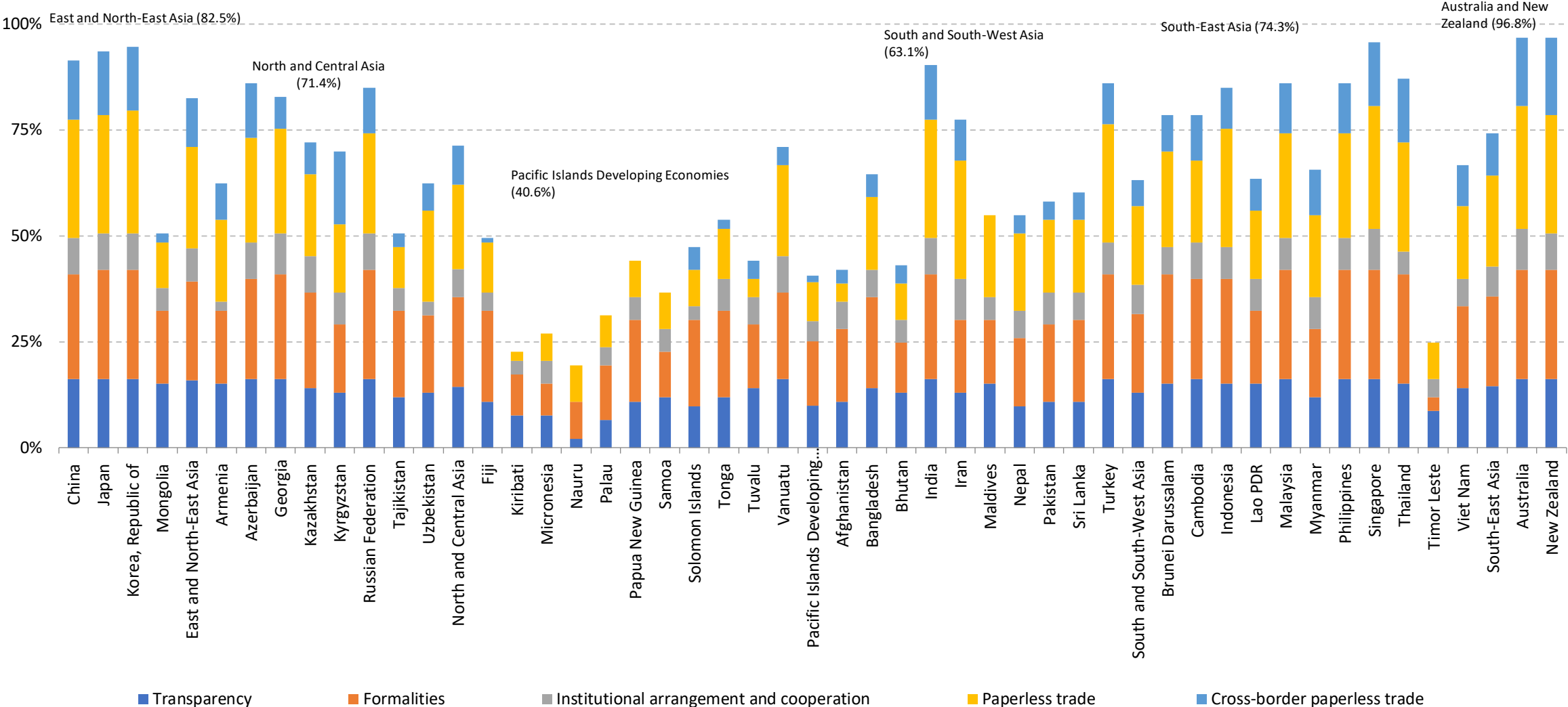# UN Global Survey on Digital and Sustainable Trade Facilitation

www.untfsurvey.org

- **Conducted jointly by all five UN Regional Commissions** *and UNCTAD, in collaboration with global and (sub)regional partners*

- **WTO TFA+** *58 trade facilitation measures (2015-2021)*

- **144+ economies** *globally, 46 from Asia-Pacific region*

WTO TFA-related measures `1`

+ **Digital** TF: **paperless trade & cross-border paperless trade** `2`

+ **Sustainable** TF: for SMEs, agriculture, and women `3`

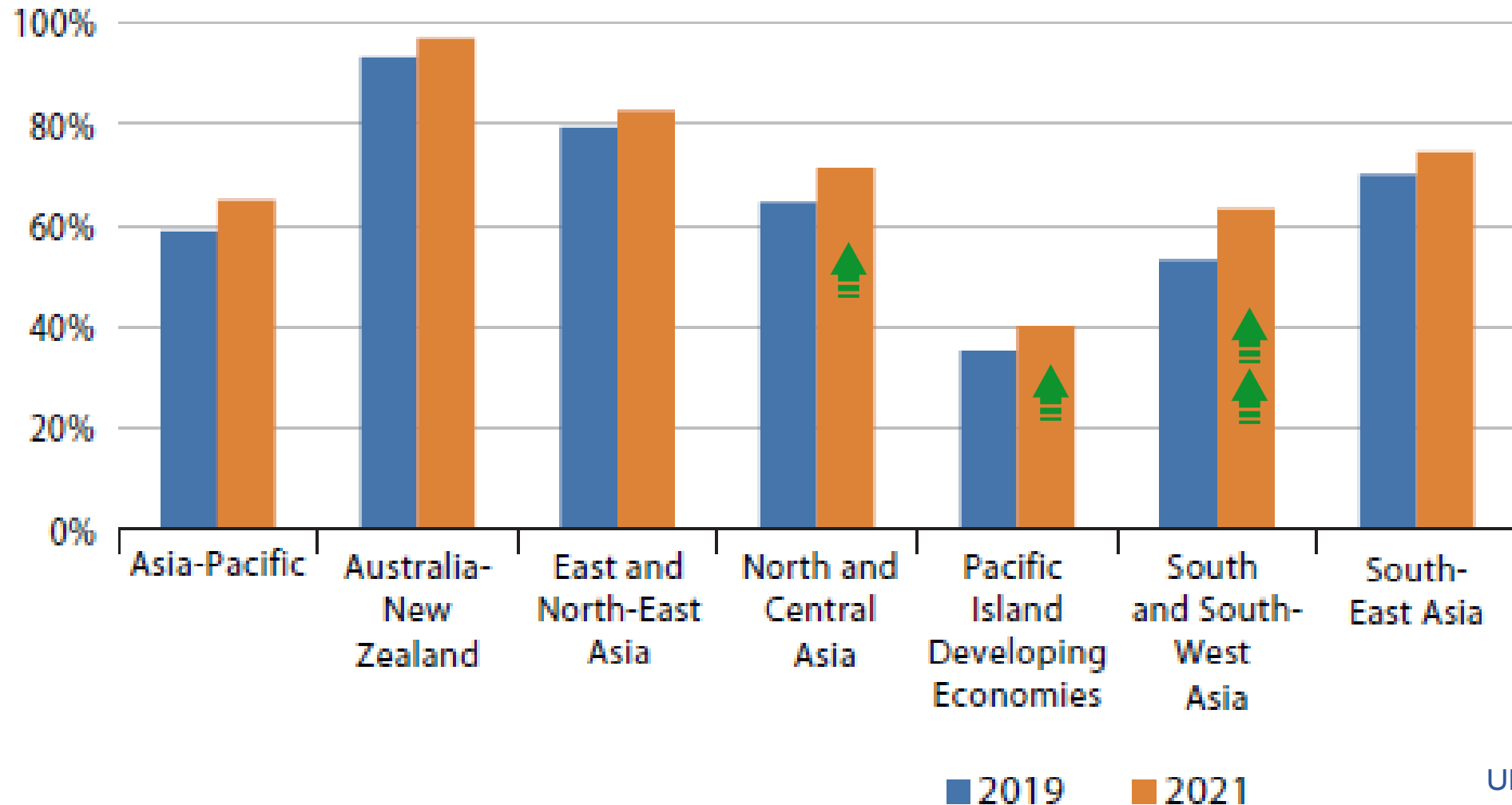**+** **TF during crisis and pandemic** & Trade finance facilitation `4`

Implementation varies widely across countries and subregions

UNTFSURVEY.ORG

Implementation accelerated in all subregions

Trade facilitation implementation by subregions in Asia and the Pacific, 2019 and 2021
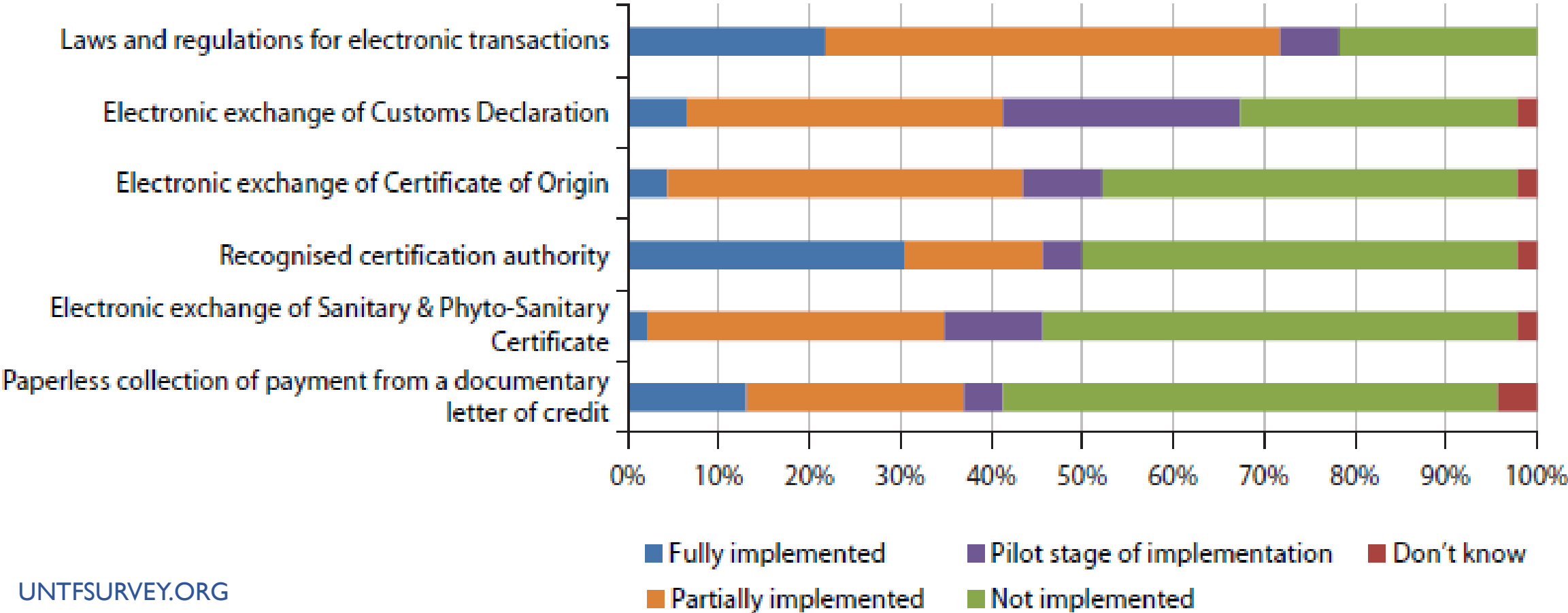

UNTFSURVEY.ORG

Implementation of cross-border paperless trade is still a challenge despite most progress made

Implementation of different groups of trade facilitation measures in Asia-Pacific, 2019 and 2021

UNTFSURVEY.ORG
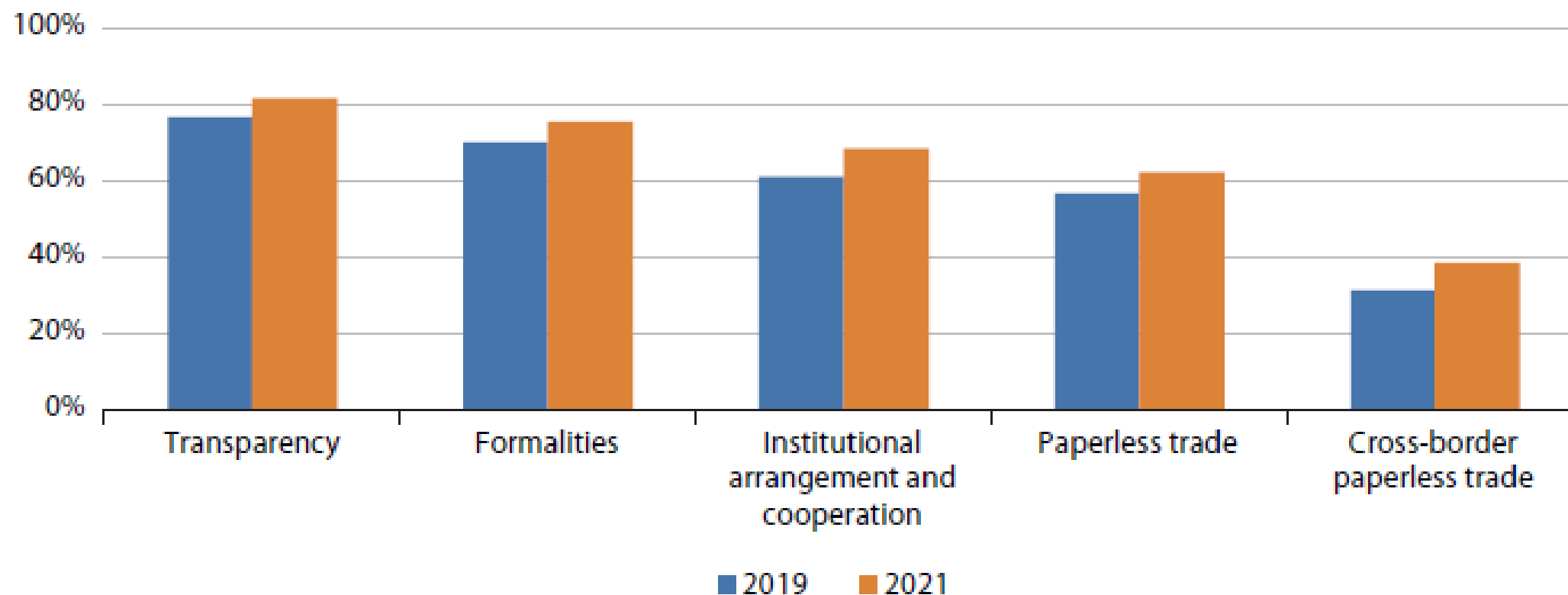
Implementation of cross-border paperless trade measures remains low

ESCAP
MOVING FORWARD TOGETHER

State of implementation of Cross-Border Paperless Trade in Asia and the Pacific

Chart categories (top to bottom):
- Laws and regulations for electronic transactions
- Electronic exchange of Customs Declaration
- Electronic exchange of Certificate of Origin
- Recognised certification authority
- Electronic exchange of Sanitary & Phyto-Sanitary Certificate
- Paperless collection of payment from a documentary letter of credit

X-axis: 0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Legend:
- Fully implemented
- Partially implemented
- Pilot stage of implementation
- Not implemented
- Don't know

Significant room to cut trade costs through trade digitalization

Changes in trade costs in Asia and the Pacific resulting from implementation of trade facilitation and paperless trade (per cent)

Asia-Pacific: Trade costs model	WTO TFA (binding only)		WTO TFA (binding + non-binding)		WTO TFA + (binding + non-binding + other paperless and cross-border paperless trade)	
	Partially implemented	Fully implemented	Partially implemented	Fully implemented	Partially implemented	Fully implemented
Model 1						
Overall trade facilitation	-1.74	-4.11	-2.81	-6.64	-7.65	-13.40
Model 2						
General trade facilitation measures	-0.56	-1.36	-0.73	-1.91	-0.92	-2.18
Digital trade facilitation measures			-1.56	-2.80	-8.78	-13.09

Source: ADB/ESCAP, 2021, Asia-Pacific Trade Facilitation Report 2021.

Supporting the Digital TF: Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific (CPTA)

❑ **A UN Treaty: enabling and action-oriented**

  ✓ Open to interested (53) ESCAP member states (voluntary) to become parties

❑ **Objective**

  ✓ To <u>facilitate</u> cross-border paperless trade (data exchange) among willing ESCAP member states by providing a dedicated intergovernmental framework to develop legal and technical solutions

  ✓ Complementary to the WTO Trade Facilitation Agreement (TFA) as well as (sub)regional efforts

Progress

2012
Regional Study

2013
Expert Review & Member Consultations

2013 - 2016
Negotiation & Finalization

19 May 2016
Adoption by the Commission

20 February 2021
Enter into force

3 new countries acceded in 2022 so far:
• Timor-Leste
• Turkmenistan
• Mongolia

https://www.unescap.org/kp/cpta

Supporting the Digital and Sustainable Trade Facilitation

☐ **United Nations Network of Experts for Paperless Trade and Transport in Asia and the Pacific (UNNExT)**

☐ **NEW Cross-border Paperless Trade database**

   www.digitalizetrade.org

☐ **Legal and Technical Readiness Assessment for Cross-Border Paperless Trade**
   readiness.digitalizetrade.org

☐ **Paperless Trade and Environment Research**

   ☐ Paperless trade implementation in AP = planting 400+ million trees

   ☐ Climate-smart Business Process Analysis

ESCAP 75
MOVING FORWARD TOGETHER

ICC | Digital Standards Initiative

Cross-Border Paperless Trade Database

| Home | Legal Instrument | Implementation Instrument | Projects & Services | Submit a Project | References |

CROSS-BORDER PAPERLESS TRADE DATABASE

Accelerating progress towards trade/ digitalization through knowledge sharing

More

Latest Projects

Morpheus.Network

Operating
Global
Commercial Transactions, Regulatory/official control

SGS eCert Platform

Operating
Global
Commercial Transactions, Forwarding and cargo

eTIR Project and Piloting between Kazakhstan and Uzbekistan

Pilot
Bilateral

14 national readiness assessment studies completed

Central Asia (6)

Armenia (2019)

Azerbaijan (2022)

Georgia (2022)

Kazakhstan (2022)

Mongolia (2019)

Uzbekistan (2019)

South-East Asia (6)

Cambodia (2020)

Lao PDR (2022)

Myanmar (2019)

Philippines (2022)

Timore Leste (2020)

Viet Nam (2019)

South Asia (2)

Bangladesh (2019)

Nepal (2020)
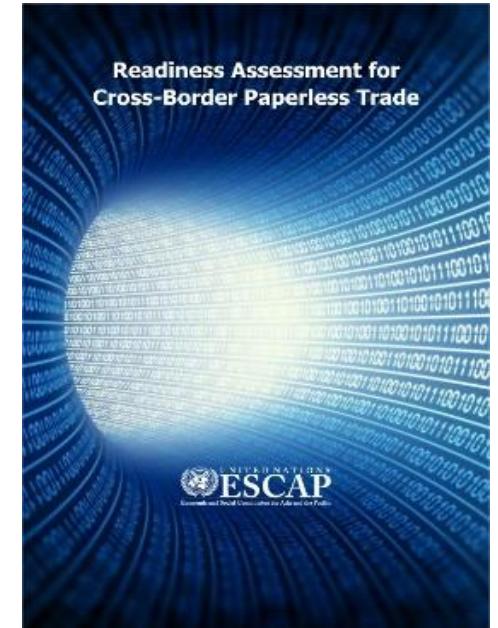
4 on-going or planned

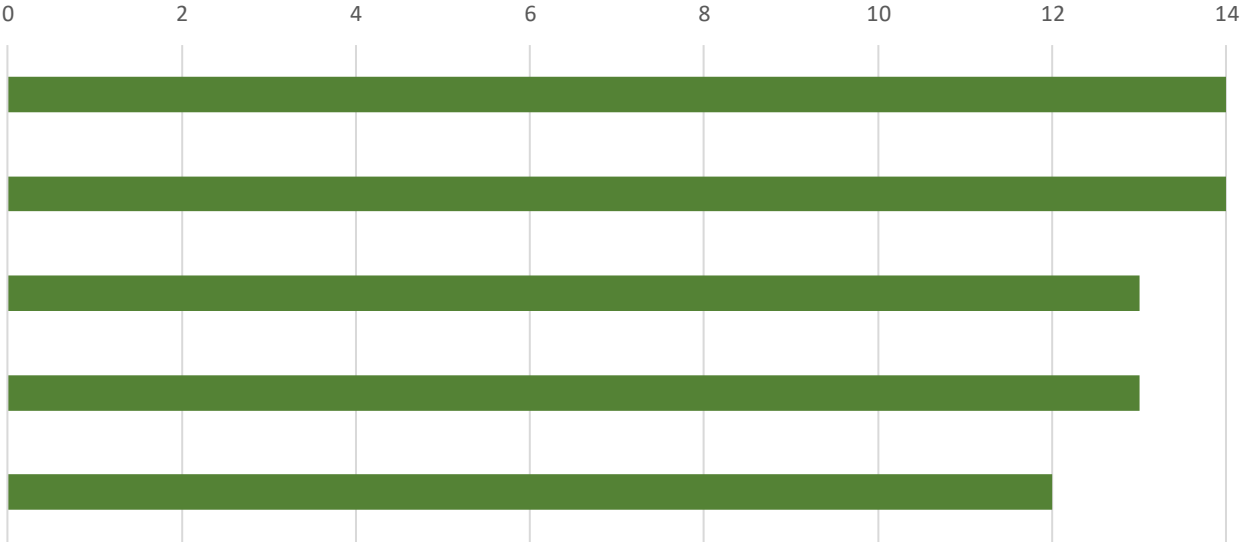Tajikistan, Tonga, Tuvalu, … Mexico…

(##): Year of completion of the Assessment

Readiness assessments for cross-border paperless trade – cross-country results

Top 5 recommendations – technical and legal

THANK YOU

Framework Agreement on Cross-Border Paperless Trade

UN Global Survey on Digital and Sustainable Trade Facilitation

United Nations Network of Experts for Paperless Trade and Transport in Asia and the Pacific (UNNExT)

E-Learning Series on Business Process Analysis for Trade Facilitation

Cross-Border Paperless Trade Readiness Assessment

Regional Organizations Cooperation Mechanism for Trade Facilitation (ROC-TF)

https://www.unescap.org/our-work/trade-investment-innovation/trade-facilitation-digital-trade