Trade Facilitation and Paperless Trade Implementation in Asia and the Pacific: *State of Play & Way Forward*

Tengfei Wang  
Economic Affairs Officer  
Trade Facilitation Unit  
Trade, Investment and Innovation Division  
United Nations Economic and Social Commission for Asia and the Pacific
UN ESCAP - Asia and the Pacific Regional Branch of the United Nations Secretariat

53 member countries covering Central, South, Southeast, East and South Pacific countries

Mandate: Promote sustainable and inclusive socio-economic development in Asia and the Pacific - *through regional cooperation*

Areas covered: Trade, Investment and Innovation, Transport, Macroeconomic Policy, Environment, Emerging Social issues, Information and Communication Technologies…

- Trade, Investment and Innovation:
  - (1) Trade Facilitation;
  - (2) Trade Policy;
  - (3) Investment and Enterprise Development;
  - (4) Science, Technology and Innovation
Outline

- Regional State of Play
  - Trade costs
  - Trade facilitation and paperless trade implementation
- Way forward
  - Regional framework agreement on cross-border paperless trade
  - National Trade and Transport Facilitation Monitoring Mechanism (TTFMM)
- Support from ESCAP
2. ESCAP-WB Trade Cost: Definition

- Measure of *ad valorem* trade costs:

\[
\tau_{ij} = \tau_{ji} = \left( \frac{t_{ij}t_{ji}}{t_{ii}t_{jj}} \right)^{\frac{1}{2}} - 1 = \left( \frac{X_{ii}X_{jj}}{X_{ij}X_{ji}} \right)^{\frac{1}{2(\sigma-1)}} - 1
\]

Where

- \( \tau_{ij} \) denotes geometric average trade costs between country i and country j
- \( t_{ij} \) denotes international trade costs from country i to country j
- \( t_{ji} \) denotes international trade costs from country j to country i
- \( t_{ii} \) denotes intranational trade costs of country i
- \( t_{jj} \) denotes intranational trade costs of country j
- \( X_{ij} \) denotes international trade flows from country i to country j
- \( X_{ji} \) denotes international trade flows from country j to country i
- \( X_{ii} \) denotes intranational trade of country i
- \( X_{jj} \) denotes intranational trade of country j
- \( \sigma \) denotes intra-sectoral elasticity of substitution (which is set = 8)
# Trade costs in the Asia-Pacific region (excluding tariff costs), 2009-2014

<table>
<thead>
<tr>
<th>Region</th>
<th>ASEAN-4</th>
<th>East Asia-3</th>
<th>North and Central Asia - 4</th>
<th>Pacific Islands Developing Economies</th>
<th>SAARC-4</th>
<th>AUS-NZL</th>
<th>EU-3</th>
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<tr>
<td>ASEAN-4</td>
<td>76%</td>
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<td>East Asia-3</td>
<td>75%</td>
<td>51%</td>
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<td>(5%)</td>
<td>(-3%)</td>
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<tr>
<td>North and Central Asia - 4</td>
<td>354%</td>
<td>175%</td>
<td>121%</td>
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<td></td>
<td>(11%)</td>
<td>(-6%)</td>
<td>(7%)</td>
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<tr>
<td>Pacific Islands</td>
<td>172%</td>
<td>175%</td>
<td>369%</td>
<td>132%</td>
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<td>Developing Economies</td>
<td>(-10%)</td>
<td>(-3%)</td>
<td>(29%)</td>
<td>(-10%)</td>
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<tr>
<td>SAARC-4</td>
<td>128%</td>
<td>124%</td>
<td>285%</td>
<td>318%</td>
<td>116%</td>
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<td>(1%)</td>
<td>(-1%)</td>
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<td>(2%)</td>
<td>(11%)</td>
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<tr>
<td>AUS-NZL</td>
<td>101%</td>
<td>88%</td>
<td>336%</td>
<td>83%</td>
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<td>EU-3</td>
<td>106%</td>
<td>85%</td>
<td>152%</td>
<td>209%</td>
<td>115%</td>
<td>108%</td>
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<tr>
<td>USA</td>
<td>86%</td>
<td>63%</td>
<td>177%</td>
<td>163%</td>
<td>110%</td>
<td>100%</td>
<td>67%</td>
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<tr>
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<td>(10%)</td>
<td>(0%)</td>
<td>(-1%)</td>
<td>(-6%)</td>
<td>(6%)</td>
<td>(4%)</td>
<td>(1%)</td>
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</table>


Note: data in brackets are evolution with respect to 2003-2008

- Trade costs often much higher in developing than developed economies
- Some progress in sub-regional integration, but often very high trade costs between Asia-Pacific sub-regions
- Trade costs in developing countries falling slower than in developed economies
Bilateral comprehensive trade costs of selected economies in Asia-Pacific with China and United States (excluding tariff costs, 2009-2014)

For some landlocked and Pacific island developing economies, comprehensive trade cost is up to 3 times their trade costs with China, which is very high compared to other economies.

As expected, it is the small islands or landlocked developing countries that incur the highest trade costs with both China and USA.

Outline

- Regional State of Play
  - Trade costs
    - Trade facilitation and paperless trade implementation
- Way forward
  - Regional framework agreement on cross-border paperless trade
  - National Trade and Transport Facilitation Monitoring Mechanism (TTFMM)
- Support from ESCAP
The Second Global Survey on Trade Facilitation and Paperless Trade Implementation in 2017

The survey is being conducted by five UN regional commissions, with overall coordination of ESCAP and support from other partners such as UNCTAD, International Trade Centre, OECD, Oceania Customs Organization and Eurasian Economic Commission.
The First Global Survey on Trade Facilitation and Paperless Trade Implementation in 2015

The United Nations Regional Commissions (UNRCs) including ECA, ECE, ECLAC, ESCAP and ESCWA, in collaboration with UNCTAD, OECD, ITC, ODDO and SELA, have conducted a global survey to collect relevant data and information on trade facilitation and paperless trade implementation in their respective member states. Outcomes of the survey are expected to enable the countries to better understand and monitor progress in trade facilitation, support evidence-based policy-making, and highlight the needs for capacity building and technical assistance.

The global survey represents a key initiative under the framework of the Joint UNRC Approach to Trade Facilitation, agreed upon in Beirut, January 2010 to enable the five UNRCs to present a joint global view on key trade facilitation issues. The questionnaire for the global survey was jointly prepared and finalized by UNRCs and OECD and is available here. The survey results and data collected are made available below.

Report and Data

Africa
Asia and the Pacific
Latin America and the Caribbean
Western Asia

Global Report
Countries Report
The 2nd global survey instrument

• The first section of questionnaire cover 7 areas:
  – Four areas were featured in the first global survey (questions 1 through 38)
    • General trade facilitation measures (largely TFA-related) (questions 1 - 14 and questions 31 - 34)
    • Paperless trade (questions 15 - 24)
    • Cross-border paperless trade (questions 25 - 30)
    • Transit facilitation (largely TFA related) (questions 35 - 38)
  – Three areas are newly added to the current survey
    • Trade facilitation for SMEs (questions 39-42)
    • Agricultural trade facilitation (questions 43 - 45)
    • Women in trade facilitation (questions 46-47)

• The second section of questionnaire include 5 open questions

• The third section of the questionnaire gathers information of the respondents of the questionnaire
  – However, kindly note that the three-step approach for data collection and collation means information of any informant/respondent will be kept confidential
Stage of implementation of a TF measure

• **Full implementation (FI):** the trade facilitation measure implemented is in full compliance with commonly accepted international standards, recommendations and conventions such as the Revised Kyoto Convention, UN/C EFACt Recommendations, or the WTO Trade Facilitation Agreement (TFA); it is implemented in law and in practice; it is available to essentially all relevant stakeholders nationwide, supported by adequate legal and institutional framework, as well as adequate infrastructure and financial and human resources. (a TFA measure included in the Notifications of Category A commitments may generally be considered as a measure which is fully implemented by the country, with a caveat that the measure will be implemented by a least-developed country member within one year after entry into force of the TFA agreement).

• **Partial implementation (PI):** ...

• **Pilot stage of implementation (PS):** ...

• **Not implemented (NI):** ...
Structure of the Questionnaire (1):
Common measures included in the 2015 & 2017 surveys

<table>
<thead>
<tr>
<th>General TF measures</th>
<th>Trade facilitation measure (and question No.) in the questionnaire</th>
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</thead>
<tbody>
<tr>
<td><strong>Transparency</strong></td>
<td>2. Publication of existing import-export regulations on the Internet</td>
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<td></td>
<td>3. Stakeholder consultation on new draft regulations (prior to their finalization)</td>
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<tr>
<td></td>
<td>4. Advance publication/notification of new regulation before their implementation (e.g., 30 days prior)</td>
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<tr>
<td></td>
<td>5. Advance ruling (on tariff classification)</td>
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<td>9. Independent appeal mechanism (for traders to appeal Customs and other relevant trade control agencie's rulings)</td>
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<tr>
<td><strong>Formalities</strong></td>
<td>6. Risk management (as a basis for deciding whether a shipment will be or not physically inspected)</td>
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<td>7. Pre-arrival processing</td>
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<td>8. Post-clearance audit</td>
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<td></td>
<td>10. Separation of Release from final determination of customs duties, taxes, fees and charges</td>
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<td></td>
<td>11. Establishment and publication of average release times</td>
</tr>
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<td></td>
<td>12. Trade facilitation measures for authorized operators</td>
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<td>13. Expedited shipments</td>
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<td>14. Acceptance of paper or electronic copies of supporting documents required for import, export or transit formalities.</td>
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<tr>
<td><strong>Institutional arrangement and cooperation</strong></td>
<td>1. Establishment of a national trade facilitation committee or similar body</td>
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<td></td>
<td>31. Cooperation between agencies on the ground at the national level</td>
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<td>32. Government agencies delegating controls to Customs authorities</td>
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<td></td>
<td>33. Alignment of working days and hours with neighbouring countries at border crossings, and</td>
</tr>
<tr>
<td></td>
<td>34. Alignment of formalities and procedures with neighbouring countries at border crossings</td>
</tr>
</tbody>
</table>
### Structure of the Questionnaire (2):
Common measures include in the 2015 & 2017 surveys

| Paperless trade | 15. Electronic/automated Customs System established (e.g., ASYCUDA)  
16. Internet connection available to Customs and other trade control agencies at border-crossings  
17. Electronic Single Window System  
18. Electronic submission of Customs declarations  
19. Electronic Application and Issuance of Trade Licenses  
20. Electronic Submission of Sea Cargo Manifests  
21. Electronic Submission of Air Cargo Manifests  
22. Electronic Application and Issuance of Preferential Certificate of Origin  
23. E-Payment of Customs Duties and Fees  
24. Electronic Application for Customs Refunds |
| Cross-border paperless trade | 25. Laws and regulations for electronic transactions are in place (e.g. e-commerce law, e-transaction law)  
26. Recognized certification authority issuing digital certificates to traders to conduct electronic transactions  
27. Engagement of the country in trade-related cross-border electronic data exchange with other countries  
28. Certificate of Origin electronically exchanged between your country and other countries  
29. Sanitary & Phyto-Sanitary Certificate electronically exchanged between your country and other countries  
30. Banks and insurers in your country retrieving letters of credit electronically without lodging paper-based documents |
| Transit facilitation | 35. Transit facilitation agreement(s) with neighbouring country(ies)  
36. Customs Authorities limit the physical inspections of transit goods and use risk assessment  
37. Supporting pre-arrival processing for transit facilitation  
38. Cooperation between agencies of countries involved in transit |
### Structure of the Questionnaire (3):
**Additional questions in the 2017 Survey**

| TF for SMEs                                                                 | 39. Government has developed trade facilitation measures that ensure easy and affordable access for SMEs to trade related information  
|                                                                           | 40. Government has developed specific measures that enable SMEs to more easily benefit from the AEO scheme  
|                                                                           | 41. Government has taken actions to make the single windows more easily accessible to SMEs (e.g., by providing technical consultation and training services to SMEs on registering and using the facility.)  
|                                                                           | 42. Government has taken actions to ensure that SMEs are well represented and made key members of National Trade Facilitation Committees (NTFCs)  |
| **TF and Agricultural Trade**                                            | 43. Testing and laboratory facilities are equipped for compliance with sanitary and phytosanitary (SPS) standards in your country  
|                                                                           | 44. National standards and accreditation bodies are established for the purpose of compliance with SPS standards in your country  
|                                                                           | 45. Application, verification and issuance of SPS certificates is automated  |
| **Women in TF**                                                          | 46. The existing trade facilitation policy/strategy incorporates special consideration of women involved in trade  
|                                                                           | 47. Government has introduced trade facilitation measures to benefit women involved in trade |
A three-step approach for data collection and collation

ESCAP and its partners invite selected experts to fill in the questionnaire.

ESCAP team internally verify data: cross-checking answers from the experts, desk research, further interviews with respondents and informants.

Key outcome of step 2:
A set of national dataset for each country surveyed.

ESCAP sends the preliminary results to the countries for final validation.
So far, ESCAP team has received updated information from nearly 20 countries. The aggregate picture of the region remains largely the same from 2015 to 2017.
Overall implementation of trade facilitation measures in 44 Asia-Pacific economies surveyed

- East and North-East Asia (69.6%)
- North and Central Asia (41.5%)
- East and North-East Asia (69.6%)
- South and South-West Asia (41.3%)
- Developing Economies (25.2%)
- Australia and New Zealand (86.6%)
- South-East Asia (56.1%)

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Transparency</th>
<th>Formalities</th>
<th>Institutional arrangement and cooperation</th>
<th>Paperless trade</th>
<th>Cross-border paperless trade</th>
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<td>China</td>
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</table>
TF and Paperless Trade Implementation in Asia-Pacific: 2015 Survey Highlights

Transparency measures most implemented; Cross-border paperless trade measures least implemented

Note: Blue dots show regional average implementation level of individual measures within each group. Red line: Average regional implementation level by groups of measures.
<table>
<thead>
<tr>
<th></th>
<th>Most implemented</th>
<th>Least implemented</th>
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</table>
| **Transparency**     | 1. Stakeholder consultation on new draft regulations (prior to their implementation)  
2. Publication of existing import-export regulations on the internet | 1. Advance ruling (on tariff classification)  
2. Advance publication/notification of new regulations before their implementation |
| **Formalities**      | 1. Risk management  
2. Pre-arrival processing | 1. Establishment and publication of average release times  
2. Trade facilitation measures for authorized operators |
| **Institutional arrangement and cooperation** | 1. Cooperation between agencies on the ground at the national level  
2. Establishment of National Trade Facilitation Committee | 1. Government agencies delegating controls to Customs authorities |
| **Paperless trade**  | 1. Internet connection available to Customs and other trade control agencies at border-crossings  
2. Electronic Application for Customs Refunds |
| **Cross-border paperless trade** | 1. Laws and regulations for electronic transactions  
2. Recognised certification authority | 1. Banks and insurers retrieving letters of credit electronically without lodging paper-based documents  
2. Electronic exchange of Sanitary & Phyto-Sanitary Certificate |
| **Transit facilitation** | - Cooperation between agencies of countries involved in transit  
- Customs authorities limit the physical inspections | 1. Supporting pre-arrival processing for transit facilitation |
Implementation of WTO TFA-related measures in Asia–Pacific

Figure 4: Implementation of WTO TFA-related measures in Asia-Pacific: 2015 (% of countries)

Source: ESCAP, UNRC TF Survey 2015

Figure 12: State of implementation of “paperless trade” measures in Asia-Pacific economies (in %)

Source: unnext.unescap.org/UNTFSurvey2015.asp
Figure 14: State of implementation of “cross-border paperless trade” measures in Asia-Pacific economies (in %)

Source: unnex.unescap.org/UNTFSurvey2015.asp
Benefits of Cross-Border Paperless Trade

Estimating the Benefits of Cross-Border Paperless Trade

Date: Tuesday, June 24, 2014
Type: Books

ABSTRACT
This report estimates the possible economic benefits—export gains, and cost savings—from partial or full implementation of cross-border paperless trade facilitation measures. Simulation results suggest that cross-border paperless trade has significant potential to reduce trade costs and boost trade in the Asia-Pacific region. Moreover, there is every reason to believe that these are low-end estimates of the possible economic gains from reform, due to the way in which the simulations are set up on a technical level, and the fact that they focus on implementation of cross-border measures only. In reality, paperless trade is typically implemented on a broader basis, which would tend to increase the level of export gains and cost savings reported here.

Annual regional export gains:
$36 bn (for partial implementation) to $257 bn (full implementation)

Export time reduction: 24% to 44%
Export cost reduction: 17% to 31%
Total direct cost savings across all trade: $1bn to $7bn annually

Source: http://www.unescap.org/resources/estimating-benefits-cross-border-paperless-trade
Implementation of TF measures in a few countries since 2015: to highlight a few examples

<table>
<thead>
<tr>
<th>Country</th>
<th>Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>Trade portal was launched in 2016</td>
</tr>
<tr>
<td>Bhutan</td>
<td>Trade and transport facilitation monitoring mechanism (TTFMM) baseline studies in 2016</td>
</tr>
<tr>
<td>China</td>
<td>NTFC was set up in 2016 in line with the WTO TFA</td>
</tr>
<tr>
<td>Lao PDR</td>
<td>The core system of the NSW has been developed</td>
</tr>
<tr>
<td>Myanmar</td>
<td>NTFC was set up in December 2016</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>NTFC was set up in late 2015</td>
</tr>
<tr>
<td>Turkey</td>
<td>The Single Window has been operational since June 2016</td>
</tr>
</tbody>
</table>

ESCAP team received feedback from, among others, the countries listed in the table.
Outline

- Regional State of Play
  - Trade costs
  - Trade facilitation and paperless trade implementation

- Way forward
  - Regional framework agreement on cross-border paperless trade
  - National Trade and Transport Facilitation Monitoring Mechanism (TTFMM)

- Support from ESCAP
Challenges to moving forward on cross-border paperless trade

- Adoption of common International Standards
- Harmonization of legal frameworks
- Capacity gaps among the parties (infrastructure & HR)
- Cooperation between public and private sectors
- Lack of intergovernmental coordination mechanism
Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific - Overview

- **A new UN Treaty**
  - Open to interested (53) ESCAP member states (voluntary) to become parties
  - Opened for signature on **1 October 2016** at UN Headquarters, New York

- **Objective**
  To **facilitate** 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 as well as (sub)regional efforts**

- **4 year step-by-step development process (ESCAP resolutions 68/3,70/6,72/4)**
  - Over 30 countries directly involved in finalizing the treaty text in March 2016

---

**Regional Study**

**2012**

**Expert Review & Member Consultations**

**2013**

**Negotiation & Finalization**

**2013 - 2016**

**Adoption by the Commission**

**19 May 2016**
Article 1: Objective
The objective of the present Framework Agreement is to promote cross-border paperless trade by enabling the exchange and mutual recognition of trade-related data and documents in electronic form and facilitating interoperability among national and subregional single windows and/or other paperless trade systems, for the purpose of making international trade transactions more efficient and transparent while improving regulatory compliance.
It is expected to provide countries of Asia and the Pacific with a new tool and “digital” complement for better implementation of the WTO Trade Facilitation Agreement (TFA) and the development of cross-border e-commerce.

New UN treaty to facilitate paperless trade in Asia and the Pacific to support Trade Facilitation Agreement implementation

01.10.2016

A new UN treaty, entitled Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, will open for signature on 1 October 2016. It is expected to provide countries of Asia and the Pacific with a new tool and “digital” complement for better implementation of the WTO Trade Facilitation Agreement (TFA) and the development of cross-border e-commerce. Grounded on a common set of general principles and a dedicated intergovernmental platform, the regional treaty will provide Parties with enhanced opportunities to exchange and harmonize practices, build each other’s capacity, and multilaterally develop, adopt and implement more specific and detailed technical and/or legal protocols needed to achieve safe and secure cross-border paperless trade. Implementation will build upon existing international standards as well as on-going bilateral and subregional initiatives, such as the ASEAN Single Window.

In May 2012, Member States of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) adopted a Resolution on Enabling Paperless Trade and the Cross-border Recognition of Electronic Data and Documents for Inclusive and Sustainable Intra-regional Trade Facilitation. In May 2016, after four years of consultations and negotiations, the text of a new UN treaty to facilitate cross-border paperless trade in Asia and the Pacific was adopted. Participation
Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific: Contents

Preamble

Articles 1 to 16: Substantive clauses
Article 1: Objective
Article 2: Scope
Article 3: Definitions
Article 4: Interpretation
Article 5: General principles
Article 6: National Policy Framework, Enabling Domestic Legal Environment and Paperless Trade Committee
Article 7: Facilitation of Cross-border Paperless Trade and Development of national Single Window(s)
Article 8: Cross-border Mutual Recognition of Trade-related Data and Documents in Electronic Form
Article 9: International Standards for Exchange of Trade-related Data and Documents in Electronic Form
Article 10: Relation with Other Legal Instruments Enabling Cross-Border Paperless Trade
Article 11: Institutional Arrangements
Article 12: Action Plan
Article 13: Pilot Projects and Sharing of Lessons Learned
Article 14: Capacity Building
Article 15: Implementation of the present Framework Agreement
Article 16: Other agreements in force

Articles 17 to 25: Final clauses
Art. 5: General principles: 
*FA should be guided by the following principles*

1. Functional Equivalence
2. Non-discrimination of the use of Electronic communications
3. Technological neutrality
4. Promotion of interoperability
5. Improved trade facilitation and regulatory compliance
6. Cooperation between the public and private sectors
7. Improving transboundary trust environment

General Principles
Overview of provisions: Key provisions

Cross-border Mutual Recognition

Key Provisions

- Article 8
- Article 11
- Article 12
- Article 13
- Article 14

Capacity Building

Pilot Projects and Sharing of Lessons Learned

Institutional Arrangements

Action Plan
• The Parties shall **endeavour** to establish a national policy framework for paperless trade…
• The Parties are **encouraged** to develop single-window systems and use them for cross-border paperless trade…
Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific: Benefits

- **Region-wide multilateral intergovernmental platform**
  Builds upon existing bilateral/subregional initiatives; Supports WTO TFA implementation; Forster harmonization and minimize necessity for numerous bilateral/subregional intergovernmental approach;

- **Strong capacity building programme**
  Inclusive imitative, open to Asia-Pacific countries at all levels of development; Strong emphasis on knowledge sharing and CB/TA among parties

- **Pilot projects**
  Allow parties to adjust their systems before engaging in actual cross-border trade data exchange

- **Action Plan**
  Allow parties with different implementation level to set actions based on their respective readiness

- **Mutual recognition**
  Commit to the goal, while allowing flexibility in how to materialize the goal
Outline

- Regional State of Play
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  - Regional framework agreement on cross-border paperless trade
    - National Trade and Transport Facilitation Monitoring Mechanism (TTFMM)

- Support from ESCAP
Why is sustainable national trade and transport facilitation monitoring mechanism important and essential?

- Available international cross-country trade and transport indicators are useful but not sufficiently detailed or reliable
- Many trade facilitation monitoring exercises have been carried out in developing countries, but often
  - One-off / Ad hoc assessment studies;
  - Lack of ownership of results
  - No follow ups

Need for an integrated and sustainable mechanism:

1. To provide adequate data & information to support decision making and to monitor implementation and impact of these decisions on trade facilitation measures
2. To ensure recommendations are implemented
UNITED NATIONS
CENTRE FOR TRADE FACILITATION AND ELECTRONIC BUSINESS
(UN/CEFACT)

INTERNATIONAL TRADE PROCEDURES PROGRAMME
DEVELOPMENT AREA
INTERNATIONAL TRADE PROCEDURES DOMAIN

Trade and Transport Facilitation Monitoring Mechanism

FINAL DRAFT FOR PROJECT EXIT

SOURCE: TTFMM Project-Team
ACTION: Request to go to Public Exit
DATE: December 15th, 2016
STATUS: Final Version

\*Disclaimer (Updated UN/CEFACT Intellectual Property Rights Policy—EC1/TRADE/C/CEFACT/2010/20/Rev. 2)\*

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ECE does not accept any liability for any possible infringement of a claimed intellectual property right or any other right that might be claimed to relate to the implementation of any of its outputs.
An integrated methodology for data collection and analysis

<table>
<thead>
<tr>
<th>Trade-related procedures before cargo movement</th>
<th>Cargo origin</th>
<th>Border crossing point</th>
<th>Border crossing point</th>
<th>Cargo destination</th>
<th>Trade-related procedures after cargo arrival</th>
</tr>
</thead>
<tbody>
<tr>
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<td>TRS</td>
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<td>CPMM</td>
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<tr>
<td><strong>BPA of Trade Procedures</strong></td>
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</tbody>
</table>

**Business Process Analysis** (BPA) for diagnosis of TF bottlenecks along entire supply chain

**Corridor Performance Measurement and Monitoring** (CPMM) & **Time Release Study** (TRS) to Improve/verify BPA time and cost estimates
A whole-of-supply-chain approach for monitoring

Assuming 50% reduction for each procedure of 7-9
0.5 day /30 days = 1.7% (TRS)
1.5 days/30 days = 5% (TRS and TCD combined)

1. Buy - Conclude sales contract and trade terms
2. Have product sampled and technically examined
3. Arrange transport
4. Prepare export permit
5. Apply for cargo insurance
6. Prepare and submit customs declaration
7. Stuff container and transfer it to port of departure (covered by TCD)
8. Clear goods through customs (covered by TRS and TCD)
9. Handle container at terminal and stow it on vessel (covered by TCD)
10. Prepare documents required by importer as listed in L/C
11. Pay - Claim payment of goods
Use Case Diagram of Rice Export

1. Buy
   1.1) Conclude Sales Contract

2. Pay
   2.1) Make Advance Payment

3. Ship
   3.1) Obtain Export License
   3.2) Arrange Shipping (maritime)
   3.3) Arrange Pre-Inspection And Fumigation
   3.4) Declare CusDec 2
   3.5) Terminal Procedure and Customs Exam at Port
   3.6) Arrange Berthing of Vessel
   3.7) Arrange Port Clearance for Vessel Departure
   3.8) Prepare Shipping Documents
Outline

- Regional State of Play
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- Support from ESCAP
Trade Facilitation Programme in ESCAP

Legislative
- Enabling paperless trade (Res. 68/3)
- Interim Intergov. Steering Group on Cross-border Paperless Trade Facilitation (Res. 70/6)
- Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (Res. 72/4)

Knowledge
- Business Process Analysis
- Single Window & Paperless Trade Implementation
- Trade & Transport Facilitation Monitoring Mechanism
- Agricultural & SME trade facilitation
- WTO TFA implementation support
- UNNExT Masterclass

Capacity Building
- ESCAP-WB Trade Cost Database
- Paperless Trade Guides & Impact analyses
- Global Trade Facilitation & Paperless Trade Implementation Survey
- Trade Process Analysis Database
United Nations Network of Experts for Paperless Trade and Transport in Asia and the Pacific

“an ongoing community of knowledge and practice to facilitate the implementation of single window and paperless trade in the Asia-Pacific region”

- Tools and guides development activities
- Advocacy and Technical Training Workshops

www.unnext.unescap.org
UNNExT Single Window Implementation Toolkit for Trade Facilitation

- Legal Guide for Electronic Single Windows and Paperless Trade
- Data Harmonization and Modelling Guide
- Business Process Analysis Guide
- Guide for Design of Aligned Trade Forms
- Single Window Project Implementation Guide
E-Learning Series on Business Process Analysis for Trade Facilitation

The Business Process Analysis (BPA) online training course has been developed by the ESCAP Trade, Investment and Innovation Division based on the UNNExT BPA Guide to Simplify Trade Procedures. BPA is considered the first necessary step to simplifying trade procedures. The course consists of seven modules and introduces a step-by-step approach to conducting BPA. It is aimed at government officials and other stakeholders responsible for trade facilitation. For more information, testing and certification please contact: escap-tid@un.org

The course is divided as follows:

- Module 1: BPA for Trade Facilitation - An Introduction
- Module 2: Unified Modeling Language
- Module 3: Project and Scope Setting
- Module 4: Project Planning
- Module 5: Data Collection and Process Documentation
- Module 6: Process Analysis and Recommendations Development
- Module 7: From BPA to Trade and Transport Facilitation Monitoring Mechanism

For guidance on how to study this course download the Study Guide.

http://www.unescap.org/our-work/trade-investment-innovation/trade-facilitation/bpa-course
Conclusions

- Fully implement the WTO TFA commitments...
  - Sequencing and prioritizing implementations may be essential for many Developing countries

- Framework agreement:
  - Countries are encouraged to ratify the treaty to take advantage of being a party of the treaty

- Survey on TF implementation:
  - Ask for support and countries will be the beneficiaries of the study output

- Take an integrated “whole of supply chain” approach
  - Commercial + Transport + Regulatory + Payment procedures
  - Procedures + infrastructure + services

- National Trade & Transport Facilitation Monitoring Mechanism
  - support sequencing and prioritizing TF measures based on evidence
  - Monitor the progress of TF and provide diagnosis
Thank you

www.unescap.org/our-work/trade-investment/trade-facilitation

unnext.unescap.org

http://communities.unescap.org/cross-border-paperless-trade-facilitation