Digital and Sustainable Trade Facilitation in Asia and the Pacific

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UN Global Survey on Digital and Sustainable Trade Facilitation

- 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
Implementation varies widely across countries and subregions.

North and Central Asia (71.4%)

East and North-East Asia (82.5%)

South and South-West Asia (63.1%)

South-East Asia (74.3%)

Australia and New Zealand (96.8%)

Pacific Islands Developing Economies (40.6%)
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
Implementation of cross-border paperless trade measures remains low

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

- 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

Fully implemented | Pilot stage of implementation | Don't know
Partially implemented | Not implemented
**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)

<table>
<thead>
<tr>
<th>Asia-Pacific: Trade costs model</th>
<th>WTO TFA (binding only)</th>
<th>WTO TFA (binding + non-binding)</th>
<th>WTO TFA + (binding + non-binding) + other paperless and cross-border paperless trade</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Partially implemented</td>
<td>Fully implemented</td>
<td>Partially implemented</td>
</tr>
<tr>
<td>Overall trade facilitation</td>
<td>-1.74</td>
<td>-4.11</td>
<td>-2.81</td>
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<td>Model 2</td>
<td></td>
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<tr>
<td>General trade facilitation</td>
<td>-0.56</td>
<td>-1.36</td>
<td>-0.73</td>
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<td>measures</td>
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<tr>
<td>Digital trade facilitation</td>
<td></td>
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<td>-1.56</td>
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<td>measures</td>
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</table>

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 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 (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](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 (UNNEExT)
- **NEW** Cross-border Paperless Trade database
  - [www.digitalizetrade.org](http://www.digitalizetrade.org)
- Legal and Technical Readiness Assessment for Cross-Border Paperless Trade
  - [readiness.digitalizetrade.org](http://readiness.digitalizetrade.org)

- **Paperless Trade and Environment Research**
  - Paperless trade implementation in AP = planting 400+ million trees
  - Climate-smart Business Process Analysis
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)
- Timor-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

- Establish or strengthen the stakeholder coordination mechanism
- Enhance awareness and conduct capacity building of on cross-border paperless trade
- Conduct data harmonization for the implementation and upgrading of the ICT system [on the basis of international standards]
- Conduct Business Process Re-engineering on the implementation and upgrading of ICT system relevant to trade related regulatory agencies
- Modernize, simplify, streamline laws and regulations governing electronic transactions
- Adopt / amend the law on use of data / data governance / data flows, incl. protection of privacy and confidentiality
- Conduct awareness / capacity-building on legal issues related to paperless trade
- Establish / improve legal basis for paperless trade environment / operation of the NSW
- Initiate / participate in multilateral and bilateral cross-border paperless trade interoperability initiatives (including joining the CPTA)
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)