ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

REPORT OF THE SECOND SESSION OF STANDING COMMITTEE OF FRAMEWORK AGREEMENT ON FACILITATION OF CROSS-BORDER PAPERLESS TRADE IN ASIA AND THE PACIFIC

UNCC and online, Bangkok
19-21 June 2023

I. ORGANIZATION OF THE SESSION

1. The second session of the Standing Committee of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific was held at UNCC, Bangkok and online, from 19 to 21 June 2023.

A. Attendance

2. The session was attended by the following Parties to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific: Azerbaijan, Bangladesh, China, Mongolia, Philippines, Republic of Korea, Tajikistan, Timor-Leste, Turkmenistan and Tuvalu.

3. Representatives from the following countries attended the meeting as observers: 1) Bhutan, 2) India, 3) Indonesia, 4) Japan, 5) Lao People's Democratic Republic, 6) Malaysia, 7) Nepal, 8) Pakistan, 9) Russian Federation, 9) Sri Lanka and 10) United Kingdom.

4. Invited representatives from Pacific Islands Forum Secretariat, United Nations Commission on International Trade Law, and World Customs Organization Regional Office for Capacity Building attended the meeting.

B. Opening Address

5. In her opening statement, Ms. Rupa Chanda, Director, Trade, Investment and Innovation Division, pointed out that the primary focus of the second session will be on following up on the tasks that were prioritized during our initial gathering at the first session in December 2022. These tasks include discussions on developing a guide to facilitate the concurrent implementation of national and cross-border paperless trade systems, shaping a robust capacity-building strategy, and maintaining an effective national committee. Furthermore, the Standing Committee should aim to translate discussions into tangible actions. Ultimately, the success of implementing the Framework Agreement hinges on real-world outcomes. Therefore, a key agenda item will be exploring potential pilot projects that can be executed to demonstrate the effectiveness of our efforts.

C. Election of officers

6. The Standing Committee elected Mr. Dilshod Sharifi, Head of External Economic Cooperation Department, Ministry of Economic Development and Trade of Tajikistan as chair and Mr. Noor MD. Mahbubul Haq, Additional Secretary, Ministry of Commerce of Bangladesh as vice-chair.

D. Agenda

7. The Standing Committee adopted the agenda as shown in Annex 1.

II. ACCOUNT OF PROCEEDINGS

A. Discussion on the implementation of prioritized tasks of the Framework Agreement
(Item 2 of the agenda)

8. The secretariat delivered a presentation on "Review a template for designing a national policy framework". The Standing Committee agreed that the template should be kept flexible. In developing national policy frameworks, the Parties may wish to take into account the technical and legal readiness assessment guide for cross-border paperless trade developed by the secretariat[1]. Furthermore, the Parties, including Azerbaijan, Bangladesh, Mongolia, Philippines, Tajikistan, Timor-Leste and Turkmenistan have carried out cross-border paperless trade readiness assessments. Such studies may contribute as the foundation for the Parties to develop national policy frameworks.

9. The Standing Committee agreed to adopt the template for national Individual Action Plan (Annex 2) and recommended that the plans be updated and submitted to the secretariat and shared with other Parties once a year before the regular session of the Standing Committee. The template may be revised and updated by the Standing Committee during its future sessions as necessary.

10. The Standing Committee agreed to adopt the templates for "Request for Capacity Building Support" and "Offer of Capacity Building Support" (as shown in Annex 3). The Standing Committee recommended that the secretariat act as facilitator in seeking support for technical assistance and capacity building from development partners. Outcomes of capacity building activities should be submitted to the secretariat and a repository will be developed by the secretariat to collect this information and inspire more Parties to conduct such activities.

11. The Standing Committee recognized the crucial role of national committees for implementing the Framework Agreement and invited each Party to report on their progress in setting up national committees within three months of the conclusion of the second session of the Standing Committee with the aim to have a national committee established before the next regular session of the paperless trade council. It was noted that this may be done through a change in the terms of reference of a related national committee or creation of a subcommittee under it.

12. The invited expert made a presentation on "reference map for cross-border paperless trade processes".

13. The Standing Committee reviewed the Cross-Border Paperless Trade Database and encouraged each Party to review the database and provide support to collect and validate data contained in the database[2].

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[1] https://readiness.digitalizetrade.org/

[2] https://www.digitalizetrade.org/

14. The Standing Committee requested the secretariat to prepare a draft guide on facilitating concurrent implementation of national and cross-border paperless trade systems and present it to the third session of the Standing Committee for its review and consideration.

15. The Standing Committee requested the secretariat to develop a model agreement for bilateral and plurilateral exchange of trade-related data and documents, with reference to existing examples. In this connection, the Standing Committee requested the cooperation of the Parties who have already implemented cross-border electronic exchange to share the text of their related existing bilateral or regional agreements after removing confidential information, within six months of the conclusion of the second session of the Standing Committee. The Standing Committee requested the secretariat to report on progress in its third session.

16. The Standing Committee requested the secretariat to prepare a draft guide on engaging in cross-border paperless trade taking into account regional and international laws and regulations and best practices as appropriate. The draft guide will be presented at the next regular session of the Standing Committee for its review and consideration.

17. The Standing Committee agreed that a working group for providing guidance on the implementation of legal and technical aspects of cross-border mutual recognition of trade-related data and documents in electronic form related to Article 8 of the Framework Agreement should be set up. The secretariat will support the work of the working group. The experts nominated by Parties will serve as members of the working group. Experts may be invited by the secretariat to provide advisory support to the work of the working group.

18. The Standing Committee recognized the importance of initiating pilot projects on cross-border paperless trade under the Framework Agreement. The Standing Committee was of the view that such projects would yield tangible outcomes and inspire more Parties and non-Parties in the region to initiate projects on cross-border paperless trade.

19. In this connection, the Standing Committee recommended that each Party carry out more studies, potentially with the support of the secretariat, to identify and prioritize the document(s) which could be exchanged between the Party and its trading partners as pilot project(s).

20. The Standing Committee appreciated the experience sharing on issuing Certificates of Origin in Sri Lanka and the ePhyto certificate project in Thailand during the workshop held as a side event of the Standing Committee on 20 June 2023, and requested for more experience sharing in the future. Such experience sharing would enable the Parties to better identify the options for initiating projects, including pilot projects, on cross-border paperless trade.

B. Discussion on the strategies and practical measures to accelerate the implementation of the Framework Agreement and strengthen partnerships

(Item 3 of the agenda)

21. The Standing Committee agreed that, to effectively implement the Framework Agreement, it would be important to foster synergy among development partners and the business sectors. Therefore, the document for the agenda item presents strategies aimed at

promoting collaboration.

22. The Standing Committee agreed that the following strategies should be taken as useful reference in identifying and engaging development partners: 1) comprehensive stakeholder mapping to ensure that no potential collaborator is overlooked; 2) establish communication and collaboration channels among the development partners so that information on the initiatives and projects on cross-border paperless efforts could be shared; 3) explore synergies among the development partners on capacity building, considering that many development partners offer training and capacity building programmes; 4) coordinate advocacy to promote the Framework Agreement by the development partners; and 5) identify actionable initiatives which can be jointly supported by the development partners.

C. Date and venue of the next regular session

(Item 4 of the agenda)

23. The Standing Committee agreed for the secretariat to organize its third regular session in Bangkok on 3-5 June 2024, preferably back-to-back with the third session of the Paperless Trade Council . It was also agreed that the secretariat would communicate with the Parties on the above-mentioned dates and venue following relevant protocols.

24. The Standing Committee suggested that an additional session of the Standing Committee might be held in December 2023 or January 2024. However, it was also agreed that this proposal would be revisited three months after the conclusion of the second session of the Standing Committee to further assess the need for organizing such a session.

D. Other matters

(Item 5 of the agenda)

25. No issue was raised during this agenda item.

E. Adoption of the Report

(Item 6 of the agenda)

26. The Standing Committee adopted the report of its second session on 21 June 2023.

Annex 1. Agenda of the Second Session of the Standing Committee of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

1 Opening of the session

(a) Opening remarks

(b) Election of officers

(c) Adoption of the agenda

2 Discussion on the implementation of prioritized tasks of the Framework Agreement

a) national policy framework.

b) capacity building strategies.

c) an effective national committee

j) review the draft Reference Map for Cross-border Paperless Trade Processes.

d) the cross-border paperless trade database

f) develop a guide to help facilitate concurrent implementation of national and cross-border paperless trade systems.

g) develop a model memorandum of understanding and service-level agreement to be used by parties at the bilateral and multilateral levels.

h) discuss how to prepare a guide on engaging in a cross-border exchange of trade-related data and documents in electronic form consistent with regional and international laws and regulations and best practices.

i) review the draft document on technologically neutral mutual recognition mechanism.

e) discuss how to prioritize cross-border paperless trade processes, documents and data for pilot projects

3 Discussion on the strategies and practical measures to accelerate the implementation of the Framework Agreement and strengthen partnerships

4 Date and venue of the next regular session

5 Other matters

6 Adoption of meeting report including the key recommendations to be presented to the 2nd Paperless Trade Council

Annex 2. templates for national Individual Action Plan

Article No.	Actions	Tasks	Activities (in sequence)	Deliverables	Timeline (implementation schedule)		Progress made (in case of update)	Capacity building needs
					Original	Adjusted		
6	Establish a national policy framework for paperless trade	Develop and implement a national policy framework for paperless trade						
	Create an enabling domestic legal environment for paperless trade	Align the domestic legal framework with selected international legal frameworks and best practices						
7	Develop or upgrade paperless trade systems consistently with the general principles	Develop or upgrade paperless trade systems, including single window systems, consistently with the general principles of the Framework Agreement						
8	Develop and agree on a mutual recognition scheme for exchange of trade-related data in electronic form	Operationalize mutual recognition						
9	Select and use relevant international standards and guidelines	Apply selected international standards and guidelines						
		Participate in the development of relevant international standards and best practices						

10	Take into account and adopt available and accepted international legal instruments	Apply selected legal instruments or relevant provisions within the legal instruments in conjunction with the result of the legal readiness assessment						
13	Initiate and launch pilot projects	Plan and implement pilot projects						
		Report the progress of pilot projects to the Standing Committee						
14	Cooperate in providing technical support and assistance	Request and offer capacity building						

Annex 3. templates for capacity building

Request for Capacity Building Support

Requesting Country:

Purpose:

Type of assistance:

Link to the Individual Action Plan (or Article of the Framework Agreement):

Details on assistance required:

Contribution or commitment from the requesting country/organization (e.g., local support team, other resources):

Tentative timeline:

Offer of Capacity Building Support

Offering Country:

Target country/ies (if this offer is specifically in response to a request from a specific country or if it is limited to certain countries):

Details on assistance offered (including type and relevant article of the Framework Agreement):