Mongolia's Digital Trade Week
Brief session for MFA's young diplomats on digital trade
28 March 2025

Advancing Digital and Sustainable Trade Facilitation in the Asia-Pacific Region and Mongolia

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Framework Agreement on the Facilitation of Cross-Border Paperless Trade (CPTA)

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The Way Forward

ESCAP
Economic and Social Commission for Asia and the Pacific





What is ESCAP?

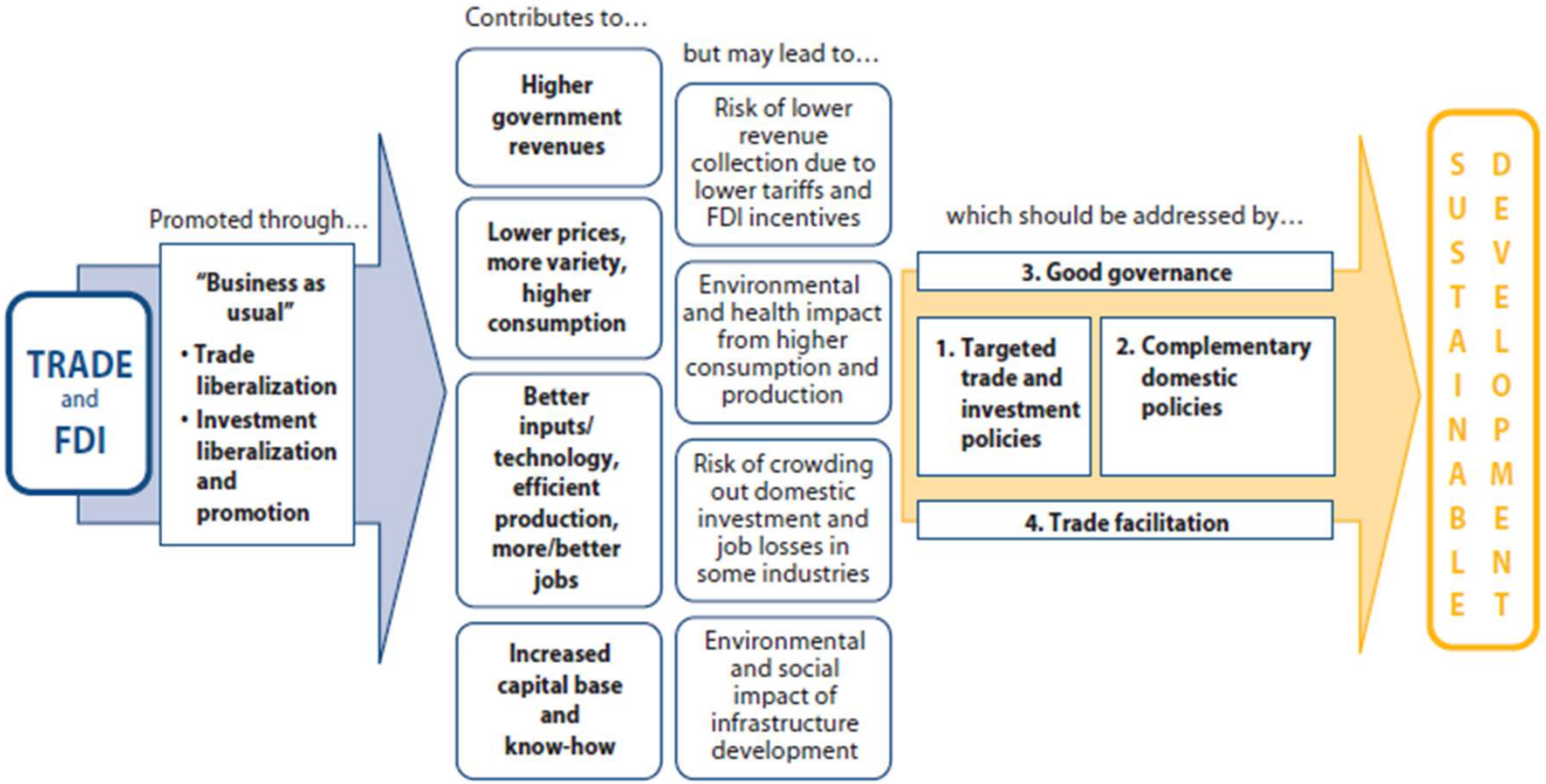
- One of the 5 UN Regional Commissions
- 53 Member States
- Support regional cooperation and implementation of the Sustainable Development Goals (SDGs)
  - Research /Capacity Building/ Technical Assistance
  - Intergovernmental cooperation
- Long-standing programme on trade and trade facilitation



https://Sustainabledevelopment.un.org

Trade identified as a key
Means of Implementation

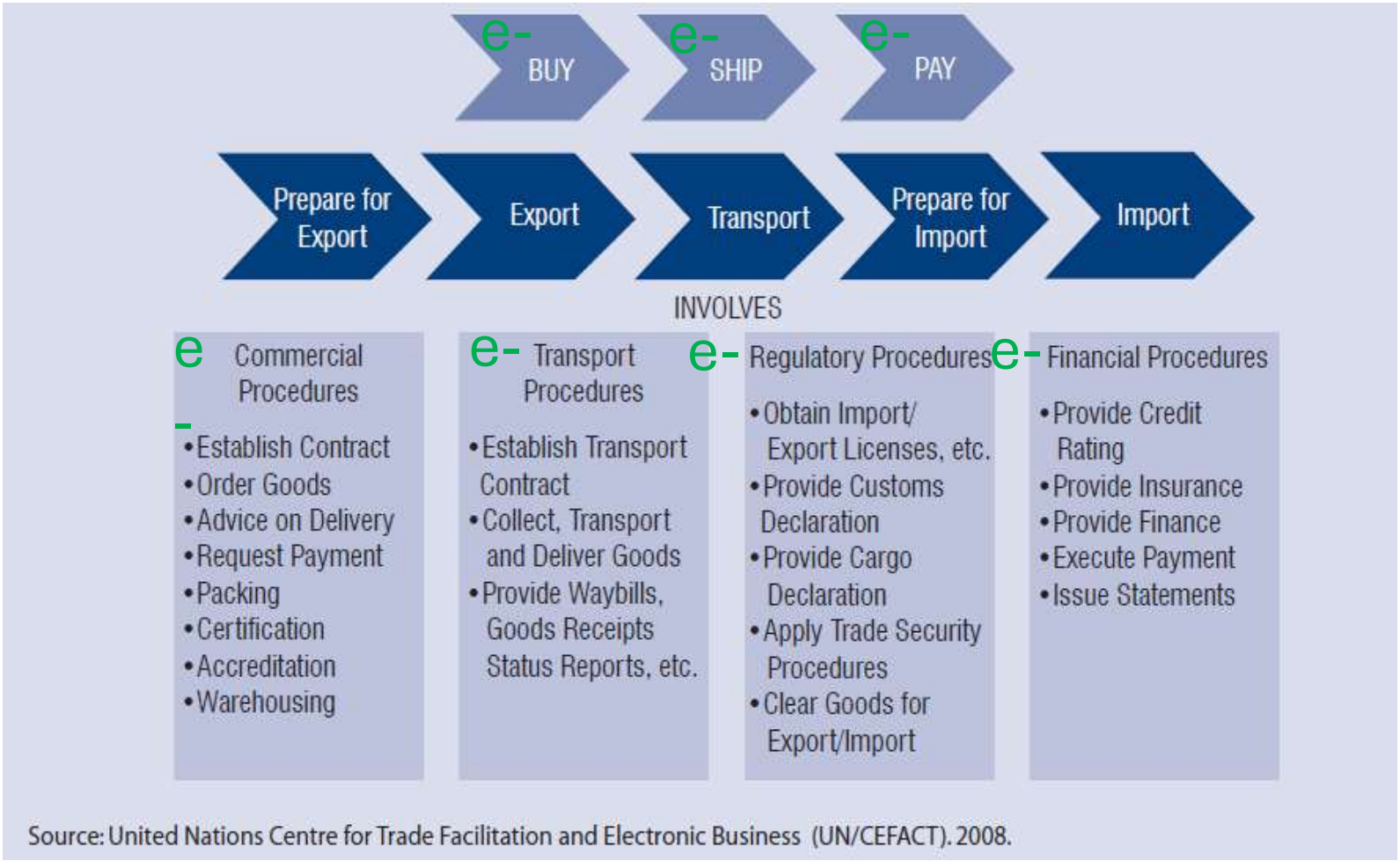
A framework for channeling trade and investment into sustainable development



Source: https://www.unescap.org/publications/APTIR2017

Trade Facilitation? → Making trade procedures more efficient

Paperless Trade? → Digital or **e-** **Trade Facilitation**

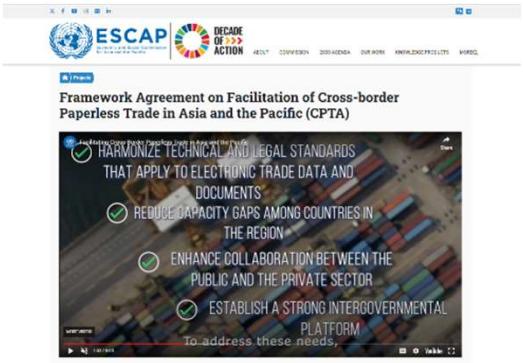


Source: United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). 2008.

Trade Facilitation & Sustainable Development

Economic	Social	Environmental
		
Lower trade cost → Higher competitiveness, lower price of goods	Less complicated, more transparent procedures → More inclusive participation in trade	More efficient trade procedures, digitalization → Less energy consumption

ESCAP Trade Facilitation Activities



- ❑Enabling paperless trade (Res. 68/3)
- ❑Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA - UN treaty entered into force in 2021)

Legislative

- ❑Online courses on:
  - ❑Business/Trade Process Analysis
  - ❑ Trade Information Portals
  - ❑Next Gen Trade Facilitation
- ❑Single Window & Paperless Trade Implementation
  - ❑UNNExT Masterclass w. WCO/RoK
  - ❑Webinar series w. ADB-ICC-WCO
  - ❑Readiness Assessments
  - ❑Action plan support
- ❑Green trade facilitation



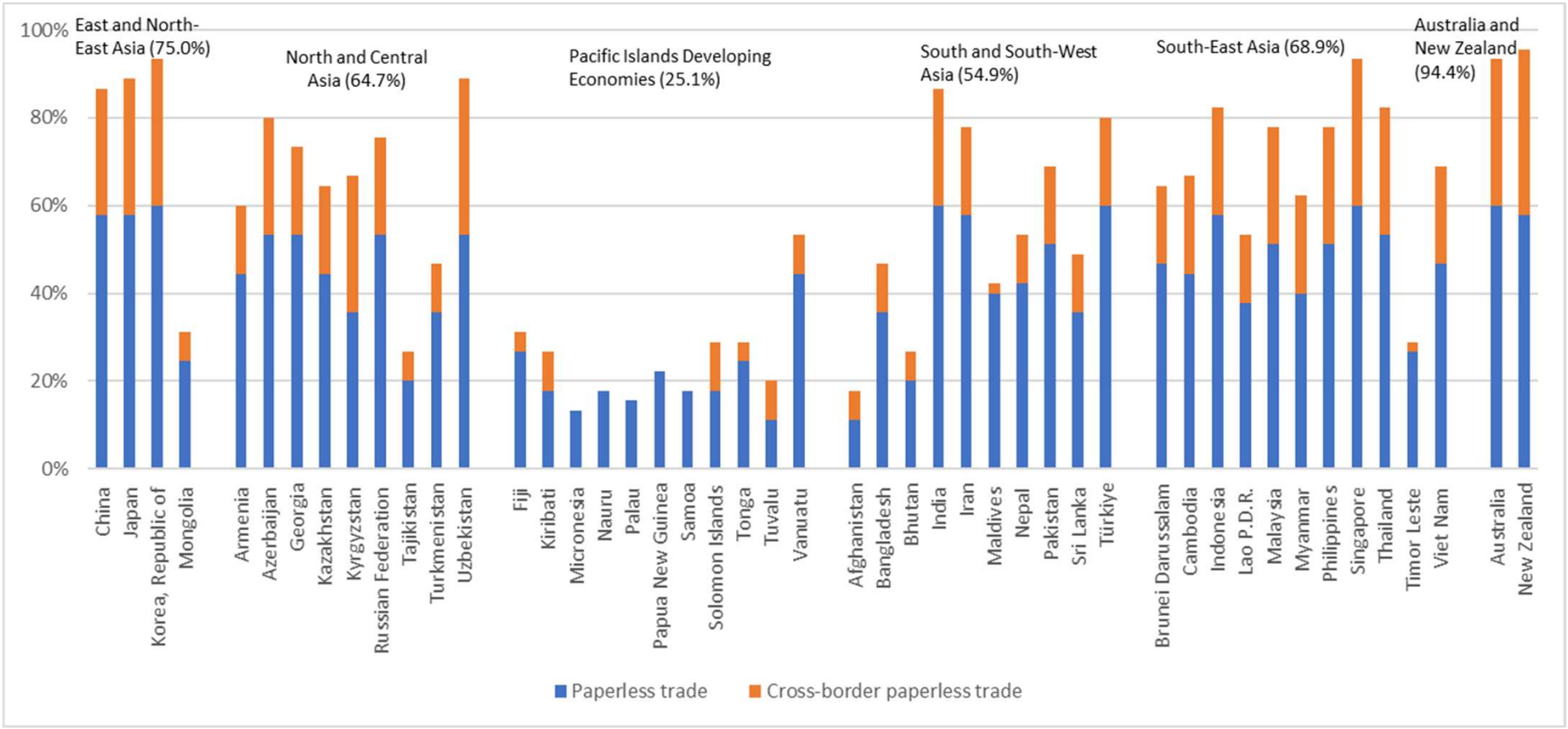
- ❑ESCAP-World Bank Trade Cost Database
- ❑UN Global Digital and Sustainable Trade Facilitation Survey (Untfsurvey.org) and Trade Digitalization Index
- ❑UNNExT Guides, Briefs and Working Papers
- ❑Impact analysis, case studies
- ❑ADB-ESCAP Trade Facilitation Report, …

Knowledge

Capacity Building



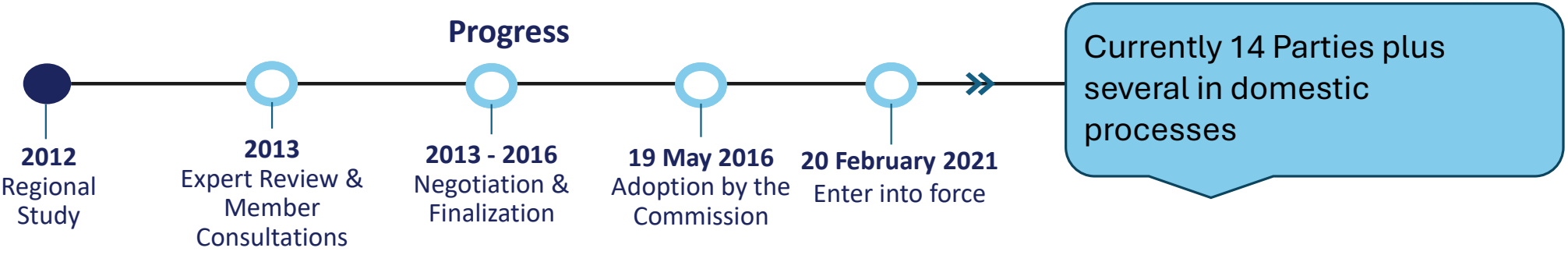
Trade Digitalization Index: digital trade facilitation gaps



Source: Trade Digitalization Index https://tdi.digitalizetrade.org/

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 (electronic 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



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

CPTA Progress

Participant	Signature	Ratification, Acceptance(A), Approval(AA), Accession(a)
Armenia	22 Sep 2017	
Azerbaijan		2 Mar 2018 a
Bangladesh	29 Aug 2017	13 Oct 2020
Cambodia	29 Aug 2017	
China	29 Aug 2017	22 Nov 2020 AA
Iran (Islamic Republic of)	29 Sep 2017	29 May 2020
Kyrgyzstan		20 Dec 2023 a
Mongolia		27 Jul 2022 a
Philippines		23 Dec 2019 a
Republic of Korea		28 Nov 2022 a
Russian Federation		18 Aug 2023 a
Tajikistan		8 Dec 2022 a
Timor-Leste		5 Apr 2022 a
Turkmenistan		4 May 2022 a
Tuvalu		8 Dec 2022 a
Uzbekistan		5 Nov 2024

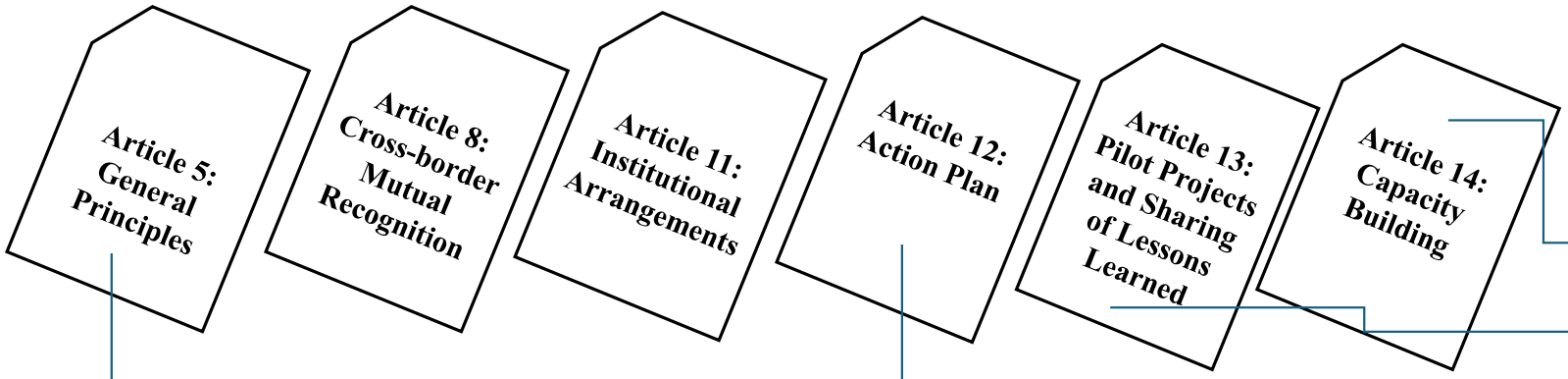


https://youtu.be/8uVGFDJTZTg

Key Provisions of CPTA

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**.

- No requirement to exchange data and documents with (all) parties



- **Strong emphasis on capacity building and solutions testing**

- **Fully consistent with UNCITRAL model laws and the G20 trade digitalization principles**

- **Collective action plan + each party sets its own Individual action plan and timeline for implementation once onboard**
- No legal or regulatory changes required

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

Readiness assessments for cross-border paperless trade



Objective

- Assessments of legal and technical readiness to identify where the country stands and analyze the gaps
- Leading to recommendations and individual action plans

Basis: Article 12. Action plan of the Framework Agreement

- ..."develop a comprehensive action plan, which shall include all concrete actions and measures with clear targets and implementation timelines necessary for creating a consistent, transparent and predictable environment for the implementation of the present Framework Agreement"
- "The implementation schedule for each Party shall be developed as part of the action plan based on a self-assessment of their readiness."

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

Readiness assessment for cross-border paperless trade

18 national readiness assessment studies completed

Central Asia (8)
Armenia (2019)
Azerbaijan (2022)
Georgia (2022)
Kazakhstan (2022)
Tajikistan (2023)
Turkmenistan (2022)
Uzbekistan (2019)

South-East Asia (6)
Cambodia (2020)
Lao PDR (2022)
Myanmar (2019)
Philippines (2022)
Timore Leste (2020)
Viet Nam (2022)

South Asia (2)
Bangladesh (2019)
Nepal (2020)

Pacific (2)
Tonga (2022)
Tuvalu (2023)

East & North-East Asia (1)
Mongolia (2019)

1 non Asia-Pacific
Mexico & planned for more

Updates & Upcoming
Bangladesh (w ADB), Bhutan (w ADB), PNG

- ***Individual Action Plan is developed***
  - ***Basis for advancing cross-border paperless trade & CPTA implementation***
  - ***Priorities for projects & strategies & collaborations***

https://readiness.digitalizetrade.org/

CPTA is designed to be inclusive

- Each party sets its own national **Individual Action Plan** based on a self-assessment
  - Capacity building needs can be specified; timelines of actions are designed by country needs and can be revised and amended, as necessary.

  In Mongolia, the Readiness Assessment was originally conducted in 2019, and an **updated individual action plan** was prepared (2025).
- Each party nominates a National Committee on Paperless Trade

  In Mongolia, the **National Working Group on Paperless Trade Facilitation** is established.

Projects on trade digitalization

Cross-border paperless trade

- Readiness assessments for cross-border paperless trade
- CBPT online tools



CBPT in AP LDCs+

- Feasibility studies on cross-border electronic exchange of trade data
- South Asian Ad-Hoc Subregional Task Force



Upcoming/ ongoing

- Working Group on Mutual Recognition
- UN Joint project on Blockchain for TF
- Proposed alliance on e-BL
- Climate-smart trade facilitation
- Single Window Interoperability

UN Digital and Sustainable Trade Facilitation Survey



- **Over 60 WTO TFA++ measures**
- **160+ countries**
- **Data from 2015 to 2023**
- **Joint effort of UN ESCAP, ECA, ECE, ECLAC, ESCWA and UNCTAD**

1 **General:** WTO TFA-related measures

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

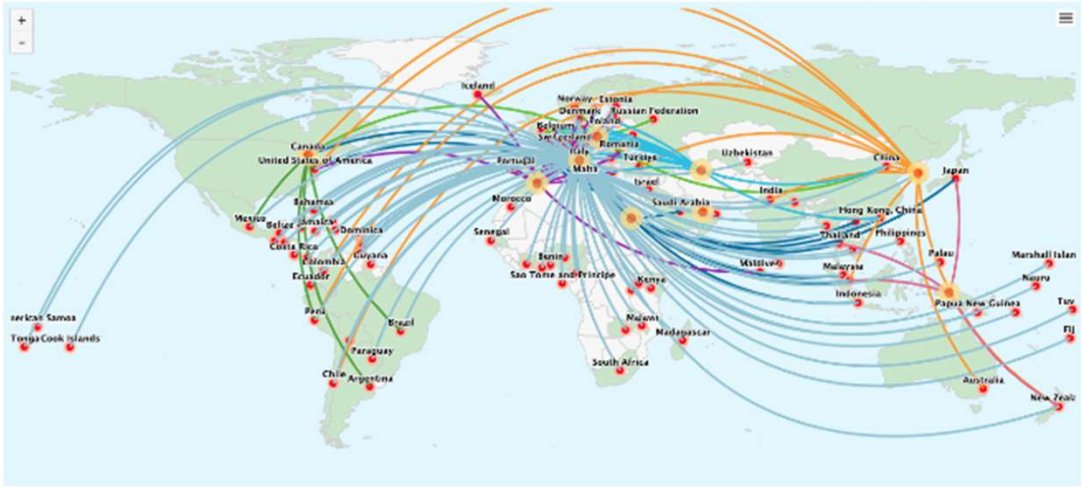
\+ 3 **Sustainable** TF: for SMEs, Agriculture, and women

\+ 4 **Other** TF: e-commerce, green TF, trade finance

Cross-Border Paperless Trade Database

ESCAP
Economic and Social Commission for Asia and the Pacific

ICC Digital Standards Initiative



digitalizetrade.org

Facilitate the sharing of knowledge and expertise gained from previous and on-going ***projects and services*** *on cross-border trade digitalization with experts, international organizations, and stakeholders from private and public sectors.*

Operating project
Pilot project
Terminated project

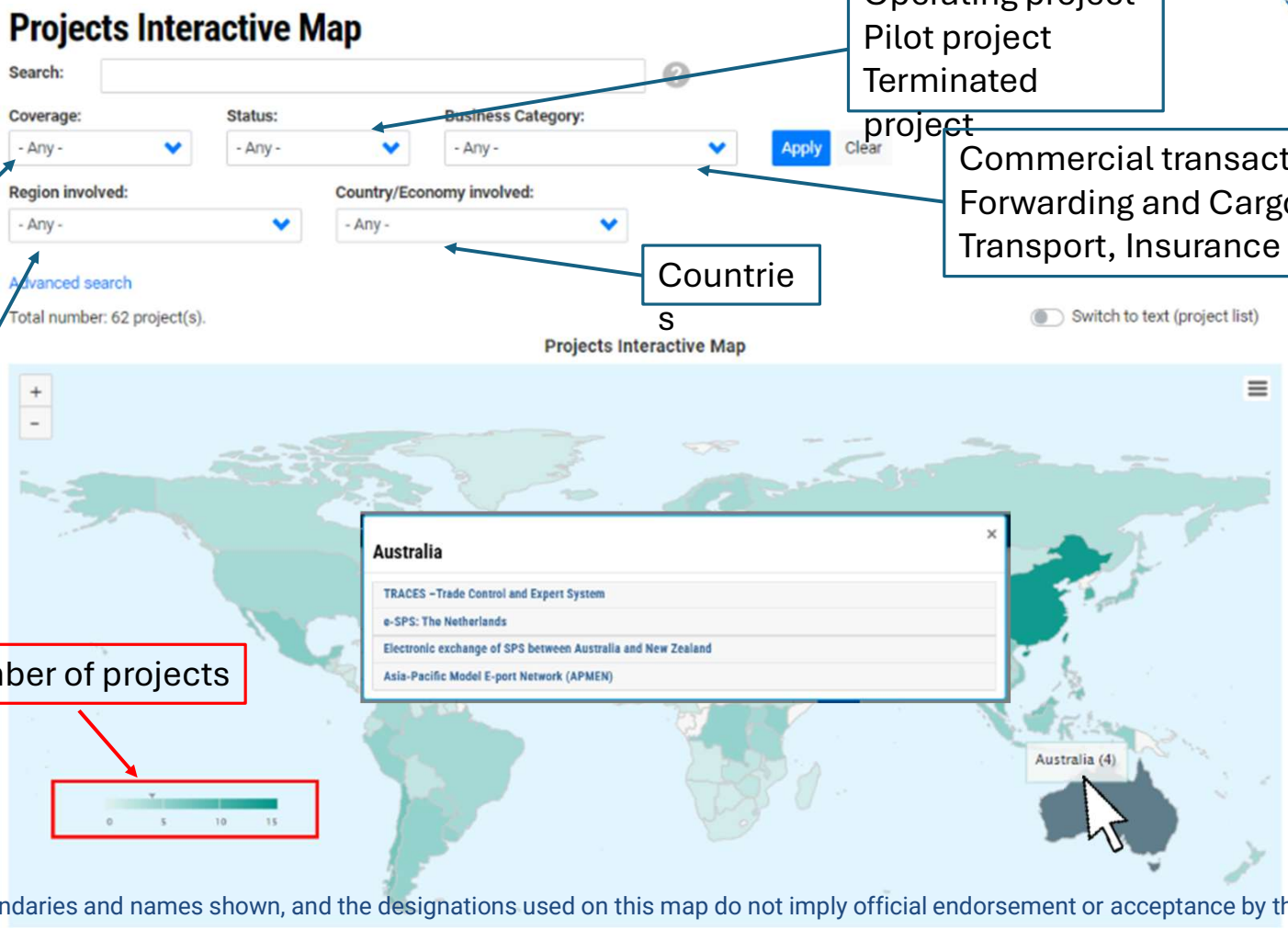
Commercial transactions
Forwarding and Cargo handling
Transport, Insurance ....

Global project
Regional project
Bilateral project

Countries

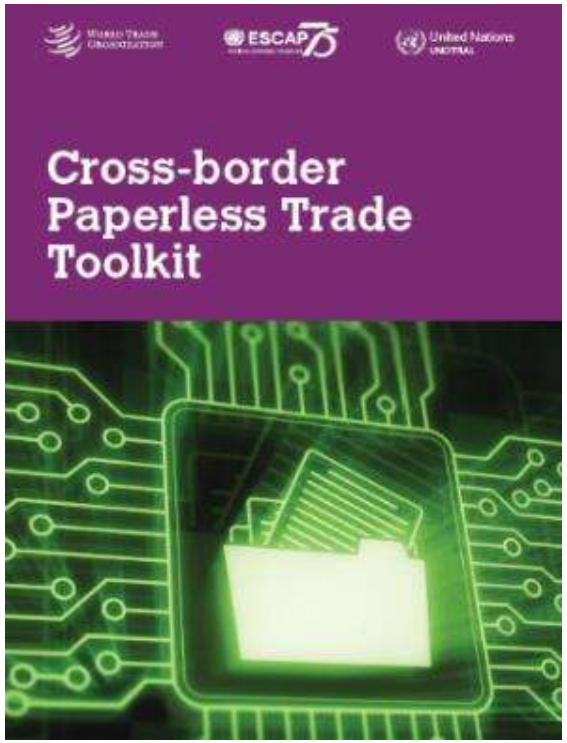
Europe
Asia – Pacific
North America
Latin America
Africa

Number of projects



Disclaimer: boundaries and names shown, and the designations used on this map do not imply official endorsement or acceptance by the United Nations

Cross-border Paperless Trade Toolkit



https://www.wto.org/english/res_e/publications_e/paperlesstrade2022_e.htm

Published by WTO in collaboration with ESCAP & UNCITRAL

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Trade digitalization resources



Online Guide

Interactive guide incl. explanatory notes, good practices by ESCAP-UNCITRAL-EIF

https://readiness.digitalizetrade.org/



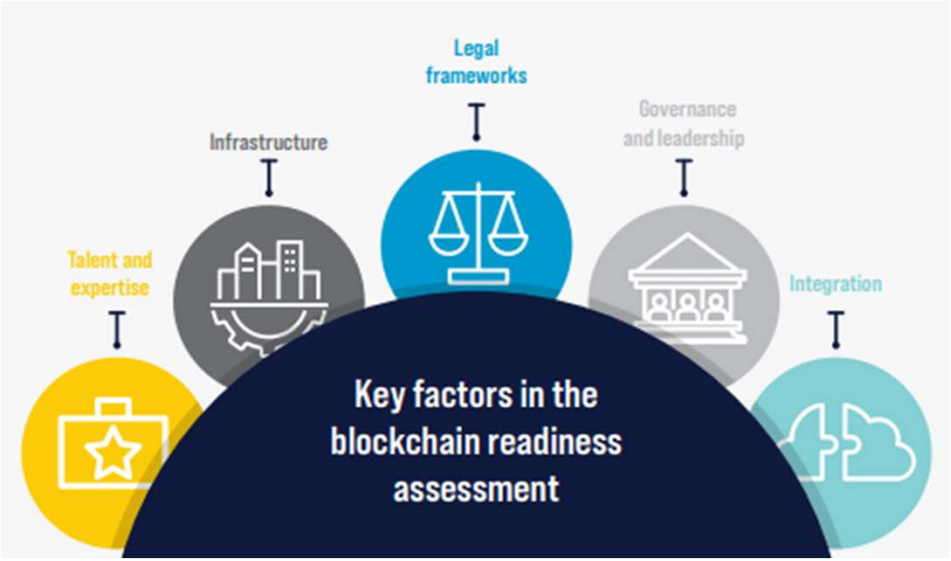
Readiness Assessment

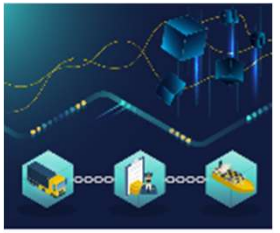
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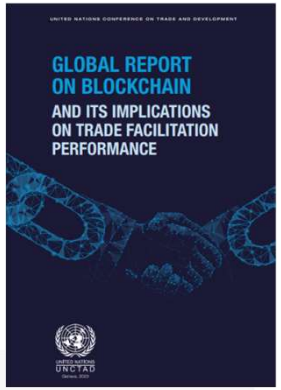
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- Leading to recommendations and individual action plans

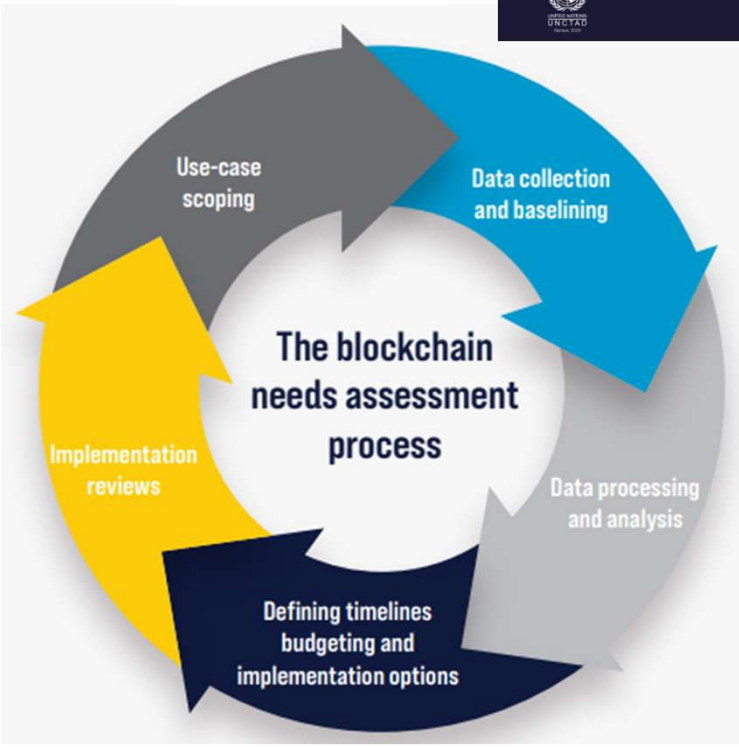
https://www.unescap.org/our-work/trade-investment-innovation/trade-facilitation-digital-trade/paperless-trade

Resources on blockchain in TF









Blockchain for trade facilitation: a user implementation guide for Governments

Guidelines for assessing blockchain needs and readiness & technical, policy, regulatory guidelines for implementation

https://www.unescwa.org/sites/default/files/pubs/pdf/blockchain-trade-facilitation-guide-english.pdf

Resources on blockchain in TF

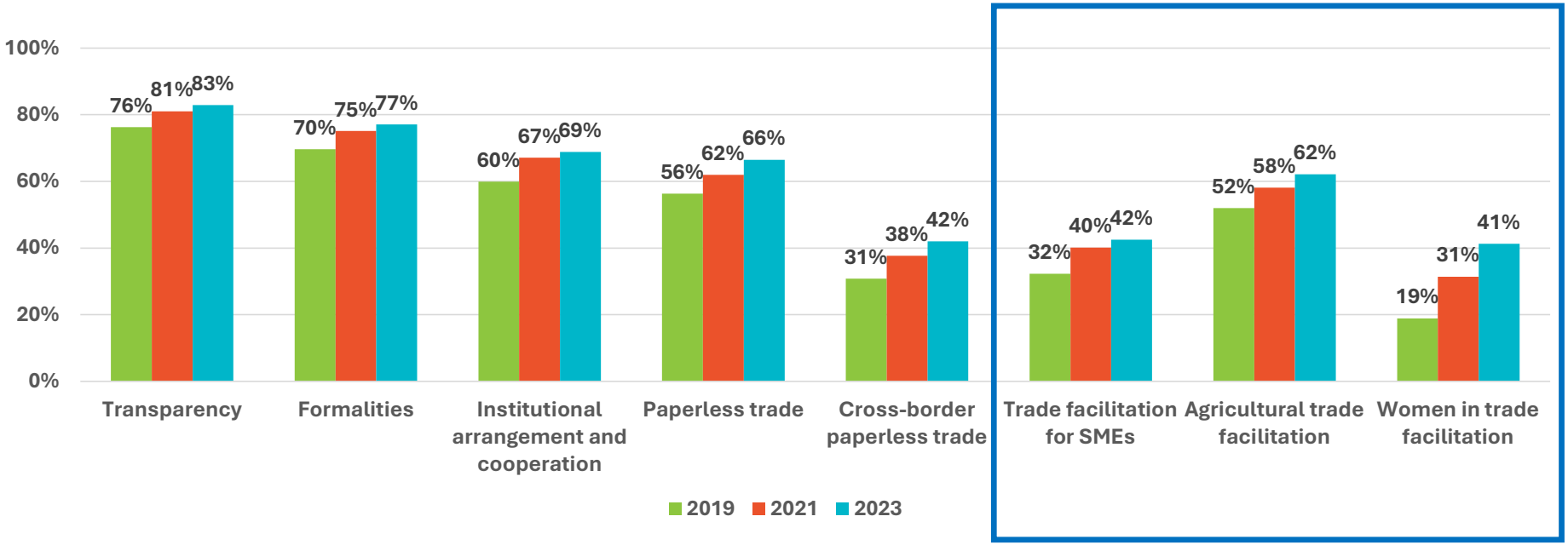


https://unctad.org/project/blockchains-facilitating-trade-and-enhancing-competitiveness

Self-paced course available - contact: clariesse.chan@unctad.org

Implementation of sustainable TF measures remains low

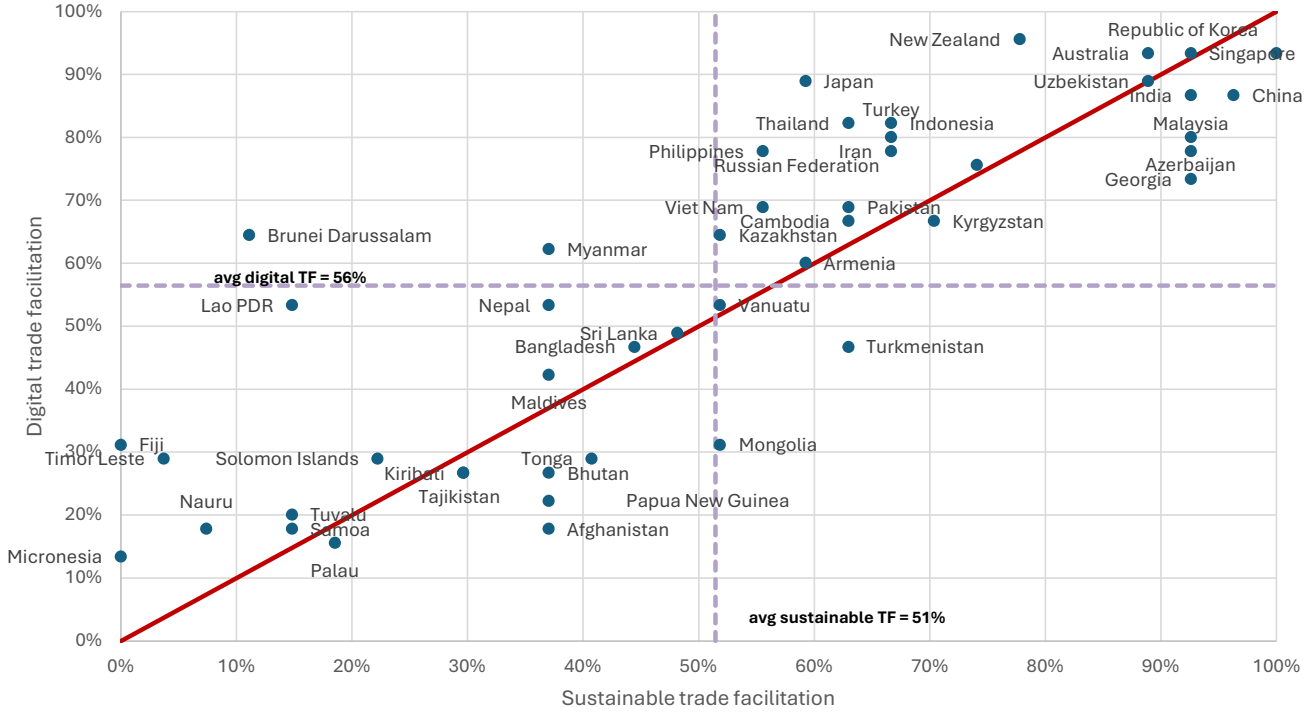
- Particularly those tailored for SMEs and women
- Still, continued progress, especially for measures for women in TF



www.untfsurvey.org

Synergetic opportunities for digital and sustainable TF

A strong positive correlation between the digital and sustainable TF:
Concurrent implementation of both areas of measures to advance sustainable TF



Source: Source: ADB/ESCAP, 2024. Asia-Pacific Trade Facilitation Report 2024.

Trade digitalization can support climate-smart trade

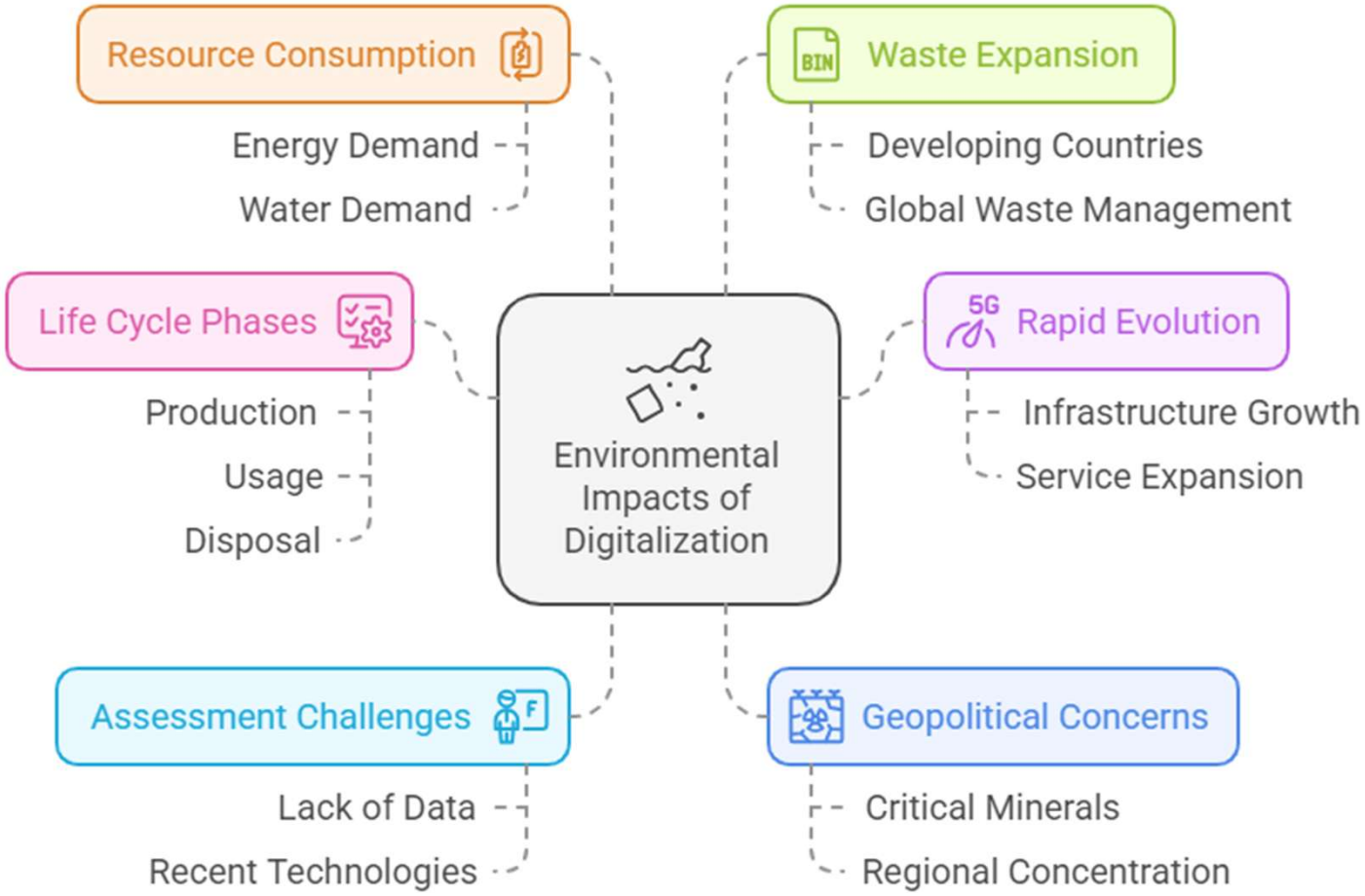
"Each single end-to-end trade transaction undertaken fully digitally could save emissions equivalent to planting 1.5 trees.

For the whole of Asia-Pacific, this implies savings of about 13 million tons of CO2 annually, equivalent to the carbon absorbed by 400 million trees. "



www.unescap.org/kp/APTIR2021

Understand the nexus of digitalization and environmental sustainability



Summarized from the UNCTAD (2024). Digital Economy Report 2024.

Way Forward

01

Continue pursuing trade digitalization

Develop paperless trade systems domestically & also interoperable at multilateral and regional levels

02

Collaborative efforts are imperative

Countries to join the UN treaty on cross-border paperless trade in Asia-Pacific

03

Foster inclusive and sustainable TF mechanisms

Concurrent implementation of digital and sustainable TF measures

Holistic TF policies embracing measures tailored to groups with special needs

ESCAP
Economic and Social Commission for Asia and the Pacific

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