

AN INTEGRATED APPROACH TO TRADE AND TRANSPORT FACILITATION

30 September (11:15 am to 12:15 pm; Bangkok time; virtual)

A side event during the Third Ministerial Conference on Regional Cooperation

A UNESCAP-ADB Collaboration

Context

Transport and trade facilitation (TTF) go hand in hand for seamless trade and resilience. Trade facilitation involves behind-the-border and at the border measures such as applying for import/export licenses, greater transparency, procedures to expedite the movement, release and clearance of goods and exchange of trade-related data and information. Transport facilitation is more focused on multimodal transport infrastructure that enhances connectivity to ports. It also covers regulatory infrastructure, such as, cross-border transport procedures and cooperation, mutual recognition of testing and certificates (related to SPS, TBT), interoperability of digital infrastructures, and others. All these together constitute the ecosystem that encourages international trade.

So far much of the discussion on tools to enhance trade is taking a separate approach for trade and transport facilitation. While discussions of trade facilitation measures are ample in multilateral and regional levels ([WTO-TFA](#) agreement, Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, or [UN digital and sustainable trade](#), and several Regional Trade Agreements (RTAs)) and evolved overtime, the same for trade and transport facilitation as an integrated subject serving same objective of increasing trade is highly limited. There are few exceptions, such as the joint ESCAP-ADB work on [Trade and Transport Facilitation Monitoring Mechanism](#) (TTFMM) and World Bank [World Bank Trade and Transport Facilitation Assessment](#).

COVID-19 has necessitated governments to look at the entire supply chain of the international trade, and hence increased the relevance for an integrated approach for trade and transport facilitation to enhance resilience. In its latest study, ESCAP finds that implementation of the WTO TFA reduces trade costs by 1 to 4 percent on average¹. In a recent exercise to decompose bilateral trade cost for goods, [WTO \(2021\)](#) estimates that transport costs constitute a high share at 29%, while observable border-related barriers account for 46% (information and transaction cost, trade policy and regulatory differences, ICT connectedness, governance quality), highlighting the fact that trade costs need to be lowered addressing barriers of both trade and transport facilitation.

This session aims to discuss the need and the ways to pursue trade and transport facilitation in an integrated manner. It would like to highlight some experiences and discuss ways to identify gaps and monitor progress.

¹ <https://www.unescap.org/kp/2022/has-wto-trade-facilitation-agreement-helped-reduce-trade-costs-ex-post-analysis>

AGENDA

Moderator: Mr. Ronald Butiong, Chief of Regional Cooperation and Integration Thematic Group, ADB

Opening Remarks

- H.E Ngampasong Mounmany, Vice Minister, Ministry of Public Works and Transport, Lao PDR (7 min)

Presentations

- Prof. Ruth Banomyong, Head, Department of International Business, Logistics and Transport, Thammasat University, Bangkok (15 min)

Panel Discussion [25 min]

- Kanya Sasradipoera, Senior Trade Specialist, Southeast Asia Department, ADB
- Azhar Jaimurzina Ducrest, Chief, Transport Connectivity and Logistics Section, ESCAP
- Eva Chan, Head of International Business, Dagangnet, Malaysia

Open discussion [10 min]

Closing

Mr. Ronald Butiong, Chief of Regional Cooperation and Integration Thematic Group, ADB