Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

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Implementation of Trade Facilitation Measures

Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2021. Available at untfsurvey.org
Framework Agreement: Milestones in Progress

- 4-year step-by-step development process
  - Over 30 countries directly involved in finalizing the treaty text in March 2016, including adopting ESCAP resolutions 68/3 and 70/6
- Adopted by the Commission as a UN treaty (resolution 72/4) in May 2016
Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific (CPTA)

- A UN Treaty
  - Open to 53 ESCAP member states
  - Enabling and action-oriented agreement

- 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
<table>
<thead>
<tr>
<th>Participant</th>
<th>Signature</th>
<th>Ratification, Acceptance(A), Approval(AA), Accession(a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armenia</td>
<td>22 Sep 2017</td>
<td></td>
</tr>
<tr>
<td><strong>Azerbaijan</strong></td>
<td></td>
<td>2 Mar 2018 a</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>29 Aug 2017</td>
<td>13 Oct 2020</td>
</tr>
<tr>
<td>Cambodia</td>
<td>29 Aug 2017</td>
<td></td>
</tr>
<tr>
<td><strong>China</strong></td>
<td></td>
<td>22 Nov 2020 AA</td>
</tr>
<tr>
<td>Iran (Islamic Republic of)</td>
<td>29 Sep 2017</td>
<td>29 May 2020</td>
</tr>
<tr>
<td>Mongolia</td>
<td></td>
<td>27 Jul 2022 a</td>
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<tr>
<td>Philippines</td>
<td></td>
<td>23 Dec 2019 a</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td></td>
<td>28 Nov 2022 a</td>
</tr>
<tr>
<td>Tajikistan</td>
<td></td>
<td>8 Dec 2022 a</td>
</tr>
<tr>
<td>Timor-Leste</td>
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<td>5 Apr 2022 a</td>
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<tr>
<td>Turkmenistan</td>
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<td>4 May 2022 a</td>
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<tr>
<td>Tuvalu</td>
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<td>8 Dec 2022 a</td>
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</table>
Actual Implementation

- The first meeting of the Paperless Trade Council of the CPTA was organized 27-29 April 2022.

- The first session of the Standing Committee was held on 12-15 December 2022.
First session of the Standing Committee of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

12 to 15 December 2022 | By invitation only
UNCC, Bangkok, Thailand

FOR MORE INFORMATION, PLEASE CONTACT
Trade, Investment and Innovation Division
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Email: uncc4r@un.org

Action plan
<table>
<thead>
<tr>
<th>Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1 Develop a template for designing a national policy framework</td>
</tr>
<tr>
<td>6.3 Identify and select relevant international legal frameworks and best practices</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Efforts required</th>
<th>Resources required</th>
<th>Leve l of Prior ity</th>
<th>Rationale for defining the priority</th>
<th>Partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>The draft document has been prepared. However, it needs to be reviewed and refined</td>
<td>1) dedicated time by the members of Standing Committee</td>
<td>High</td>
<td>This can be a quick win considering several Parties have completed readiness assessment</td>
<td>Capacity building by partners is welcome</td>
</tr>
<tr>
<td>24</td>
<td>1) review the draft document; 2) agree the list of international legal framework and best practice</td>
<td>1) dedicated time by the members of Standing Committee</td>
<td>High</td>
<td>Aligning the domestic framework with international legal framework and best practice is an ever-evolving activity.</td>
<td>Capacity building by partners is welcome</td>
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<td>25</td>
<td></td>
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**Action plan (examples)**
Selected FAQs (1)

Q: Does my country need to fulfill technical and legal requirements to become a party to the Framework Agreement?

A: No. The Framework Agreement is designed to be an enabling treaty to support developing countries to plan and move towards cross-border paperless trade, and it does NOT involve changes in laws and regulations prior to accession.

Q: If my country becomes a party, does my country have to exchange electronic data and information with all other parties?

A: Not necessarily. The Framework Agreement is a "Framework", meaning it promotes general principles but does not contain detailed legal and technical specifications that Parties are obliged to adhere to. Following entry into force, Parties will together decide what priorities or tools they will work on to achieve the objectives set out in the Framework Agreement.
Selected FAQs (2)

Q: if my country join the Treaty, will this compromise data privacy and security?
A: No. The Parties will decide how to deal with data for cross-border paperless trade.

Q: Is it a complicated procedure to join the Treaty?
A: No. As long as a country finishes domestic accession procedures, ESCAP and UN legal affairs office in New York can support your country to complete the accession procedures easily.

Q: Why is it important to join the Treaty?
A: 1) First-mover advantage for the leading countries (do you want to be a rule-maker or rule-taker?); 2) technical assistance and capacity building.

Q: What is the most important factor for decision making in joining the Treaty?
A: Political will
Concluding remarks

- Accede to the Framework Agreement, NOW
- UNESCAP, alongside development partners, stands ready to support ASEAN members and ASEAN Secretariat on developing cross-border paperless trade.
For further information on the treaty or support

1. **A dedicated webpage:** [https://www.unescap.org/kp/cpta](https://www.unescap.org/kp/cpta)

2. **The UN Treaty webpage:**

3. **Contact the ESCAP Secretariat:**
   Tengfei Wang,
   Trade, Investment and Innovation Division
   United Nations ESCAP
   Email: [wangt@un.org](mailto:wangt@un.org)
   copied to [duvaly@un.org](mailto:duvaly@un.org)