Recommendation 1.

1. The Standing Committee may request the Working Group to define the deliverables for a mutual recognition arrangement under Article 8 of the Framework Agreement (CPTA). The two options that the Working Group has identified during meetings in April and May are (1) a binding regional mutual recognition agreement for all CPTA parties and/or (2) recommendations and guidelines for bilateral or sub-regional mutual recognition arrangements among CPTA parties.

Recommendation 2.

2. The Standing Committee may request the Working Group to prioritize border-crossing trade documents to work with in a short term (and continue seeking for a long-term solution for a mutual recognition arrangement that can be applied to all border-crossing trade documents)1. The prioritization exercise should be based on certain criteria to be identified by the Working Group and followed by developing a prospective model for the business process of prioritized trade documents employing business process reengineering principles. Among promising long-term solutions, mutual recognition of e-signatures may be considered by the Working Group in the first place.

3. Background information:
4. Experts from a Party recommended that the following documents should be prioritized for future work: 1) Electronic Customs Declarations; 2) Invoices; 3) Certificate of Origin (CoO); 4) e-phytosanitary Certification System; 5) Electronic Testing Certificate; and 6) electronic signature. Business process analysis and standardization of formats of documents are two essential steps toward paperless solutions.

5. However, the Working Group notes that each country may prioritize different documents according to the trade patterns of the countries. In this respect, the background document (agenda item 2d) for the Standing Committee may provide a useful methodology for identifying such documents (https://bit.ly/4bOuIV4).

1 Further study is needed to investigate whether there is a one-size-fits-all solution.
Recommendation 3.

6. The Standing Committee may request the Working Group to develop an international legal framework for a transboundary trust environment (TTE) functioning under CPTA to facilitate cross-border mutual recognition ensuring trust and legal validity of electronic trade documents exchanged between CPTA parties. The legal framework should define the legal status of Trusted Third Parties (TTPs), requirements for an equivalent level of reliability, and provisions for compliance with international information security standards. In addition to the legal framework, the Working Group may develop technical conditions for TTE functioning and a model cross-border agreement between national TTPs.