On trade facilitation (TF) in times of crisis and RTA provisions

Yann Duval
Director, a.i.,
Trade, Investment and Innovation Division,
United Nations ESCAP
UN Global Survey on Digital and Sustainable Trade Facilitation 2021

50+ trade facilitation (TF) measures  140+ countries

1. WTO TFA-related measures

2. **Digital** TF: paperless trade & cross-border paperless trade

3. **Sustainable** TF: for SMEs, for Agriculture, for women, trade finance

4. Trade facilitation during crisis and pandemic

www.untfsurvey.org
Implementation of Trade Facilitation in Asia-Pacific (46 countries)

Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)

Note: ESCAP is still receiving feedback from some member countries on data validation. Therefore, the results may be further – probably slightly – revised in the final report to be issued in the coming months.
Implementation of TF: Progress 2019-2021
(128 countries covered in both 2019/2021 Surveys)

Despite supply chain disruptions during COVID-19, implementation level increased by over 5 percent over the last two years.

Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)
Note: UNRCs are still receiving feedback from some member countries on data validation. Therefore, the results may be further – probably slightly – revised in the final report to be issued in the coming months.
PHILIPPINES enacted “Clearance of Relief Consignment Entered During State of Calamity” and “Interim Procedures on Provisional Good Declaration” to support expedited clearance during pandemic.

INDONESIA: To facilitate international trade during pandemic, Indonesia intend to receive the electronic SPS certificate from all countries and kindly requested for a country to officially inform Indonesia about the implementation of digital documents, supported with access to certificate validation.

CHINA Customs has introduced “List of TF measures” during COVID-19 to ensure SOP of TF across Customs Houses in China.
Resilient TF measures: TF in times of crisis

Work is needed on making trade procedures more resilient:
Only 14% of countries have established or clearly assigned an agency to manage TF in times of emergencies and
Only 16% of countries have confirmed long term preparedness for future crises.

Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)
Note: UNRCs are still receiving feedback from some member countries on data validation. Therefore, the results may be further – probably slightly – revised in the final report to be issued in the coming months.
“Paperless trade” implementation rates vary greatly depending on the individual measures.

“Cross-border paperless trade” is still a challenge (< 40%)

Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)

Note: UNRCs are still receiving feedback from some member countries on data validation. Therefore, the results may be further – probably slightly – revised in the final report to be issued in the coming months.
On TF provisions in Trade Agreements for trade in times of crisis and pandemic

- **There is evidence that TF provisions in RTAs are effective in promoting trade facilitation**
  - Duval, Neufeld, Uthoktham (2016)

*Figure 6. Discriminatory and non-discriminatory impact of TF provisions in RTAs over time*

*Note: Relative cumulative impact on trade costs of TFinRTA and RTFCij based on Models L1-L6 and RL1-RL6, respectively.*
On TF provisions in Trade Agreements for trade in times of crisis and pandemic

• *Be ambitious*, promote digital TF/ paperless trade; focus on cross-border measures (e.g., cross-border exchange of docs); consider transport/transit facilitation

• *Be realistic*, provide time/flexibility and support to less advanced partners (S&DT, TA/CB)

• *Be inclusive*, think about the needs of SMEs and special groups (and special situations)

• *Be efficient*, participate and refer directly to existing instruments when possible (WCO data model, ESCAP CAPT, UNCITRAL MLETR, …)
Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific

A UN treaty to facilitate trade digitalization

- Entered into force February 2021
- Support implementation of WTO TFA and “paperless trading” provisions in RTAs

www.unescap.org/kp/cpta
Thank you!