Summary of Recommendations at the Asia Pacific Trade Facilitation Forum 2012, 30-31 October 2012, Colombo, Sri Lanka

Overview and Summary of Recommendations

The Asia Pacific Trade Facilitation Forum (APTFF) 2012 took place in Galadari Hotel, Colombo, Sri Lanka, during 30-31 October. It was jointly organized by the UNESCAP (United Nations Economic and Social Commission for Asia and the Pacific), Asian Development Bank, Ministry of Industry and Commerce and Ceylon Chamber of Commerce, Sri Lanka. Sri Lanka became the first South Asian country to host the APTFF. The APTFF 2013 is planned to take place in China.

The theme of this year’s Forum was “Enhancing Public-Private Collaboration for Trade Facilitation, Paperless Trade and Cross-border Connectivity”. The Forum was attended by more than 250 trade facilitation officials, experts, practitioners and technical assistance providers from 30 countries of the region and beyond, bringing together an extraordinary wealth of knowledge and experience on trade facilitation, paperless trade and public private collaboration. There were a number of participants from outside the Asia Pacific region including H. E. Senator Vasant Bharath, Minister, Trade, Industry and Investment of Trinidad and Tobago. More than 10 international organizations, including UNCTAD, UNECE, WCO, World Bank, as well as SAARC and APEC Secretariats participated. H. E. Dr. Sarath Amunugama, Senior Minister, International Monetary Cooperation, Sri Lanka delivered the inaugural address while H. E. Mr. Abdul Rishad Bathiudeen, Minister, Industry and Commerce, Sri Lanka, delivered, opening remarks among others. A Multimedia Exhibition was organized in parallel with the Forum, attended by 18 private and public sector entities involved in paperless trade, logistics services or technical assistance in trade facilitation. The event was well covered in local (Sri Lankan) and international media.

Based on the evaluation conducted after the Forum, about 90 percent of the respondents noted that their knowledge on trade facilitation and paperless trade increased as a result of their attendance to the Forum. More than 90 percent participants indicated that they would be able to share the acquired knowledge in their home countries to improve the trade facilitation situation. An overwhelming majority (about 80 percent) also indicated that they would be able to use the knowledge to improve the national policies and regulations.

The Forum sessions included a High-level Panel Discussion on Enhancing Public-Private Collaboration for Trade Facilitation and Paperless Trade, Plenary Sessions on E-Trade for SME Integration in Regional and Global Value Chains, Cross-border Recognition and Exchange of Trade Documents for Regional Connectivity and Subregional Breakout Sessions on the Forum theme.

The three subregional breakout sessions took place for Central and East Asia, Southeast Asia and South Asia respectively. These sessions discussed the progress in trade
facilitation and paperless trade and the role of public-private collaboration and resulted in some recommendations at national and sub-regional levels. The summary of the discussions were presented and endorsed at the Closing Session of the Forum on the second day. The summary is presented below:

**Central and East Asia**

This Session identified the following key challenges at national and sub-regional levels:
- Non-transparent and unclear procedures
- Lack of capacity for implementing paperless trade projects or initiative
- Low level of willingness from key agencies to advance trade facilitation
- Lack of effective channel for dialogue between private and public sectors
- Poor access of the private sector to useful documents produced by international organizations such as ESCAP, ECE, ADB and WB
- Low level of Information and Communication Technology (ICT) infrastructure

The Session made the following recommendations both at national and subregional levels:
- The private sector should be more pro-active in developing public-private cooperation; Traders and regulatory bodies should take steps to build mutual trust
- Compliant traders should benefit from simplified border clearance procedures
- National single window development should enable exchange of trade data across borders and provide service to exporters from other countries. This requires regional collaboration on developing such services and initiation of pilot projects
- Capacity building for entrepreneurs in the region in the fields of logistics and trade facilitation should be supported through networking and exchange of best practice at the regional level

**Southeast Asia**

This Session identified the following key challenges at national and sub-regional level:
- Lack of trust between the public and private sector; Poor coordination between public and private sector organizations
- Legal environment not ready for trade facilitation – inadequate platform for public-private collaboration.
- Perception that facilitating trade (e.g., automation) would reduce government revenue
- Countries at varying stage of development, with some not yet ready for adoption of modern technology necessary for paperless trade and automation
- Weak financial support systems (to support international trade) in many sectors.
- Human Resources Development (public and private) as people are often lack the skills and training to execute trade facilitation measures
- Trade facilitation frameworks and paperless systems sometimes do not cater to the needs of SMEs
- Physical infrastructure and transport linkages still inadequate
The Session made the following recommendations both at national and subregional levels:

- Provide targeted training for both public and private sectors to build trust and understanding
- Strengthening of trade-related information portals and make them accessible to public
- Continuous strengthening of legal framework and improved implementation of existing laws
- Enhance knowledge transfer or technology exchange between countries of the subregion as well as through external technical assistance
- Consider special needs of SMEs, for both TF and for value chain participation; Encourage the Development Partners to help address SME concerns
- Encourage integration of SMEs into value chains and production networks (subregional level)
- Work towards full interoperability of NSW (National Single Window) platforms
- Encourage public-private investment for necessary infrastructure to facilitate trade

**South Asia**

This Session identified the following major issues and challenges:

- Lack of simplification and harmonization of trade procedures, particularly at borders; Inefficient clearance of goods at Customs with burdensome manual documentation
- Lack of legal framework to support electronic documents; Minimal level of electronic cross-border data and documents exchange within the subregion
- Lack of transparency/awareness on regulatory issues; Lack of coordination among regulatory and border agencies; Limited number of recognised certification authorities within the region
- No regional institution for trade facilitation, including a platform for public-private interface and cooperation
- Absence of subregional transit framework; Variations in cross-border standards and regulations
- Multiple handling at border and for transshipment; and lack of modern corridor management techniques at borders
- Poor infrastructure, lack of modern cargo handling facilities

The Session made the following recommendations:

1. National Level
   - Simplify trade procedures by introducing electronic trade document processing, including adopting digitally signed trade documents
   - Improve legal framework to facilitate paperless trade
   - Build a close public-private partnership mechanism for trade facilitation
   - Encourage competition in banking, insurance and logistics sector
   - Institutionalize quality control agencies
   - Improve processes and facilities at ports & other import-export points
2. Subregional Level
   - Improve performance of ports of Kolkata, Haldia and Chittagong with regular performance monitoring
   - Improve road and rail condition of connecting corridors
   - Establish an effective subregional coordination mechanism, including a platform for Private and public sector cooperation in trade facilitation
   - Extend business process analyses to other subregional corridors

**Recommendations for the Asia Pacific Region**

The Forum participants also put forward some recommendations for the Asia Pacific region during plenary and subregional breakout sessions. Key recommendations for the region included:

   - Work towards mutual acceptance and exchange of electronic data, documents and certifications among countries, including through Proof of Concept (PoC) project(s) on cross-border paperless trade and reinforcing legal framework for cross-border exchange of e-documents
   - Introduce electronic transit system to landlocked and transit countries and improve trade and transport facilities at border crossings, particularly those essential for the transit of goods from/to landlocked developing countries (LLDCs)
   - Address special needs of SMEs for trade facilitation and for value chain participation; And encourage development partners to address such needs
   - With the support of ESCAP, ADB, UNNExT and other relevant organizations, take measures to facilitate agricultural trade, including by developing guidelines and capacity building programmes on traceability, e-SPS certification and related system development

**Back-to-Back Events**

A total of nine events were organized back-to-back with the Forum during the week of 29 October – 2 November including a visit to the Colombo Port, SASEC Stakeholders Workshop on Subregional Trade and Transit Collaboration, UNNExT Advisory Committee Meeting, Expert Review Meeting on Regional Arrangements for the Facilitation of Cross-border Paperless Trade and the Asia-Pacific Research and Training Network on Trade (ARTNet)Conference. Presentations and other information about the Forum and back-to-back events are available at: [http://www.unescap.org/tid/projects/tfforum12.asp](http://www.unescap.org/tid/projects/tfforum12.asp)