Asia-Pacific
Trade Facilitation Forum
Survey on Trade Facilitation and Paperless Trade

South Asia: Preliminary Results

Colombo, Sri Lanka
30-31 October 2012
So far, there have been 46 respondents from 26 countries …

<table>
<thead>
<tr>
<th>South East Asia</th>
<th>South Asia</th>
<th>Central &amp; East Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cambodia</td>
<td>Afghanistan</td>
<td>Azerbaijan</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Bangladesh</td>
<td>China</td>
</tr>
<tr>
<td>Lao PDR</td>
<td>Bhutan</td>
<td>Japan</td>
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<tr>
<td>Malaysia</td>
<td>India</td>
<td>Korea, Rep.</td>
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<tr>
<td>Myanmar</td>
<td>Maldives</td>
<td>Kyrgyz Republic</td>
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<tr>
<td>Philippines</td>
<td>Nepal</td>
<td>Mongolia</td>
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<tr>
<td>Singapore</td>
<td>Pakistan</td>
<td>Republic of Uzbekistan</td>
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<tr>
<td>Thailand</td>
<td>Sri Lanka</td>
<td>Russian Federation</td>
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<tr>
<td>Vietnam</td>
<td></td>
<td>Turkey</td>
</tr>
</tbody>
</table>
Who is the lead agency?

**Customs**: Cambodia, Japan, Korea Republic, Myanmar, Russian Federation, Thailand, Turkey and Singapore

**Ministry of Economy/Commerce/Trade**: Bangladesh, China, India, Indonesia, Kyrgyz Republic, Lao PDR, Malaysia, Maldives, Nepal, Pakistan, Philippines and Sri Lanka,
Trade Facilitation Measures

Does your country have a Risk Management programme?

- Fully Implemented: 35%
- Partially Implemented: 39%
- Not Implemented: 17%
- Don't Know: 9%

Does your country have a Post-Clearance Audit programme?

- Fully Implemented: 11%
- Partially Implemented: 35%
- Not Implemented: 11%
- Don't Know: 43%
Several countries do not yet have a NSW or under development ...

Afghanistan, Bangladesh, Bhutan, Nepal, Pakistan, Sri Lanka and Republic of Uzbekistan

In some countries, 100% of Customs declarations are routed via the NSW ...

India, Korea Republic, Malaysia, Singapore and Thailand
Towards Cross-Border Paperless Trade

To the best of your knowledge, how are the following documents exchanged between traders in your country and their overseas counterparts/partners?

No. of countries who exchange electronic documents

- Air Waybill: 16
- Bill of Lading: 12
- Commercial Invoice: 14
- Dangerous Goods: 7
- House Bill of Lading: 9
- House Waybill: 10
- Cargo Manifest: 17
- Certificate of Origin: 13
- Sanitary & Phyto: 5
- Packing List: 5
- Shipping Instructions: 12
- Others: 13
41% of respondents surveyed indicated that they did not have separate border-crossing facilities/infrastructure for transits.

Most of the respondents surveyed indicated that physical inspections are limited through risk assessment.
More than half of the 26 countries surveyed already have a national trade facilitation body in place

**Key Messages**

- Customs does not always have to be the “lead agency” to promote and implement a national trade facilitation strategy;
  - Ministries of Economy, Commerce or Trade often take the lead
  - Typically, Customs tend to take the lead in the development of a National Single Window

- Risk Management plays an essential role in trade facilitation, but it often requires a Post-Clearance Audit programme to be in place

- Very few countries have implemented what could be considered to be a “fully operational” National Single Window
  - ... but most countries already have an e-Customs system
Regional:
South Asia
<table>
<thead>
<tr>
<th>Country</th>
<th>Trade Facilitation Body</th>
<th>e-Customs System</th>
<th>National Single Window</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>Yes (1)</td>
<td>Yes (1)</td>
<td>No (1)</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>Yes (3), No (2)</td>
<td>Yes (3), No (2)</td>
<td>Yes (1), No (4)</td>
</tr>
<tr>
<td>Bhutan</td>
<td>No</td>
<td>Yes (1)</td>
<td>No (1)</td>
</tr>
<tr>
<td>India</td>
<td>Yes (1), No (2)</td>
<td>Yes (3)</td>
<td>Yes (2). Under Dev. (1)</td>
</tr>
<tr>
<td>Maldives</td>
<td>Yes (1)</td>
<td>Yes (1)</td>
<td>Under Dev. (1)</td>
</tr>
<tr>
<td>Nepal</td>
<td>Yes (2)</td>
<td>Yes (2)</td>
<td>Under Dev. (1), No (1)</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Yes (3)</td>
<td>Yes (3)</td>
<td>Under Dev. (2), No (1)</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>No (1)</td>
<td>Yes (1)</td>
<td>No (1)</td>
</tr>
</tbody>
</table>
Some Observations

- **National Single Window**
  - Most of the respondents surveyed said that they do not have a National Single Window, although some say that it is under development.

- **Towards Cross Border Paperless Trade**
  - Very few documents are exchanged electronically within the region.
  - Most of the respondents surveyed said that they are not engaged in any cross border paperless trade document or data exchange with other country.
  - The legal framework is not there to support electronic documents.
  - There are only a few recognised certification authorities within the region.

- **Transit Facilitation**
  - Most of the countries do not have physically separate border-crossing facilities for transit.
Issues & Challenges

Bangladesh
- Formation of a National Trade Facilitation Task Force or Committee
- Further simplification of documentation requirements in Customs
- Capacity building in Ports / Customs
- There is a need to improve the port infrastructure
- Automating the issuance of import and export licences and permits
- Industry specific trade facilitation programmes e.g. agricultural products
- Limited expertise

Bhutan
- Physical constraints at the border
- Co-operation among the relevant stakeholders within and outside the government
- Lack of expertise in this area
India
- Reduce the number of documents required
- Use of digital signatures

Maldives
- Lack of technical know-how in implementation of systems like Risk Management, National Single Window, Electronic Documents and Manifest Submission
- Lack of co-ordination and co-operation between other border agencies
- Lack of financial and capital resources needed to run large scale TF projects
- Absence of a national level primary body to deal with issues related to trade facilitation and paperless trade,
- No legal structure to support electronic documents

Nepal
- Lack of specialized personnel in this sector
- Lack of awareness about paperless trade among Business Community
- Lack of co-ordination of border management authorities
Pakistan

- Co-ordination between various government agencies
- Policy direction from the top level of the government is at slow pace for the trade facilitation initiatives to progress speedily
- Greater co-ordination with regional countries, especially the landlocked Central Asian States, is also required to facilitate trade in the Central Asian region.
- Small traders are not conversant with new technologies

Sri Lanka

- An ineffective advisory committee appointed by the Ministry of Industry and Commerce
Recommendations

General

- Benefits of paperless trade are enormous so it must be implemented in every country.
- For that, first of all Governments and business sector must be aware of it.
- Business sector wants paperless trade.
- Governments must initiate discussions regarding paperless trade to related sectors and implement it.
Thank You