

Annex I

Opening Statement by Ms. Noeleen Heyzer, Under-Secretary-General of the United Nations and Executive Secretary of ESCAP

At the Regional Expert Group Meeting on
Trade and Transport Facilitation for Export Competitiveness
25-26 September 2008, Yangzhou, People's Republic of China

Ms. Wang Yanwen, the honorable Mayor of the Municipal City of Yangzhou,
Mr. Wen Daocai, the honorable Vice Mayor of the Municipal City of Yangzhou,
Mr. Diao Mingsheng, the Permanent Representative of China to ESCAP,
Distinguished Expert Participants,

Ladies and Gentlemen,

It gives me great pleasure to extend to you all a very warm welcome to the Regional Expert Group Meeting on Trade and Transport Facilitation for Export Competitiveness. I would also like to express my deep appreciation to the Government of the People's Republic of China and the Municipal City of Yangzhou for excellent arrangements and hospitality extended to all participants of this meeting.

Ladies and Gentlemen,

Increased trade flows, the complexity of international transactions, as well as rapid changes in transportation and sophisticated information technologies have changed the environment in which businesses operate in the twenty-first century. Inefficiencies in placing orders, delivering goods and making payments for internationally traded goods have a tremendous negative impact on businesses, governments, consumers and ultimately our economies in the Asia-Pacific region.

Time is money. Delays at border crossings, harbors and docks caused by cumbersome procedures and excessive paperwork constitute a heavy burden for business. The hidden costs of trade are high—as much as 15 per cent of the value of goods traded in some cases.

Poor are the most affected—they are the small and medium-sized enterprises in least-developed countries, landlocked countries and small island economies who have less experience in international trade. They are often discouraged by the complex and non-transparent procedures which they need to meet before their products reach the consumers. I see a farmer in Cambodia struggling with poor infrastructure to get his

products to the port. I see a woman entrepreneur in Bangladesh whose merchandise was delayed because she could not obtain numerous stamps and signatures for the import documentation. These entrepreneurs are the backbone of our economies. And their livelihoods depend on a trade enabling environment.

At ESCAP we see trade and transport facilitation as a vital component of policies and institutions to promote trade and investment to achieve inclusive and sustainable economic and social development. It is about creating a consistent, transparent and predictable environment for moving goods across borders smoothly.

Well-targeted trade and transport facilitation measures can bring significant benefits to governments, businesses and consumers. Governments benefit from enhanced revenue collection, better governance and administrative controls, while businesses benefit from faster customs clearance and lower costs of doing business. At the end of the chain is a consumer, who benefits from cheaper goods.

From a country perspective, trade and transport facilitation simply leads to export competitiveness. It also creates favourable conditions for attracting foreign investment. In fact, the benefits of trade facilitation are as significant as those resulting from the reduction of tariffs.

From a regional perspective, trade and transport facilitation can be a catalyst for regional cooperation and intra-regional trade. Trade and transport facilitation is a “win-win” solution for all countries, regardless of the level of economic development or geographical position. That is why, once seen as a backdoor technical issue, the facilitation of international trade has become a crucial element of the trade and development agenda.

ESCAP has a three-tiered approach to help the member countries to tackle inefficiencies and bottlenecks in international trade:

First, we promote the use of global conventions and standards, and innovative e-solutions such as United Nations Electronic Trade Documents—a new-generation standard for simplified trade forms that can be processed manually or electronically.

Second, we provide a community of knowledge and best practice for trade and transport facilitation. We have established a pool of experts—practitioners from countries that have successfully implemented “frontier” reforms in this area—to train policymakers and practitioners across the region.

Third, we conduct analytical work and develop the implementation methodologies and tools. Our work on the economic impact of trade and transport facilitation can provide policymakers with a convincing tool to push for, sometimes difficult, reforms. Our work on tools and methodologies assist practitioners to implement concrete trade and transport facilitation measures.

ESCAP works closely with our global partners such as WTO, WCO, UNCTAD and the Economic Commission for Europe (ECE). Likewise, we collaborate with our regional partners, including the Asian Development Bank (ADB), ASEAN, SAARC and APEC. For example, together with ECE, we are implementing projects for landlocked, transit and least-developed countries to improve the public-private partnership for trade facilitation and to implement a single window system. We are working with WTO to carry out the national needs assessment exercise in the Asia-Pacific region, which is a part of the WTO negotiations on trade facilitation. We have recently initiated a new trade facilitation project with ADB to strengthen analytical work in this field.

Distinguished participants,

Ladies and Gentlemen,

This expert group meeting over the next two days will provide an opportunity to senior policymakers and experts gathered here from trade-related agencies and trade promotion institutions across the region to discuss the linkages between trade and transport facilitation and export competitiveness; identify current bottlenecks and policy challenges; and share experiences of policy and institutional reforms. Drawing from your vast experience, I am sure you will come up with a set of practical and implementable policy recommendations on trade and transport facilitation issues that we in ESCAP can use for future cooperation and engagement across the region. I am looking forward to hearing from you where we can jointly make a difference.

Let us recall the saying “A journey of thousand miles begins with a single step”. All your countries have taken deliberate and calculated steps towards facilitating international trade. This journey might be long, and sometimes challenging. But it does not necessarily need to start from the implementation of sophisticated and costly IT-solutions. It can start from simple measures to harmonize working hours at customs, and establish joint border points. It can start from collecting, analysing and simplifying all the forms and documents necessary to export your top five export commodities. We in ESCAP are ready to assist you on this important journey.

Together, let us build the momentum in regional cooperation to tackle vast bottlenecks and inefficiencies in international trade—so that we can “make trade work for all” in the Asia-Pacific region.

Let me wish you fruitful deliberations and a pleasant stay in the beautiful city of Yangzhou.

Annex II

Opening Statement by Mr. Diao Mingsheng Permanent Representative of the People's Republic of China to ESCAP

At the Regional Expert Group Meeting on
Trade and Transport Facilitation for Export Competitiveness
25-26 September 2008, Yangzhou, People's Republic of China

Your Excellency Ms. Noeleen Heyzer, Under-Secretary-General of the United Nations and Executive Secretary of ESCAP,

Ms. Wang Yanwen, Mayor of the Municipal People's Government of Yangzhou,

Mr. Wen Daocai, Vice Mayor of the Municipal People's Government of Yangzhou,

Honourable guests,

Ladies and Gentlemen,

Good morning,

Today, we gather in Yangzhou, a beautiful, dynamic city in the Southeast of China, to discuss trade and transport facilitation for export competitiveness. First of all, let me extend a warm welcome to all of you, experts coming from East, Southeast and South Asian countries to this important regional meeting.

As we know, trade is regarded as a powerful engine for economic development. Trade expansion, particularly export expansion, can make a substantial contribution to economic development and poverty reduction, thus to the achievement of the Millennium Development Goals. Given the important role that export plays in the development of national economies, exploring effective ways to increase export competitiveness is significant.

With the progressive elimination of tariff barriers, various non-tariff problems such as cumbersome, costly and time-consuming trade procedures and formalities constitute a major obstacle for the enterprises in developing countries in doing international business. In recent years, trade facilitation has drawn growing attention from trade policymakers. On the one hand, trade liberalization alone is not enough for developing countries to develop trade; on the other hand, trade facilitation may generate huge benefits to the government as well as to the business. In some circumstances, trade facilitation may bring about even greater benefits than what trade liberalization can do. Undertaking trade and transport facilitation reforms to remove non-tariff obstacles is essential for enterprises to compete in the international markets.

The enterprises in developing countries suffer from high trade-transaction costs and time delays in doing cross-border trade. The time delays caused by excessive administrative and documentary requirements are very harmful to exports, particularly to the export of time-sensitive goods. An efficient trade and customs administration system based on trade facilitation reforms would help to reduce the transaction costs and time.

It is heartening to note that in recent years the Asian developing countries have made significant progress in facilitating cross-border trade. They have implemented a series of national trade and transport facilitation measures to improve domestic trading environments, and conducted regional cooperation on trade facilitation to promote intra-regional trade and regional integration. For example, China has streamlined its trade-related laws and regulations after the accession to WTO, simplified trade procedures and formalities, and built modern trade and customs administration systems. These measures contributed to the rapid development of trade in China. Besides, China participates actively in regional cooperation, such as APEC, GMS and CAREC, in which trade facilitation constitutes an important component. However, given the complexity of trade facilitation reforms, which require strong political support, appropriate strategies and action plans, sustainable financial and technical inputs, the Asian developing countries have still a long way to go in promoting trade facilitation.

The expert group meeting on trade and transport facilitation for export competitiveness provides us with a unique opportunity to exchange information and experience on trade and transport facilitation. It is our hope that the expert group meeting, through two days of discussions, might come up with some policy recommendations which could be used by trade policymakers in promoting trade and transport facilitation in our region.

I wish you all a successful meeting and a pleasant stay in Yangzhou.

Thank you.