

Draft Action Plan on Facilitation of Cross-border Paperless Trade: Nepal

Part 1: Technical Aspect

Priority level: High, Medium, Low

Overall				
Indicative action	Priority level	Timeline	Capacity building needs	Potential key agencies
0. Ratify to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific	High		Yes.	National Trade and Transport Facilitation Committee (NTTFC) Nepal National Single Window (NNSW) and Nepal National Trade Portal (NNTP) sub-Committees MOICS Department of Customs MoFA
Institutional and governance bodies for electronic data exchange in paperless environment				
Indicative action	Priority level	Timeline	Capacity building needs	Potential key agencies
1. Strengthen the institutional mechanisms coordinating stakeholders of (cross-border) paperless trade	Medium			NTTFC NNSW Sub Committee
1.1 Build upon the existing National Trade Facilitation Committee and the technical working groups for Nepal	Medium			NTTFC NNSW Sub Committee

National Single Window				
1.2 Enhance representation of private sector stakeholders from trading community	Medium			NTTFC NNSW Sub Committee
2. Establish a working group that establishes capacity building programmes, awareness campaign and a communication plan	Medium			NTTFC NNSW Sub Committee
Automation				
Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies
3. Make relevant regulatory agencies ICT-enabled	High		Yes. Seek financial and technical assistance from ESCAP and other international development agencies.	NNSW Sub Committee and also OGAs (e.g. Department of Food Technology and Quality Control and Department of Agriculture, Ministry of Agriculture and Livestock Development)
4. Expedite the implementation of the e-payment system	High			Nepal Rastra Bank
ICT Infrastructure for Paperless Trade				
Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies
5. Continue enhancing the strategic plan and guidelines on business continuity of ICT systems	High			NNSW Sub Committee National IT Centre
6. Enhance the users' authentication	Medium		Yes.	NNSW Sub Committee

mechanism and data security measure through the implementation of PKI measures and digital signatures			Implementation of PKI measures to strengthen existing systems e.g. ASYCUDA World.	Department of Info Tech, Ministry of Communications and Info Tech
Business Process Re-engineering				
Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies
7. Carry out business process re-engineering (BPR) in implementing or upgrading ICT systems of trade-related regulatory agencies	Medium		Yes. Seek technical assistance from ESCAP and other international development agencies.	NNSW Sub Committee
Data Harmonization				
Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies
8. Carry out data harmonization in implementing or upgrading ICT systems of trade-related regulatory agencies, using available international standards	Medium		Yes. Seek technical assistance from ESCAP and other international development agencies. Training requirements on WCO Data Model. Training requirements on UNCEFACT recommendations.	NNSW Sub Committee
Awareness and Capacity Building				

Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies
9. Build awareness and capacity on (cross-border) paperless trade of its stakeholders	High	Continuous		NTTFC NNSW Sub Committee Ministry of Industry, Commerce and Supplies (MOICS) Ministry of Foreign Affairs (MoFA)
Other Issues				
Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies
10. Set a strategic plan to secure budget for implementing ICT systems of trade-related regulatory agencies	High			NTTFC NNSW Sub Committee Ministry of Finance (MoF) MoFA
10.1 Assessing requirements of those agencies	High			NNSW Sub Committee
10.2 Coordinating potential source of budget and outreaching to international development agencies	High			NTTFC NNSW Sub Committee MoF MoFA
Facilitation of Cross-border Electronic Data Exchange				

Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies
11. Make automation systems of relevant regulatory agencies enabled for both domestic and cross-border paperless trade at the same time	High			NNSW Sub Committee
12. Participate in regional, subregional and/or bilateral initiatives on cross-border paperless trade	High			NTTFC NNSW Sub Committee MOICS MoFA
13. Participate in joint inspection and sharing (recognition) of results electronically among relevant regulatory agencies and with trading partner countries	High			NNSW Sub Committee MOICS
14. Expedite and expand the initiative under the New Customs Act (Clause 34) for introduction of Authorized Persons as Authorized Economic Operator (AEO) and conclude mutual recognition agreement with main trading partner countries	Medium		Yes. Seek technical assistance for development of the AEO program and strengthening the Risk Management System.	NTTFC NNSW Sub Committee MOICS MoFA Private sector stakeholders from trading communities.

Part 2: Legal Aspect

Priority level: High, Medium, Low

Overall				
Indicative action	Priority level	Timeline	Capacity building needs	Potential key agencies
0. Ratify to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific	High		Yes. Increase awareness of the Framework Agreement text and undertakings; increase awareness of the Framework Agreement relationship to WTO Trade Facilitation Agreement (TFA), NSW implementation, and creation of cross-border paperless trade environment	NTTFC NNSW and Nepal National Trade Portal (NNTP) sub-Committees MOICS Department of Customs MoFA
Electronics transactions and signatures law				
Indicative action	Priority level	Timeline	Capacity building needs	Potential key agencies
1. Modernize its statutes and regulations governing or related to electronic transactions	High		Yes. Development of a knowledge base concerning UNCITRAL Model Laws and UN Convention on the Use of Electronic Communications in International Contracts; Rotterdam Rules; UN	Ministry of Law, Justice and Parliamentary Affairs Supreme Court of Nepal Supreme Court Bar Association MOICS
1.1. Replace Electronic Transaction Act with Information Technology Bill (IT Bill) 2019				
1.2. Pass new Customs Act 2019				

1.3. Adoption of draft Cybercrimes Act			Convention on Contracts for the International Sale of Goods; eIDAS; EU General Data Protection Regulation (GDPR); eTIR; UN/CEFACT Recommendations; and other national e-commerce law models	Department of Customs Department of Information and Technology MoFA
1.4. Drafting of National Single Window Act				
1.5. Drafting of Data Protection Act				
1.6. Amendments of Evidence Act				
1.7. Pass draft IP legislation				
1.8. Revise Copyright Act				
1.9. Drafting of Electronic Contracts Act				
2. Proposed IT Bill, in conjunction with the revised Customs Act, to recognize a range of specific types of e-document as part of the overall development of the cross-border paperless trade environment in Nepal	Medium		Yes. Knowledge of legal regimes recognizing e-documents, including UNCITRAL Model Law on Electronic Transferable Records (MLETR) (2017); UN Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea (Rotterdam Rules) (2008); eTIR; and UNLK	MOICS Department of Customs Department of Information and Technology Ministry of Law, Justice and Parliamentary Affairs
3. Proposed IT Bill and related legislation to recognize electronic	Medium		Yes.	MOICS

contracts and consider the inclusion of appropriate rules concerning not only formation and validity, but also performance and e-payment obligations, of electronic contracts			Knowledge of UN Convention on the Use of Electronic Communications in International Contracts; UN Convention on Contracts for the International Sale of Goods; International Chamber of Commerce (ICC) publications, including e-UCP provisions	Department of Customs Ministry of Law, Justice and Parliamentary Affairs Supreme Court of Nepal Supreme Court Bar Association Nepal Rastra Bank
4. Proposed IT Bill to have more detailed provisions on data retention and electronic archiving	High		Yes. Coordination among relevant government agencies in drafting provisions on data collection, retention and ownership to be incorporated in IT Bill	Department of Information and Technology National Information Technology Data Center (NITC) Department of Customs
5. Proposed IT Bill to include comprehensive provisions on the admissibility of electronic evidence in judicial and administrative/regulatory proceedings	High		Yes. Coordination among relevant government agencies and the bar association; reference to other national models	Supreme Court of Nepal Ministry of Law, Justice and Parliamentary Affairs Attorney-General Office Supreme Court Bar Association
Paperless trade and Single Window laws				
Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies

6. Provide a legal basis for establishing the nature, functions and features of a Single Window	Medium		Yes. Knowledge of provisions in a National Single Window law and related Customs laws; reference to other national models	NTTFC NNSW and Nepal National Trade Portal (NNTTP) sub-Committees MOICS Department of Customs
7. Proposed IT Bill to include detailed provisions on information security, including the adoption of appropriate information security standards and codes of conduct	High		Yes. Currently under Parliamentary review – Relevant Ministries, etc. should proactively identify and adopt modern standards and codes of conduct	Ministry of Information and Communications Department of Information and Technology NITC
8. Proposed IT Bill to include comprehensive provisions on cybersecurity			Yes. Currently under Parliamentary review – reference to other national laws and organizational/operational models	Ministry of Information and Communications Ministry of Defence Attorney-General Office Ministry of Law, Justice and Parliamentary Affairs
Cross-border aspects				
Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies
9. Initiate and participate in multilateral and bilateral cross-	Medium		Yes.	MOICS

border paperless trade interoperability initiatives			Strengthen awareness and capabilities to participate proactively in regional frameworks such as SAARC and SASEC, and bilaterally with India, China, and Bangladesh and promote transport and transit initiatives	MOFA Department of Customs Nepal Rastra Bank Ministry of Physical Infrastructure and Transport
10. Proactively consider how to incorporate relevant international legal standards, regulations and guidelines into its legal frameworks	Medium		Yes. (In relation to the legal frameworks mentioned in Legal Recommendation 1.) Build knowledge of international standards, regulations, and guidelines relevant to NSWs and paperless trade, including WCO instruments, UN/CEFACT Recommendations and UNNExT Legal Guide for Single Windows and Paperless Trade	MOICS Department of Customs MOFA Department of Information and Technology Ministry of Law, Justice and Parliamentary Affairs
Other considerations				
Indicative action	Priority level	Timeline	Capacity building needs	Potential Key agencies

<p>11. Clearly establish the criteria for liability of parties involved in cross-border paperless trade and for the liability of intermediaries in relation to the information and data passing through their systems</p>	<p>High</p>		<p>Yes. Comprehensive coordination among government agencies to formulate a new unified legal regime governing the liability of all parties involved in NNSW and paperless trade; draft and amend laws to implement this new legal regime</p>	<p>NTTFC Department of Customs Ministry of Information and Communications Department of Information and Technology NITC Nepal Telecommunications Authority Nepal Controller Ministry of Law, Justice and Parliamentary Affairs</p>
<p>12. Ensure that its laws allow electronic payments for all purposes and among all participants in international trade transactions</p>	<p>Medium</p>		<p>Yes. Development and integration of national e-payment system with NNSW; Internationalization of national e-payment gateway; Introduction of e-documents for payment and settlement purposes</p>	<p>Nepal Rastra Bank MOICS Department of Customs Ministry of Information and Communications Department of Information and Technology</p>
<p>13. Build awareness and capacity on legal issues of (cross-border) paperless trade for its stakeholders</p>	<p>High</p>		<p>Yes. Design and delivery of educational programs and professional seminars for the private sector promoting the</p>	<p>NTTFC MOICS Chambers of Commerce such as: Federation of Nepalese Chamber of Commerce &</p>

			transition from paper-based to paperless trade and arrival of the electronic trading environment	Industries; Confederation of Nepalese Industries; and Nepal Chamber of Commerce
--	--	--	--	---