IN FOCUS:
The 6th Asia Pacific Trade Facilitation Forum (APTFF) focused on trade facilitation as a critical component of inclusive development. Recommendations from the forum reaffirmed the importance of coordination amongst stakeholders and effective monitoring mechanisms for successful implementation of trade facilitation measures. The APTFF 2014 also saw the launch of the joint ESCAP and ADB publication “Towards a National Integrated and Sustainable Trade and Transport Facilitation Monitoring Mechanism”. See page 3.

2nd WCO-UNESCAP Masterclass on Single Window
The 2-week intensive training, organized in the context of the WTO TFA implementation, successfully concluded earlier this month. See page 6 for details.

New partners for the Global Survey on Trade Facilitation Implementation
The Latin America and Caribbean Economic System (SELA), Oceania Customs Organisation (OCO), and UNCTAD have joined together with the five United Nations Regional Commissions and OECD to conduct a global survey to collect data on the levels of trade facilitation and paperless trade implementation. Experts in TF and paperless trade are encouraged to participate in the survey. http://unnext.unescap.org/tfforum14-survey.asp

FEATURED ANALYSIS
Category A submission under WTO TFA in Asia and the Pacific
Fifteen countries in Asia and the Pacific have already submitted Category A trade facilitation commitments to the WTO (namely, the provisions that they will implement by the time the Agreement enters into force). ESCAP has taken a first look at the submissions. See page 11 for the full analysis.

UPCOMING
Negotiations on a regional arrangement for cross-border paperless trade move forward
Intergovernmental negotiations on a regional arrangement for cross-border paperless trade facilitation in Asia-Pacific are set to continue. The regional arrangement seeks to set up a framework to promote cross-border paperless trade by enabling exchange and mutual recognition of trade-related data and documents in electronic form and facilitating interoperability among national and subregional single windows and/or other paperless trade systems. To this end, an Intergovernmental Steering Group on Cross-Border Paperless Trade Facilitation was established by the ESCAP Commission resolution 70/6. The first meeting of the Steering Group will take place in Bangkok, Thailand from 1-3 April 2015. For more information see: http://www.unescap.org/events/first-meeting-intergovernmental-steering-group-cross-border-paperless-trade-facilitation

ADB and WCO to hold joint workshop on the WTO Trade Facilitation Agreement (TFA) in Jakarta, Indonesia in March 2015. See information about upcoming events on page 20.
Update from ROC-TF annual meeting

The 3rd annual ROC-TF meeting brought together 12 regional and global organizations active in trade facilitation in the Asia-Pacific region. This year the participating organizations included Asian Development Bank (ADB), Asia Pacific Council for Trade Facilitation and e-Business (AFACT), Greater Mekong Subregion (GMS-BF), Greater Tumen Initiative (GTI), Nathan Associates, Oceania Customs Organisation (OCO), Organisation for Economic Cooperation and Development (OECD), South Asian Association for Regional Cooperation (SAARC), United Nations Conference on Trade and Development (UNCTAD), United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), United Nations Industrial Development Organization (UNIDO), the World Bank and World Customs Organisation (WCO).

Key recommendations from the meeting to strengthen the mechanism, included:

- Continuing to disseminate the ROC-TF annual calendar and bi-annual newsletter;
- Increase the use of the ROC-TF website and seek to establish e-Groups on social media platforms. ROC-TF organizations were also recommended to link to each other’s activities via their websites and social media platforms;
- Establish a regional page for ROC-TF member organizations on the GFP website;
- Nominate official focal points for ROC-TF within each member organization;
- Member organizations should have more areas of cooperation on research and analysis, and substantive areas in trade facilitation amongst ROC-TF member organizations;
- Continue to invite other organizations to join ROC-TF, including bilateral donors, private sector organizations, etc.

To view the presentations and the summary from the meeting, please visit: http://www.unescap.org/events/regional-organizations-cooperation-mechanism-trade-facilitation-roc-tf-annual-meeting-2014

ROC-TF page on the GFP website

ROC-TF now has a dedicated page on the Global Facilitation Partnership for Transportation and Trade (GFP) website www.gfptt.org. The page will be used to provide updates, information about events and links to relevant documents of the ROC-TF member organizations. All who are interested are invited to request membership to the ROC-TF page. In order to do so, you must first login or register on the GFP website. Please see link for further details: http://www.gfptt.org/node/6946
PARTNERSHIPS

ADB and ESCAP

Asia-Pacific Trade Facilitation Forum (APTFF) 2014 Week
The Asia-Pacific Trade Facilitation Forum 2014 and a series of side events were held from the 23-27 September in Bangkok, Thailand. The forum was jointly organized by ESCAP, ADB and the Ministry of Commerce of Thailand, in conjunction with the annual Thailand International Logistics Fair (TILOG). The publication "Towards a National Integrated and Sustainable Trade and Transport Facilitation Monitoring Mechanism" was jointly launched by ESCAP and ADB during the opening of forum and set the stage for further joint work in this area. The publication is available for download here: http://www.unescap.org/resources/towards-national-integrated-and-sustainable-trade-and-transport-facilitation-monitoring. In addition a new ESCAP Trade Process Analysis Database was also launched during a dedicated session on measuring and monitoring trade facilitation performance.

The APTFF 2014 featured a high-level panel discussion on this year’s theme ‘Trade Facilitation for Inclusive Development’ and five other sessions focused on the WTO trade facilitation agreement and implications for the region, prioritizing trade facilitation and monitoring performance, agricultural trade facilitation, SME trade facilitation, and inter-agency coordination for trade facilitation. Key recommendations from the forum included:

- Addressing the constraints faced by small and medium-size enterprises (SMEs) when implementing trade facilitation measures and paperless trade systems, such as single window facilities;
- Implementing harmonized and supportive legal frameworks for trade facilitation at national, regional and global levels;
- Targeting interventions to specific locations, such as border areas away from capital cities and in particular sectors, such as agriculture, in order to maximize the impact of trade facilitation on inclusive development;
- Enhancing inter-agency coordination for effective trade facilitation at the national level, also recognizing that non-Customs agencies may require more assistance to implement trade facilitation measures;
- Implementing mechanisms and tools that can improve planning and monitoring of progress in trade facilitation.

The forum sought to bring together of the key stakeholders in trade facilitation in the Asia-Pacific region, including policymakers, trade facilitation service providers, experts from international organizations; policy analysts and researchers. Close to 250 participants from over 35 countries attended and shared their experience on trade facilitation in the region. Furthermore, leading development partners working on trade facilitation in the Asia and Pacific region such as ADB, ESCAP, UNECE, UNCTAD, WCO, World Bank and ITC renewed their commitment to collaborate and share progress in trade facilitation.

Find more information here: http://unnext.unescap.org/tfforum14.asp
PROJECT/ACTIVITY UPDATE
Selected project/activity update from ROC-TF organizations on Trade Facilitation

APTFF Capacity Building Workshop on implementing the WTO Trade Facilitation Agreement: Perishable Goods and Single Window

To support the implementation the WTO Trade Facilitation Agreement, ADB and ESCAP co-organized a capacity building workshop on 26 September 2014 as a side-event of the APTFF. The workshop was attended by 50 participants from developing countries in the Asia-Pacific region. The workshop focused on two specific measures included in the WTO TFA, namely provision 7.9 on Perishable Goods and provision 10.4 on Single Window. Three country cases were presented for each measure. ADB, WCO and ESCAP agreed to collaborate on similar workshops next year.

For more information please see: http://unnext.unescap.org/cbtfa.asp

SASEC Trade Facilitation Week: Sanitary/Phytosanitary and Technical Barriers to Trade

The South Asia Subregional Economic Cooperation (SASEC) Trade Facilitation Week: Sanitary/Phytosanitary (SPS) and Technical Barriers to Trade (TBT) meeting was held from 1-3 December 2014 in Bangkok, Thailand, and co-organized by the ADB and ESCAP. Specifically, the meeting met its objectives to (i) further define country-specific constraints in meeting SPS and TBT standards; (ii) agree on the terms of reference (TOR) for national and subregional SPS and TBT diagnostics studies; and (iii) consider establishment of a SASEC SPS and TBT subgroup (SSTS), and discuss the preliminary work plan and capacity building priorities for the subgroup. The meeting also succeeded in sharing information from international organizations—Food and Agriculture Organization (FAO); South Asian Association for Regional Cooperation (SAARC) Secretariat; South Asian Regional Standards Organization (SARSO); Standards and Trade Development Facility Secretariat (STDF); World Trade Organization (WTO); and the Asia Pacific Research and Training Network (ARTNet).


ADB and WCO

Second WCO-ADB Train-the-Trainer Workshop on Customs Valuation

The Second WCO-ADB Train-the-Trainer Workshop on Customs Valuation was held on 21–24 October 2014 in Male, the Maldives. The workshop was implemented under a joint subregional train-the-trainer multiyear assistance initiative on Customs valuation implemented by ADB and WCO Asia Pacific Regional Office for Capacity Building (ROCB A/P), to support the efforts of the six participating countries (Bangladesh, Bhutan, India, the Maldives, Nepal, and Sri Lanka) to strengthen efficient management of customs valuation control through the use of post clearance audit. The broad outcomes of the workshop included (i) refined national action plans that identify prioritized measures to improve implementation of customs valuation systems, (ii) discussion of the potential added value of regional cooperation in customs valuation control, and (iii) enhancement of trainers’ skills and capacity in training methodologies. The recommendations and next steps at the conclusion of the workshop were for the participants to present their respective actions plans to their national customs administrations for confirmation as well as engage in consultations with ADB and ROCB A/P for the national workshops and follow-up activities.
ADB and WCO support Time Release Study Workshop held in Bishkek

ADB, WCO and the Kyrgyz Republic’s State Customs Service (SCS) conducted a Time Release Study (TRS) national planning Workshop on 10-13 November 2014. Workshop participants included representatives from the State Customs Service, the Ministry of Transport and Communications, the Ministry of Economy (State Enterprise “Single Window”) and the private sector. The participants were introduced to the TRS goals and planning, WCO methodology, and experience of other countries. Field visits to customs clearance locations – Alamedin-1 (railways) and Ak-Tilek BCP (road), allowed participants to observe customs clearance procedures from the moment the shipments arrive at the customs territory up to their release in free circulation. The participants were also introduced to the TRS tools and instruments. Customs officials prepared an Action Plan to conduct TRS in 2015.

ESCAP and GTI

Third International Seminar on Trade Facilitation in North-East Asia

Third International Seminar on Trade Facilitation in North-East Asia, a joint annual seminar between GTI (Greater Tumen Initiative) and ESCAP was held in conjunction with the annual GTI TFC (Trade Facilitation Committee) meeting on 18-19 November 2014 in Vladivostok, Russian Federation. The seminar was attended by approximately 50 participants from both public and private sectors in Mongolia, China, Russian Federation and Republic of Korea (GTI members). It recognized the importance of transit trade and intergovernmental cooperation/coordination for sub-regional economic progress and recommended members of GTI and ESCAP to further strengthen their cooperation in trade facilitation and paperless trade.

For more information, please see: http://www.unescap.org/events/third-international-seminar-trade-facilitation-north-east-asia

ESCAP and ITC

Fifth Technical Capacity-Building Workshop on Afghanistan’s Accession to the WTO: WTO Notification Systems and Selected Trade Information Tools

This Workshop, which took place on 1-3 December 2014 in New Delhi, India and was jointly organized by ESCAP and the International Trade Centre (ITC). The workshop focused on preparations for Afghanistan’s forthcoming WTO accession. The 25 participants were drawn largely from the Ministry of Commerce and the private sector. Issues covered included notification requirements under the WTO and trade remedies. The sessions held in New Delhi included an overview of recent developments in regional trade and investment based on the Asia-Pacific Trade and Investment Report 2014 and an interactive discussion session on barriers to further integration between Afghanistan and Central Asia. The session on Trade Facilitation discussed the following topics: (i) definition and scope of trade facilitation, (ii) Afghanistan’s performance with regard to trade facilitation, (iii) latest developments on the WTO Trade Facilitation Agreement, and (iv) the regional arrangement on the facilitation of cross-border paperless trade, (v) ESCAP’s support for trade facilitation and paperless trade through the United Nations Network of Experts for Paperless Trade in Asia and the Pacific (UNNExT), and (vi) the Trade and Transport Facilitation Monitoring Mechanism (TTFM).

Stakeholder Meeting on Non-Tariff Measures Applied on Thai Exports and Imports

Over 100 representatives of the Thai public agencies and the business community came together in Bangkok on 29 October 2014 in a high-level meeting to discuss ways to overcome trade impediments, in particular non-tariff obstacles, faced by Thai exporters and importers. The stakeholder meeting was organized jointly by ESCAP, ITC and
the Department of Trade Negotiations, Ministry of Commerce of Thailand. In particular, it helped disseminate the findings of the ITC "non-tariff measures survey" which surveyed Thai businesses on the regulatory hurdles they faced with regards to trade. The Meeting provided a forum for discussion among different stakeholders, including government agencies, the private sector and researchers, and helped identify further areas for policy action.
For more information please see: http://www.intracen.org/itc/market-info-tools/non-tariff-measures/Thailand/

WCO and ESCAP

WCO-ESCAP 2nd UNNeXt Masterclass: Single Window in the Context of WTO TFA

WCO, ESCAP and the Korea Customs Service co-organized the UNNeXt Masterclass on ‘Single Window in the Context of WTO Trade Facilitation Agreement’ from the 12-21 January 2015 in Cheon-an, Republic of Korea. During the second week of the Masterclass, the participants shared their country status and learned how to conduct data harmonization and modelling for a Single Window environment. The participants also carried out group exercises on planning a Single Window implementation. All 30 participating government officials from 23 countries in the region successfully completed the Masterclass.
For more information, please see: http://www.unescap.org/events/second-unnexxt-masterclass-single-window-context-wto-trade-facilitation-agreement

ORGANIZATION UPDATES

Asian Development Bank (ADB)

Central Asia Regional Economic Cooperation (CAREC): Working with the Private Sector in Trade Facilitation

ADB is providing technical assistance in support of the refined Transport and Trade Facilitation Strategy (TTFS) 2020 in the CAREC region. The project aims to assess the competitiveness of trade corridors by sustaining and expanding Corridor Performance Measurement and Monitoring (CPMM). Monitoring indicators will be identified, baselines established, and CPMM coverage expanded to capture data on performance of trade logistics service provision along CAREC corridors. Furthermore, the project seeks to augment operational priorities by catalyzing the generation and adoption of industry-developed standards to facilitate cross-border trade. The objective of the technical assistance is to ensure that private sector views are considered in the development, implementation, and modernization of trade facilitation measures. In these ways, it will aid CAREC WTO member countries in complying with their Trade Facilitation Agreement obligations.
For more information, please see: http://adb.org/projects/details?page=overview&proj_id=47380-001

Modern Transport and Logistics Workshop in Bishkek brings together experts from eight countries

A Modern Transport and Logistics Workshop took place in Bishkek, Kyrgyzstan from 18-20 December, 2014. The workshop was attended by carriers, truck operators, freight forwarders; logistics service providers, and warehouse and storage operators from Afghanistan, India, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan. Workshop participants discussed modern challenges and opportunities to the South and Central Asia regional system for movement and storage of goods. The workshop covered the topics of transit and transportation; international road transport (TIR) developments and application; cold chain management; integrated logistics centres; trade facilitation in Central Asia; and transport sectoral review in individual countries. The partners supporting this workshop included the USAID Trade and Revenue project (ATAR), the CAREC Federation of Carriers
and Forwarders Associations (CFCFA), the Organization for Security and Cooperation in Europe (OSCE) and the Association of International Road Transport Operators of the Kyrgyz Republic (AIRTO-KR).

**CAREC Learning Opportunity on Modernizing Sanitary and Phytosanitary Measures to Expand Trade and Ensure Food Safety**

From 6-8 October 2014 in Ulaanbaatar, Mongolia, experts from Latvia, Lithuania, World Trade Organization (WTO), and the Food and Agriculture Organization of the United Nations (FAO) shared experiences with CAREC officials and the private sector in modernizing sanitary and phytosanitary (SPS) measures. Participants shared the Baltic experience in modernizing SPS measures and its impact on trade; visited a border-crossing point to observe the application of SPS measures in practice; and were updated on development partner support for SPS modernization, including ADB’s regional technical assistance on promoting cooperation in SPS measures for CAREC. Participants observed SPS application procedures at Zamyn-Uud, Mongolia’s main border-crossing point with China.

ADB’s CAREC Trade Facilitation Program, CAREC Institute, the ADB Institute (ABDI), and the European Union’s Modernization of Mongolia’s Standardization System project co-sponsored the event.


**Asia-Pacific Economic Cooperation (APEC)**

**APEC Sub-Committee on Customs Procedures (SCCP) Activities**

During the second semester of 2014, the APEC Sub-committee on Customs Procedures (SCCP) advanced work on single window, cross-border e-commerce, authorized economic operator (AEO), customs transit and IPR border enforcement among other topics. Additionally, SCCP members agreed to include the “preparation for the implementation of WTO TFA” as a new standing agenda item for their work program.

**APEC Sub-Committee on Customs Procedures Meeting**

As a main outcome of the SCCP 2 meeting held in Beijing, China, on 11-15 August 2014, the group endorsed the APEC Customs 3M (Mutual recognition of control result, Mutual assistance in enforcement and Mutual sharing of information) Strategic Framework, which defines a set of goals for APEC customs and promotes a long term strategy to strengthen comprehensive connectivity and infrastructure. This document was endorsed by APEC Leaders, who encouraged “APEC members’ customs authorities to continue strengthening cooperation and coordination in pursuit of the 3M vision, to push forward comprehensive connectivity and make greater contributions to the sustainable development of trade and regional economic integration in the Asia-Pacific region” (2014, APEC Leaders Declaration).

Another relevant outcome of the SCCP meeting in Beijing was the adoption of “cross-border e-commerce” as a new item in the group’s Collective Action Plan. As part of this effort, SCCP conducted and analysed the Survey on APEC Cross-border E-commerce, which summarised the status quo of law and legislation, supervision and control, and law enforcement activities in APEC region with regard to cross border e-commerce. SCCP also discussed the need for capacity building programs in the future and agreed to adopt “cross-border e-commerce” as a new element in its collective action plan.
At the margins of the SCCP meeting, a Workshop on Chokepoint 8 was held in Beijing on 10-11 August to discuss a set of draft guidelines to address the “Lack of regional cross-border custom-transit arrangements” in the APEC region.

Customs-Business Virtual Group
SCCP continued to enhance its engagement with the private sector. The Customs-Business Virtual Group (VWG), created in 2012, held its first physical meeting on 11 August 2014, prior to the annual APEC Customs Business Dialogue (ACBD) to discuss the priorities and future direction of the group. The ACBD, held in Beijing on 12 August, had three panel discussions on issues of cross-border e-commerce, single window and AEO. Through the dialogue, APEC customs and the business sector reached consensus on working hand in hand to bring closer their cooperation on traditional and emerging issues in an effort to promote trade facilitation and comprehensive connectivity for the common prosperity of the APEC region.

Organisation for Economic Co-Operation and Development (OECD)

Trade Facilitation Indicators (TFIs)
In 2015, the OECD will update its TFIs database to cover more than 130 countries around the world, including in the Asia-Pacific region. In doing so it cooperates, inter alia, with the Global Survey on Trade Facilitation and Paperless Trade Implementation undertaken by the United Nations Regional Commissions, with Permanent Delegations to the WTO and with the private sector. The updated country notes will be available for the OECD 2015 Ministerial in June 2015. An interactive web-tool, allowing to compare trade facilitation performance and to test the effects of policy changes in the area of trade facilitation will also be made available at the same time. The OECD is also currently working to supplement its TFIs with a new set of indicators specifically measuring progress in establishing national and regional Single Windows. The variables included in the new indicators will benefit from feedback from regional initiatives and from intergovernmental organizations, including APEC, ASEAN, the Inter-American Network of Single Windows (Red VUCE), the Inter-American Development Bank (IADB) and the World Bank. The Single Window-specific indicators are expected to be available for use by end 2015.

United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)

Workshop on Good Practices in Agricultural Trade Facilitation in South and Southeast Asia
ESCAP organized the ‘SATNET Asia Workshop on Good Practices in Agricultural Trade Facilitation in South and Southeast Asia’ on 26 September 2014 in Bangkok, Thailand as a back-to-back event with the APTFF. The workshop was a part of the EU-funded Network for Knowledge Transfer on Sustainable Agriculture Technologies and Improved Market Linkages in South and Southeast Asia (SATNET Asia) project. The objective of the workshop was to enable inter- and intra-regional learning among participating countries on policies and measures that facilitate trade of agriculture or food products. Close to 50 delegates from Bangladesh, Bhutan, Cambodia, India, Lao PDR, Myanmar and Nepal representing government, private sector and civil society stakeholders participated in the workshop. The various sessions focused on cases and processes relating to agricultural trade facilitation, good practices in logistics and trade facilitation, and the emergence of standards and traceability. A number of senior policymakers and experts served as resource persons and shared their knowledge and experience with the participants.

To view the presentations from the workshop, please see: http://www.unescap.org/events/satnet-asia-workshop-good-practices-agricultural-trade-facilitation-south-and-south-east-asia
The UNNExT Capacity Building Workshop on Data Harmonization and Modelling for Single Window Environment in the Maldives

In response to an official request from the Government of Maldives, ESCAP organized the UNNExT Capacity Building Workshop on Data Harmonization and Modelling for Single Window Environment from 16-18 December 2014 in Male, Maldives. The workshop was attended by 25 officials from different government agencies as well as a few private sector stakeholders. The purpose was to build their capacity on the harmonization national trade data in implementing a Single Window and paperless trade systems.

Regional Training of Trainers Workshop on Trade Facilitation and Paperless Systems for Agrifood Products

ESCAP organized a Regional Training of Trainers Workshop on Trade Facilitation and Paperless Systems for Agrifood Products from 15-17 December 2014 in Bangkok, Thailand. The Workshop was delivered as part of the work of the United Nations Network of Experts for Paperless Trade and Transport in Asia and the Pacific (UNNExT) on agricultural trade facilitation. The objective of the Workshop was to raise the awareness and strengthen the capacity of key stakeholders on the relevant issues, concepts and measures required to simplify, streamline and automate the procedures for trade in agricultural products. The Workshop brought together 22 participants from Ministries of Commerce, Ministries of Agriculture and agricultural training institutes from 9 countries in South and South-East Asia, including 6 LDCs. ESCAP worked closely with experts from UNECE, the World Bank Group and FAO to deliver this Workshop.

International Trade Centre (ITC)

ITC provides support to strengthen Sri Lanka’s institutions to boost fruit, vegetable exports

A workshop was organized by ITC and the Ceylon Chamber of Commerce on 26-27 November 2014 in Colombo, Sri Lanka sought to strengthen the work of trade support institutions working on sanitary and phytosanitary (SPS) issues. The workshop was planned as part of a national project funded by the Standards and Trade Development Facility (STDF). The goal of the project is to improve the safety and quality of Sri Lankan fruits and vegetables by having institutions involved with SPS issues develop a more coordinated approach in supporting exporters in the sector. Twenty-four representatives from 18 institutions participated in interactive working sessions to identify gaps and challenges and to create action plans and joint future initiatives. ITC experts assisted in the mapping of an institutional framework. Participants also set up a working group to further develop the initiatives.
World Customs Organisation (WCO)

**WCO National Workshop on Post Clearance Audit for Papua New Guinea Customs Service,**

Responding to a request from Papua New Guinea (PNG) Customs service, the Regional Office for Capacity ROCB A/P, in cooperation with the WCO Secretariat conducted a National Workshop on Post Clearance Audit (PCA) from 22-26 September 2014 in Port Moresby, PNG. A total of 18 Customs auditors attended the workshop from all parts of PNG. The PNG national trainers, who were trained in the multi-year PCA project, exercised their ownership and took the leadership in introducing the contents of the Oceania Customs Organisation PCA Guidelines. A series of lectures were provided by subject matter experts from the WCO, the ROCB A/P and Japan Customs. The participants renewed their intention to utilize the Guidelines for their internal training and pledged to share the knowledge acquired from the workshop with their colleagues.

**WCO Regional Accreditation Workshop on AEO in Malaysia**

In order to help identify and establish a pool of accredited experts in the area of Authorized Economic Operator (AEO), WCO, ROCB A/P and the Regional Training Centre (RTC) of Malaysia Customs jointly organized a WCO Regional Accreditation Workshop on AEO in Malaysia from 10-14 Nov 2014 at RTC Malaysia. During the Workshop, 14 candidates from 9 countries underwent a series of tests and assessment. Some candidates will be officially appointed to be accredited experts and help strengthen Customs capability in relation to AEO.
Implementation of the TFA in the Asia Pacific Region: Analysis of Category A Submissions

Negotiations on the World Trade Organization Trade Facilitation Agreement (WTO TFA) concluded in December 2013 as part of the now famous “Bali Package”. The TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit. The Agreement will enter into force once two-thirds of the WTO Member States have completed their domestic ratification processes. As countries prepare for the implementation of the TFA, this analysis looks broadly at the provisions which 15 countries in the Asia-Pacific region submitted under Category A. The TFA provisions notified under Category A are those which the Member States will implement by the time the Agreement enters into force (or in the case of the least-developed countries (LDCs) within a year of its entry into force). This analysis seeks to highlight some regional trends regarding the biggest challenges to trade facilitation reform and provide some insight for regional priorities for cooperation and capacity building.

Elements of the Trade Facilitation Agreement

Section I contains the Substantive provisions of the agreement. It covers areas on Transparency, Fees and Formalities, Transit and Customs Cooperation, and clarifies and improves Articles V, VIII and X of the 1994 General Agreement on Tariffs and Trade (GATT). Section II contains Special and Differential Treatment (SDT) provisions that allow preferential treatment for developing and LDCs. Section III contains Institutional Arrangements and Final provisions that establish a permanent committee on trade facilitation at the WTO, and requires Members to have a national committee to facilitate domestic coordination and implementation of the provisions of the Agreement. To benefit from SDT, a Member State must categorize and notify each provision of the Agreement as either Category A: implementation upon entry into force of the Agreement, or within one year after for LDCs; Category B: implementation after a transitional period following the entry into force; or Category C: implementation on a date after a transitional period following the entry into force and requiring the acquisition of assistance and support for capacity building. Only provisions notified under Category A are included in this analysis.

Implementation of the WTO TFA Provisions of Asia Pacific Members

Of the 51 Member States that submitted their category A notifications as of 1 January 2015, 15 or roughly a third are from the Asia Pacific region. The graph below shows the breakdown of their notifications between “Fully Notified”, “Partially Notified” and “Not Notified” TFA Articles (1-12).

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1 Prepared by UN ESCAP, Trade Facilitation Unit. Research assistance by Ms. Pamela Anne Bayona and Ms. Basant Kandil.
In 2013, ESCAP estimated that Asia-Pacific international trade transaction costs were among the most and least-efficient worldwide. Only three Members (Hong Kong, Republic of Korea and Singapore) have fully notified all 12 articles of the TFA under Category A. This is not surprising, as these countries are recognized as global leaders in trade facilitation. Middle-income members of the Association of Southeast Asian Nations (ASEAN) including Brunei, Malaysia, the Philippines, and Thailand, as well as China and Turkey have likewise fully notified at least fifty percent of the Agreement, and in general have also achieved a reasonable level of trade facilitation reform. In contrast, intraregional trade costs among landlocked developing countries and least developed countries (LLDCs and LDCs) in North and Central Asian countries are the highest in the region, with trade costs around 2.5 times more than ASEAN, and are still at the beginning stages of trade facilitation reform.

The graph above shows the number of Asia Pacific (out of 15) Members that have “Fully Notified”, “Partially Notified” or “Not Notified” each of the 12 TFA Articles. On average, 80% of all Articles are at least partially notified. At the Sub-Article level, the lowest notification rates are Sub-Article 10.4 on Single Windows (with an implementation rate of 40%); Sub-Article 5.1 on Notifications for Enhanced Controls or Inspections (47%); Article 12 on Customs Cooperation (50%); and Sub-Articles 7.6 Establishment and Publication of Average Release Times and 7.7 Trade Facilitation Measures for Authorized Operators (both 53%). Notably, these findings are consistent with the results of the Trade Facilitation and Paperless Trade Implementation: 2013/14 Asia-Pacific Update.

Challenges to Implementation of Trade Facilitation Reforms

Article 10.4 on Single Windows intends to simplify trade via a single entry point for cross-border information flows. Single windows have been cited by the OECD as the single-most expensive and sophisticated type of trade facilitation reform. Fortunately, they are also a very significant contributor to reducing trade costs. Costa Rica, for instance, generated time savings of 78% and total cost savings of 79% compared to previous figures after adopting its Single Window in 1996. Although initial costs for Single Windows are high, subsequent maintenance costs are much lower, with 80-90% being devoted to salary expenditures and the rest to equipment maintenance and other administrative costs. These operations however initially require massive political reform, and include aspects under

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3 Ibid.
4 Calculated as the percentage of Asia Pacific Members with Fully Implemented provisions under an Article or Sub-Article.
5 Trade Facilitation and Paperless Trade Implementation: 2013/14 Asia-Pacific Update
policy planning, legal and institutional frameworks, business process analysis (BPA), process streamlining, data harmonization, and project management, as well as strong business-government cooperation. Similarly, organizational resistance to work culture and process transformation (i.e. “resistance to change”) among the multiple complex entities involved is usually the biggest hindrance to implementation.

Sub-Article 5.1 on Notifications for Enhanced Controls or Inspections closely follow as the second least-notified provision. These reforms involve adopting a national notification system to disseminate food safety information to concerned government authorities, aimed at enhancing border control and inspections. They fall under Transparency measures, which are minor in cost and substance compared to process streamlining reforms such as Single Window, but involve developing substantial inter-agency coordination mechanisms through internet publications and online query points that need to be constantly updated to provide accurate and reliable information. Among all Transparency measures, OECD cites this type as the most resource-intensive as confirmed by case studies in Burkina Faso and Lao PDR.

Article 12 on Customs Cooperation requires collaboration between different border agencies, and includes policy and control systems coordination both domestically and across the border. Important considerations are the variations in technical expertise capacity between stakeholders, resistance to relinquishing existing information systems, as well as the sustainability of these kinds of operations. The quality and commitment of principal agencies (typically Customs) is a key success factor.

Lastly, Sub-Articles 7.6 Establishment and Publication of Average Release Times, which encourages the notification of the average release time of traded goods, and 7.7 Trade Facilitation Measures for Authorized Operators, which establishes criteria for qualified and efficient operators of trade procedures, are important procedural streamlining elements under Article 7 on the Release and Clearance of Goods that also exhibit low notification. In particular, special procedures for authorized operators rely on a Member’s technical capacity in risk assessment and audit techniques, and pose the unique challenge of balancing trust and impartiality in the relationship between operators and government agencies.

In conclusion, while the East Asian Members of the Asia Pacific may lead the world in terms of trade facilitation initiatives, many challenges still remain for the region as a whole. This report highlights the need for more initiatives, especially in institutional and infrastructure upgrading to create information systems such as Single Windows and Control & Inspection Systems, as well as improved domestic and cross-border coordination between Customs and other stakeholders in international trade. This can be achieved through cooperation and capacity-building activities among Members to share best practices and facilitate country-level reforms, especially for less-developed and less technically-capable Members.

Sources:


8 Same as Footnote 8.
9 Ibid.
10 Ibid.
PUBLICATION IN FOCUS

Asia-Pacific Trade and Investment Report 2014: Recent Trends and Developments, Published 24 September 2014

The Asia-Pacific Trade and Investment Report (APTIR) is a recurrent publication prepared by the Trade and Investment Division of the United Nations Economic and Social Commission for Asia and the Pacific. It provides information on and independent analyses of trends and developments in: (a) intra- and inter-regional trade in goods and services; (b) foreign direct investment; (c) trade facilitation measures; (d) trade policy measures; and (e) preferential trade policies and agreements. The report offers insights into the impacts of these recent and emerging developments on countries’ abilities to meet the challenges of achieving inclusive and sustainable development.

This 2014 edition of APTIR shows that, while the Asia-Pacific region remains the most dynamic pole of the global economy, growth in trade and investment has yet to return to pre-crisis levels. Regional trade growth weakened in 2013, and in the first half of 2014, and although growth in 2015 is expected to increase to 7%, ongoing uncertainties in global macroeconomic prospects mean this is far from assured. A key finding of the Report however, is that concentrations of exports and imports remain uneven across the region. East and North-East Asia alone accounted for about 60% of both total regional merchandise exports and imports in 2013.

In a similar vein, 65% of all services exports from the Asia-Pacific region are attributable to just six economies. This implies that large gaps remain between countries in terms of their trade competitiveness and level of diversification, and that great potential remains still untapped, especially in the services sectors of many countries. The availability of competitive business and trade services, which support industrial exports, is also increasingly essential. Policymakers should take steps to lower barriers to trade. Progress in multilateral negotiations, including effective and speedy implementation of the WTO Trade Facilitation Agreement (TFA), would help.

The WTO TFA, concluded at the ninth WTO Ministerial Conference in December 2013, is the first major global trade agreement to be concluded since the establishment of WTO in 1995. The Agreement provides evidence of a global consensus on the importance of trade facilitation for sustainable economic development, as well as a narrow, but concrete framework through which countries may simplify and enhance the transparency of their trade procedures.

At the regional level, progress is being made towards a regional arrangement on the facilitation of crossborder paperless trade, since the adoption by ESCAP member States in May 2012 of a resolution on enabling the cross-border recognition of electronic data and documents for inclusive and sustainable intraregional trade facilitation. This also suggests that the region is committed to make significant progress in this area in the coming years.

Chapter 4 of APTIR provides a preliminary regional assessment of the implementation of trade facilitation measures included in the TFA as well as the development of trade services and systems for paperless trade facilitation based on surveys carried out by the ESCAP secretariat since 2012. Because of the great importance of the agricultural sector for inclusive trade and development on the one hand and the fact that agricultural trade costs on the other are typically twice as high as those for manufacturing goods, this year’s APTIR presents findings from country- and product-specific agricultural trade process analyses. It reveals significant and persistent barriers to trade.

For example, in Myanmar, no less than 20 actors are involved in the export of rice. In the Lao People’s Democratic Republic, visits are required by three agencies to the premises of the animal feed importers to provide three separate reports for verifying the request for import. In Nepal, local administration still charges an export fee even though there is a national policy of not imposing such fees. Furthermore, in Bangladesh and Thailand it can take up
to 17.5 days and 14 days, respectively, to obtain the sanitary and phytosanitary (SPS) certificate, including laboratory tests, necessary for exporting shrimp (see table 1 below). This accounts for more than half of the total time required to complete export procedures within these two countries. In Cambodia, it takes between five to seven days to complete the same procedure. In Nepal, Cambodia, Myanmar and Sri Lanka, it takes only one day to obtain the SPS certificate.

**Figure 3: Days required for export of agricultural products**

![Chart showing days required for export of agricultural products](chart.png)

*Source: Figure 4.6 in chapter 4 of Asia-Pacific Trade and Investment Report 2014: Recent Trends and Developments*

These findings have important implications for policymakers and other stakeholders involved in trade facilitation. First, they confirm that many agricultural trade procedures are not only complex but also specific to the sector or product, suggesting the need for trade facilitation support programmes dedicated to agriculture and food products.

Second and more generally, the trade process analysis studies suggest that a whole-supply-chain approach is essential to making significant progress in reducing trade transaction costs and improving competitiveness. This is because the most important bottlenecks may not be at the border and may also relate to inefficient services by the private sector rather than by government agencies. Accordingly, this requires policymakers to monitor the performance along the entire supply chain and to identify solutions to streamline trade process continuously, as proposed in previous issues of APTIR. The chapter also proposes some concrete actions as a way forward for countries and the region in three areas of immediate importance: (a) implementation of the TFA measures; (b) development of cross-border paperless trade; and (c) establishment of sustainable trade facilitation monitoring mechanisms.

*Source: Excerpts from Executive Summary of the Asia-Pacific Trade and Investment Report 2014: Recent Trends and Developments.*

APTIR is aimed at policymakers as well as practitioners and experts, academia, business, international agencies and non-governmental organizations working or interested in these issues in the Asia-Pacific region. It comes with separate country and subregional briefs.

ADB
Central Asia Regional Economic Cooperation Corridor Performance Measurement and Monitoring: A Forward-Looking Retrospective, November 2014
This report describes how Central Asia Regional Economic Cooperation (CAREC) corridor performance measurement and monitoring (CPMM) helps to achieve the objectives of the CAREC Transport and Trade Facilitation Strategy (TTFS). It presents the CPMM methodology and discusses key stakeholders’ roles and responsibilities, especially those from the private sector. It highlights ongoing efforts to provide accurate and reliable indicators. The operational data collected by CPMM since 2009 and corresponding analysis provide a sound basis for policy formulation and investment decision making. Trade facilitation indicators have been developed to inform CAREC’s Development Effectiveness Review.  

This Asian Development Bank Institute book examines key changes in the world trading system and explores policy implications for Asia. Through a compilation of essays from prominent international and Asian trade experts, this book presents interaction of market forces and trade regulation. Lessons from the Asian experience offer new approaches and economic policies to sustain growth, presenting the World Trade Organization as a forum to improve regional and global trade governance in the 21st century.  

Electricity Consumption, Output, and Trade in Bhutan, Published January 2015
This ADB South Asia Working Paper examines the relationship between electricity consumption, international trade, and economic growth using an augmented production function framework. The findings show that Bhutan is energy-dependent and can promote economic growth through future investment in hydropower. More specifically, the results show that a 1% increase in (i) electricity consumption generates 0.03%-0.05% increase in output, (ii) total trade results in 0.5% increase in output, (iii) trade openness results in 1% increase in output.  

The Connectivity Agenda, published in My Republica Vol. VI, No. 203, issued on 26 November 2014
This article traces the blueprints of South Asia Subregional Economic Cooperation (SASEC) projects to the South Asian Association for Regional Cooperation (SAARC) Regional Multimodal Transport Study (2006) and SAARC Regional Energy Trade Study (2010), which were supported by ADB and endorsed by SAARC member states. The article explains how ADB, through SASEC, is providing assistance to sections of Bangladesh, Bhutan, India, and Nepal along SAARC corridors; and features key SASEC projects and technical assistance, including institution and capacity-building support, and how the SASEC connectivity agenda is achieving SAARC development objectives. The article is authored by Ronald Antonio Q. Butiong, unit head of the unit on (SASEC) Regional Cooperation and Operations Coordination Division, South Asia Department, in ADB.  
Next Steps to South Asian Economic Union. A Study on Regional Economic Integration (Phase II) Commissioned by the SAARC Secretariat. Executive Summary, Published 2014

The executive summary focuses on the Study on Regional Economic Integration (Phase II), which was commissioned by the SAARC Secretariat, with ADB’s technical and financial assistance. The study report outlines a road map toward South Asian Economic Union (SAEU), along with the specific priority steps to be taken under each stage of regional economic integration. The concluding chapter of the Executive Summary calls for commitment by key stakeholders in the region that include the government, private sector, civil society, academe, and think tanks. An action plan recommended in the study is in the appendix.


SASEC Trade Facilitation Strategic Framework, 2014–2018, ADB, Published October 2014

The South Asia Subregional Economic Cooperation (SASEC) Trade Facilitation Strategic Framework 2014–2018 builds on the momentum of member countries over recent years in forging ahead with many significant improvements to facilitate, and ultimately increase, trade in the subregion and with the rest of the world. It supports the mission of the SASEC Transport and Trade Facilitation Strategy “to promote the prosperity of the subregion by facilitating the efficient movement of trade across the borders.”


APEC

APEC Outcomes & Outlook 2014/2015, Published January 2015

2015 is the year where APEC meets under the theme “Building Inclusive Economies, Building a Better World”. APEC 2015 will focus on four key priorities: Enhancing the Regional Economic Integration Agenda, Fostering Small and Medium Enterprises’ Participation in Regional and Global Markets, Investing in Human Capital Development and Building Sustainable and Resilient Communities. This publication also looks back at the outcomes of APEC China 2014 and the 22nd APEC Economic Leaders’ Meeting in Beijing, China.

http://publications.apec.org/publication-detail.php?pub_id=1602

ESCAP

Impact of Trade Facilitation on Foreign Direct Investment, Working paper series, Published 29 August 2014

Countries that implement trade facilitation reforms and enhance trade efficiency and connectivity are generally expected to attract more foreign direct investments. This paper is a first attempt to quantify the potential impact of trade facilitation on FDI flows. Using a unique bilateral dataset on FDI flows covering both OECD and developing economies in Asia and the Pacific, we estimate gravity models of FDI featuring relevant trade costs and trade facilitation indicators.


UNNExT Brief No. 10: Smarter Food Greece Trade facilitation for Export Opportunities in Agricultural Produce, Published August 2014

With the objective of enhancing growth, the Greek Government made a commitment in October 2012 to implement a comprehensive trade facilitation reform programme to simplify and automate procedures for export and import. Core activities included the implementation of an eCustoms solution, simplification of procedures and legislation and a move towards paperless trade and Single Window. This policy brief informs about the approach taken and the findings. The paper reflects the developments up to the third quarter of 2014.

UNNExT Brief No. 11: Insights from ESCAP’s Trade Process Analysis Database, Published September 2014

The Trade Process Analysis Database (TPAD) has been developed by ESCAP to enable users to search for particular trade information they need, and makes it possible to compare trade procedures across countries. This brief presents key insights based on the import and export process analyses included in the TPAD. It provides an integrated view and performance information for a selection of 27 product-specific import and export process analyses conducted in Bangladesh, Cambodia, China, India, Indonesia, Japan, Lao PDR, Malaysia, Nepal, and Thailand from 2010 to 2014.


UNNExT Brief No. 12: Towards Electronic TIR Customs Transit System (eTIR), Published September 2014

This brief provides a summary of the TIR system and introduces the most important attributes of the future eTIR system. It highlights the fact that, for many countries worldwide including those in the Asia-Pacific region, the TIR system is an important tool for international transit and transport facilitation. It also illustrates how, by incorporating modern ICT technologies, the eTIR system will further enhance transit and transport facilitation while further securing government revenues.


A Free Trade Area of the Asia-Pacific: Potential Pathways to Implementation (Trade Insights: Issue No. 4), Published December 2014

The November 2014 Asia-Pacific Economic Cooperation (APEC) leaders’ meeting in Beijing has generated momentum behind the proposed Free Trade Area of the Asia-Pacific (FTAAP). This note reviews the prospects for the FTAAP which are strongly linked to progress in two other large regional trade agreements currently under discussion: the Trans-Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP)


Information Management in Agrifood Chains: Towards and Integrated Paperless Framework for Agrifood Trade Facilitation, Published January 2015

This guide outlines a framework for integrated agrifood information management, taking into account the functional needs of various stakeholders along the supply chain. The benefits as well as challenges involved in developing a comprehensive system are discussed. This publication is aimed mainly at government officials involved in overseeing and making policies related to agrifood trade. It is also relevant to the private sector (both existing and potential traders), associations and any agrifood supply-chain stakeholders interested in making agrifood trade both safer and more efficient.

http://unnext.unescap.org/pub/agriguide15.pdf

ITC and World Economic Forum

Enabling Trade: Improving the Potential of Trade Reform, Published January 2015

This publication seeks to set out the actions needed to maximize the benefits of implementing the trade facilitation reforms. It argues that the sector-specific approach applied by some governments may not be enough to realize the full potential that trade facilitation can bring to competitiveness. Instead, the report argues that a ‘horizontal’ approach covering every step of entire supply chains is required if reforms are to have a sustainable impact. This approach, the report suggests, involves identifying industries with the highest potential for export success, and then taking an end-to-end view of each industry’s value chain.

UNCTAD

Review of Maritime Transport 2014, Special Chapter on Small Island Developing States (SIDS), published November 2014

Maritime transport is the backbone of international trade and the global economy. UNCTAD’s Review of Maritime Transport has since 1968 provided coverage of key developments affecting international seaborne trade, shipping, the world fleet, ports, freight markets, and transport related regulatory and legal frameworks. This book provides readers with a comprehensive and consistent treatment of policy in the higher education and over 70 per cent of global trade by value are carried by sea and are handled by ports worldwide. These shares are even higher in the case of most developing countries.


The UNCTAD Handbook of Statistics, Published 9 December 2014

The UNCTAD Handbook of Statistics is a collection of statistics and indicators relevant to the analysis of international trade, investment and development. The 2014 edition shows the increasing convergence of trade balance between developing and developed economies continues. The report also includes regional trade data from South Asia that shows average annual growth rate of international trade improved from a previous deficit of -7.1% in 2012 to -0.1% in 2013. However, trade balance ran a deficit of -26.51% compared to the previous year’s -25.94%. Trade indicators also report intra-trade in South Asian Association for Regional Cooperation region rose modestly from US$ 20,219 million to US$ 23,181 million between 2012 to 2013 and maintains intra-regional trade percentage at 5.8%.


Update of the UNCTAD Technical Notes on Trade Facilitation Measures, Published December 2014

UNCTAD has started progressively updating the UNCTAD Technical Notes on Trade Facilitation according to the final text to the WTO Agreement on Trade Facilitation (TFA). The aim is to guide developing and least developed countries on the legal and technical issues related to the implementation of the TFA. These technical notes are available at the following link: http://unctad.org/en/pages/publications/Trade-Facilitation---Technical-Note.aspx

WTO

World Trade Report 2014: Trade and development: recent trends and the role of the WTO, Published 11 December 2014

The World Trade Report 2014 looks at how four recent major economic trends have changed how developing countries can use trade to facilitate their development. These trends are the economic rise of developing economies, the growing integration of global production through supply chains, the higher prices for agricultural goods and natural resources, and the increasing interdependence of the world economy. The Report also looks into what role the WTO plays.


International Trade Statistics 2014, Published 28 October 2014

International Trade Statistics 2014 provides a detailed overview of the latest developments in world trade, covering both merchandise and services trade as well as trade measured in value-added terms. A key developments section at the start of each chapter uses charts and maps to illustrate the most important trends. More detailed data are provided in a variety of tables covering specific aspects of world trade up to the end of 2013.

UPCOMING EVENTS

REGIONAL

- Virtual Institute online course on trade and gender, 19 January - 08 March 2015 (UNCTAD)
- UNNExT workshop on paperless trade facilitation for Small and Medium-sized Enterprises, Bangkok, Thailand, 19 January - 08 March 2015 (UNCTAD)
- Meeting of the UNNExT Advisory Group on Small and Medium Enterprises Trade Facilitation (UAG-SME), Bangkok, Thailand, 3 February 2015 (ESCAP)
- Training on Customs Valuation and Risk Management, Mumbai, India, 2–6 February 2015 (ADB)
- Regional Heads of Customs Administrative Conference, Melbourne, Australia, 6 February 2015 (WCO)
- ESCAP Regional Dialogue “Strengthening Trade and Economic Ties between Afghanistan and its Neighboring Countries in Central Asia, Almaty, Kazakhstan, 10 - 11 March 2015 (ESCAP)
- The APTA Business Forum on APTA Electronic Certificate of Origin; Exchange of preferential trade data; and the launch of the APTA Chambers of Commerce and Industry (CCI) network, back to back with the 47th Standing Committee of APTA in Seoul, ROK, March 2015 (ESCAP, date tbc)
- ADB WCO Workshop on WTO Trade Facilitation Agreement in Jakarta, Indonesia, March 2015 (ADB, date tbc)
- The first meeting of the Intergovernmental Steering Group on Cross-Border Paperless Trade Facilitation, Bangkok, Thailand from 1-3 April 2015 (ESCAP)
- Third Meeting of the SASEC Customs Subgroup, Goa, India, 11–12 March 2015 (ADB)
- WCO Sub-regional Valuation Train the Trainer for West Asia Countries, Faridabad, India, 13-17 April 2015 (WCO)
- workshop on OECD TFIs for ASEAN, ASEAN Coordinating Committee on ATIGA (CCA), 18-23 May (date tbd)
- GMS Economic Corridor Forum, and GMS Trade Fair in Kunming, China, June 2015 (ADB, date tbc)
- GMS Regional TRS Workshop, September 2015 (ADB, date tbc)
GLOBAL

WTO work is “back on track”, says Azevêdo, 27 November 2014

Director-General of WTO, Roberto Azevêdo, at a meeting of the General Council on 27 November, congratulated members for adopting decisions related to public stockholding for food security purposes, the Trade Facilitation Agreement and the post-Bali work. He said: “We have delivered today on a promise we made in Bali. Now let’s make it count”.

For more information and statements see: http://www.wto.org/english/news_e/news14_e/gc_

TFA can give $1 trillion boost to world trade, Daily Post, 20 December 2014

The endorsement of the global agreement on trade facilitation by the general council of the World Trade Organisation (WTO) on November 27 is a major step forward for the world trade body. It was after long and frustrating negotiations spread over many years and recurrent deadlocks that member countries had arrived at a basic agreement on trade facilitation. The member states adopted two texts: the Trade Facilitation Agreement (TFA), aimed at streamlining global customs procedures and management of food stockpiles. The measures would eliminate paperwork, make rules more transparent, fast-track some low-risk shipments, and create ‘single windows’ for importers and exporters to pay fees and submit documents. These two texts were agreed upon late last year in Bali, but had been stalled since July, when India refused to endorse the pact unless its food stockpiles were exempted from possible punitive measures. India and its supporters in the developing world have argued that food stockpiling is essential to ensure poor farmers and consumers survive in the cut throat world of business. However, stockpiling and subsidies for the poor are considered trade-distorting under existing WTO rules.

http://www.dailypost.in/comments/columnists/40228-tfa-can-give-1-trillion-boost-to-world-trade

UPS launches Trade Consulting Services to support supply chain capabilities in Asia-Pacific region, Logistics Business Review, 14 January 2015

United Parcel Service (UPS) has started new Trade Management Services (TMS), which involves scope for trade consulting, import/export technologies and managed services, to the firm’s customs brokerage portfolio in Asia. The service is expected to push the company’s business expansion plans, by strengthening its supply chain capabilities. The Asia Pacific region continues to be a dynamic force in global trade, recording the fastest export growth of any region in the first half of 2014. As Asian businesses look towards diversifying with domestic and intra-regional trade to maintain sustainable growth in a challenging and uncertain global economic climate, supply chain management resources and comprehensive expertise are increasingly important for advancement. "The launch of TMS is part of a long-term strategy to help our customers compete and do cross-border business more effectively. Increasing supply chain and regulatory complexities are barriers to trade, and are driving renewed focus on trade management and compliance," said Nando Cesaroni, President of UPS Asia Pacific Region. "As a value-creating partner, UPS's extensive portfolio of global compliance, customs brokerage, transportation and logistics services, unites many aspects of the supply chain process into an enhanced solution for our customers."


Trade facilitation pact will cut costs: WTO chief, The Hindu, 16 January 2015

The World Trade Organization’s (WTO) Director General, Roberto Azevedo, on Friday, said that the Bali Package would enhance the abilities of the developing countries to integrate into the world economy. Speaking at the Partnership Summit here on Friday, Mr. Azevedo — his first public address since the WTO turned 20 this year — used the occasion to highlight India’s contribution in breaking the impasse. “The first decision, and clearly the most important for India, was a clarification on the Bali decision on Public Stockholding for Food Security Purposes — to unequivocally state that the peace agreement would remain in force until a permanent solution is found,” he said. The second decision was to formally add the Trade Facilitation Agreement Facility to the WTO rulebook, clearing the path for the Trade Facilitation Agreement agreed upon in Bali and its
implementation. WTO Members are now working to ratify the agreement according to their domestic procedures. The WTO DG noted that the benefits of the TFA would be visible to Indian industry as competitiveness and exports will receive a boost once members ratify the agreement. The TFA would bring down trade costs by 15 per cent, and bolster south-south trade. He said that the remaining issues under the Doha Development Agenda (DDA) would need to be refocused before the Ministerial Conference in Nigeria at the end of the year.

http://www.thehindu.com/business/Economy/trade-facilitation-pact-will-cut-costs-wto-chief/article6794331.ece

ASIA PACIFIC

BANGLADESH

Reform and modernization of Bangladesh Customs, The financial Express, 26 January 2015

Bangladesh acceded to Revised Kyoto Convention (RKC) in February 2013. It is obligated to implement the provisions of RKC by 2016. It is also obligated to implement the provisions of the recently signed WTO Trade Facilitation Agreement (TFA) within the stipulated time. Balancing the annual revenue target and gradually adopting the provisions of RKC in the present Customs procedure during the transition period is a challenge of the highest magnitude. The National Board of Revenue (NBR) prepared the Strategic Action Plan 2013-2016 at the beginning of 2013. It was updated in November 02, 2014. The Strategic Action Plan 2014-2017 has been prepared with 10 major reform areas.

http://www.thefinancialexpress-bd.com/2015/01/26/77744

BANGLADESH and BHUTAN

Bhutanese Trucks May Now Enter Bangladesh, 9 December 2014

Bhutanese trucks carrying import/export cargo are now able to enter Bangladesh via India, according to Bangladesh Commerce Minister Tofail Ahmed during a visit to Bhutanese Prime Minister Tshering Tobgay on 7 December 2014. Most import/export activity between Bhutan and Bangladesh takes place through Bangladesh’s Burimari land port, on the Bangladesh-India border — about 117km away from Phuentsholing, Bhutan — and many of the Bhutanese trucks return to Bhutan without cargo from Bangladesh. The new agreement will allow trucks to carry products directly from Bangladesh for import to Bhutan. Mr. Norbu Wangchuk, Bhutan’s Minister for Economic Affairs, said the new agreement would bring down import/export costs. Currently, 45% of total costs on export products from Bhutan is incurred on transportation alone. Furthermore, the time required to complete the trade, including loading and unloading, adds to overall costs. Bangladesh is Bhutan’s second largest export destination after India, with Bhutan’s exports to Bangladesh totaling around US$17 million. However, Bhutan’s imports from Bangladesh are much lower, at US$2 million.


CAMBODIA

GMS Development Partners Support New Strategic Framework, Foreign Affairs, 5 January 2015

Key development partners of the Greater Mekong Subregion (GMS) Economic Cooperation Program met senior officials of the GMS countries to discuss support for the new Strategic Framework 2012-22 that will guide the program over the next decade. The meeting was part of the 17th GMS Ministerial Conference held on 2-4 August in Phnom Penh, Cambodia. The meeting provided an opportunity for the partners to discuss the new Strategic Framework (SF) and to explore ways to support its effective implementation. The next phase of the GMS program focuses on development of GMS corridors through multisector investments in urban development, rural and feeder roads, area development, logistics, and power. The Program will also deal increasingly with software issues such as transport and trade facilitation, development of regional power market, multimodal transport including railways, logistics development, and interlink between food security, energy sufficiency and climate change. These will require complex analytical work and knowledge management, and increased capacity of the GMS countries.

http://foreignaffairs.co.nz/2015/01/05/gms-development-partners-support-new-strategic-framework/

Cambodia’s customs revenue up 33.5 pct. last year,
Global Post, 9 January 2015

The General Department of Customs and Excise (GDCE), which collects taxes on goods entering or leaving Cambodia, reported Friday that it has earned a total revenue of 1.34 billion U.S. dollars in 2014, an increase of 33.5 percent year-on-year. The revenue last year accounted for 7.8 percent of Gross Domestic Product (GDP), the GDCE said in a news statement. GDCE’s deputy director-general Kun Nhim said the remarkable
rise in customs revenue clearly reflected the country's success in trade facilitation, customs reform and modernization and better Logistics Performance Index. "We're optimistic that customs revenue will continue to grow this year thanks to our efforts in enforcing law, cracking down on offences, facilitating trade and modernizing customs procedural system," he said in the statement.


_Firms Claim Impeded by Nontariff Measures, Cambodia Daily, 13 January 2015_

More than half the companies in Cambodia are being hampered by nontariff measures (NTMs) when trading goods internationally, with exporters most severely affected, according to a report released Friday by the Geneva-based International Trade Center. In a survey of 502 randomly selected import and export companies, 69 percent said they faced burdensome NTMs and other obstacles to trade over the course of 2014, says the report, "Cambodia: Company Perspectives – An ITC series on non-tariff measures." The report says NTMs were reported by 82 percent of export companies and 55 percent of import companies. "The rate of affectedness in Cambodia is similar to that experienced in other LDCs [least developed countries]: Malawi (80%), Rwanda (71%) and Madagascar (67%)," it says.


_Trade up, but logistics struggle, The Phnom Penh Post, 21 January 2015_  

Cambodia’s logistics performance and supply-chain efficiency has declined despite notable rises in trade volumes with European markets, a recent study shows. Global supply chain firm Agility released its Emerging Markets Logistics Index 2015 (EMLI) yesterday. Cambodia fell three places on the index to 44th position out of 45 countries – better than only Uganda. EMLI rankings take into account each country’s potential economic growth, accessibility and attractiveness for foreign investment as well as a nation’s domestic and international transport infrastructure. Of the measures, Cambodia received the lowest score of all 45 nations in market size and growth attractiveness, or the country’s economic output combined with financial stability and population size. Despite falling on the index, Cambodia air export volumes to Europe registered 41 per cent increase in 2014, the second biggest increase after Vietnam-US trade.

http://www.phnompenhpost.com/business/trade-logistics-struggle

_CHINA_

China establishes three new free trade zones, expands Shanghai free trade zone, CFO Innovation, 13 January 2015

At a bi-monthly meeting on December 28, the Standing Committee of the National People’s Congress mapped out the specific locations of three new Free Trade Zones (FTZs.) The Committee also announced the expansion of the Shanghai FTZ, as well as the simplification of a number of investment procedures in these four zones. The Guangdong FTZ, in southern China bordering Hong Kong, will include the Nansha New Area in Guangzhou, Shenzhen Qianhai and Zhuhai Hengqin New Area, covering a total of 116.2 square kilometers. The Tianjin FTZ, close to Beijing and with a total area of 119.9 square kilometers, will comprise Tianjin Port, Tianjin Airport and the Binhai New Area industrial park. Lastly, the 118.04-square-meter Fujian FTZ in the southeast, which is close to Taiwan, will include industrial areas in the provincial capital of Fuzhou, the whole of Xiamen, and Pingtan, a new industrial park targeting investment from Taiwan.


_HONG KONG_

_Hong Kong, China first to ratify WTO’s Trade Facilitation Agreement, WTO, 10 December 2014_  

Hong Kong, China has become the first WTO member to formally ratify the WTO’s new Trade Facilitation Agreement (TFA). Hong Kong officials informed the WTO’s General Council on 10 December 2014 that the territory deposited its instrument of acceptance for the TFA Protocol with the WTO Secretariat on 8 December. "A multilateral TFA, which can significantly enhance trade flows, is very important to Hong Kong, China, and I believe it is no less so for other economies," Hong Kong’s Permanent Representative Irene Young told the General Council. "Ultimately, the Agreement will benefit all of us, but that is only possible when it actually comes into effect." WTO Director-General Roberto Azevêdo congratulated Hong Kong, China for moving so quickly on ratification. "I hope that other members will gain inspiration from this and will soon be able to follow Hong Kong, China’s lead," he added. WTO members concluded the TFA at their December 2013 ministerial conference in Bali, Indonesia. The Protocol of Amendment inserting the TFA into Annex 1A of the WTO Agreement was
subsequently adopted by the General Council on 27 November. This in turn opened the door for Members to formally ratify the TFA through their domestic legislative procedures. The TFA will only enter into force once the Protocol has been ratified by two-thirds of the WTO’s Membership.

http://www.wto.org/english/news_e/news14_e/fac_10dec14_e.htm

INDIA

*Experts call for logistics policy, regulator, The Times of India, 28 January 2015*

At a time when the Andhra Pradesh government is planning to turn the city into a logistics hub, industry representatives have called for the Centre and state government to develop a comprehensive logistics policy and a dedicated regulatory body for the sector. According to logistics experts, multi-modal movement of cargo involving coastal shipping, inland waterways, railways and road networks have to be made seamless in order to reduce the time taken for clearance as well as operating costs. Consultancy firm KPMG, in a report on transport and logistics, has called for the constitution of a cross-ministerial regulatory logistics body, comprising major policy stakeholders from key ministries at the Centre, to push for inter-ministerial coordination. This, they said, would promote an integrated approach towards project planning and development, in addition to saving time and cost overruns. "In order to sustain our country’s focus as a global trade and manufacturing hub, we need to look at logistics as one of the most important variables because India’s logistics cost as percentage of GDP is about 13-14%. It is imperative to reduce it to global levels of 9-10%,” said Allcargo Logistics executive director Adarsh Hegde.


*Air customs to introduce single-window clearance of cargo, The Times of India, 27 January 2015*

Air customs is working to introduce single-window clearance of cargo in partnership with other agencies at Chennai airport, said chief commissioner of customs S Ramesh on Tuesday. "The World Customs Organization (WCO) has dedicated 2015 to promote coordinated border management under the slogan ‘Coordinated Border Management - An Inclusive approach for connecting stakeholders’. India is part of World Trade Organization (WTO) so customs procedures should be aligned with global trade,” he said after inaugurating a sensitization programme on coordinated border management to mark International Customs Day 2015 at Chennai airport. This would ensure that the country would be ranked high in the index for ease of doing business, he added.


KOREA

*Korea donates USD 350,000 for participation of developing countries in Doha Round*

The Republic of Korea has donated USD 350,000 (CHF 336,000) to the WTO Doha Development Agenda Global Trust Fund for 2014. This brings its contributions since 2002 to CHF 4,254,000. This donation will finance a wide range of trade-related technical assistance activities to help developing and least-developed countries (LDCs) to improve their participation in the Doha Round and better integrate into the world economy. “Korea’s regular contributions are important to help developing and least-developed countries to engage more fully in the global trading system and better integrate into the world economy,” declared WTO Director-General Roberto Azevêdo. Seokyoung Choi, Ambassador of the Republic of Korea, stated: “Korea has been supporting developing and least-developed countries with the aim of strengthening their supply-side capacities and making trade an essential tool for growth, development and poverty reduction. Trade is an even more crucial instrument, given the economic difficulties we are facing today. Korea is certain that the Global Trust Fund will contribute to integrating developing and least-developed countries into global value chains.”

http://www.wto.org/english/news_e/pres14_e/pr733_e.htm

PAKISTAN

*Training workshop held, the News, 13 January 2015*

Directorate of Training and Research (Customs) on Monday in collaboration with Karachi Customs Agents Association (KCAA) organised a day’s training workshop on World Trade Organisation (WTO) Trade Facilitation Agreement. The keynote speaker was Dr Manzoor Ahmed, former Member (Customs), Federal Board of Revenue (FBR), who informed that the Trade Facilitation Agreement contains provisions for expediting the movement, release, and clearance of goods, including goods in transit. “It also sets out measures for the effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues,” he said. A large number of KCAA
office bearers and members attended the workshop, including KCAA President Qamar Alam and General Secretary Khurram Ijaz.  
http://www.thenews.com.pk/Todays-News-3-295589-Training-workshop-held

PACIFIC ISLAND
Pacific nations urged to back the Solomons, Solomon Stars, 14 July 2014
The Pacific Island nations have been urged to stand with the Solomon Islands and ensure that any commitments made in the global trade body can only come into effect if the current round of negotiations is completed. Currently six Pacific Island nations are members of the World Trade Organisation (WTO) which is soon to decide the sequencing for commitments on trade facilitation in regards to a broader set of global negotiations launched over 10 years ago, with the aim of addressing development issues. Pacific Network on Globalisation’s Campaigner Adam Wolfenden said: “Australia, New Zealand and other key export markets for the Pacific are not the ones who will be undertaking the commitments in this agreement, there is no cost involved in this for them. “When we talk about trade facilitation, this agreement does nothing to address the non-trade barriers that prevent the Pacific from greater exports.”  

PHILIPPINES
Authorities campaign to help Philippine exporters, Sea Ship News, 12 January 2015
Authorities campaign to help Philippine exporters National authorities in the Philippines are campaigning for a new regulatory body to limit surcharges on exports from the country and, separately, the repeal of “anti-competitive” customs legislation. The Export development Council (EDC) is campaigning for a regulatory body to be established to help limit surcharges imposed on exporters from the country. The EDC’s proposed body will ensure that shipping lines will charge fair prices as the local export sector continues suffer from high logistics costs. Prolonged congestion at the Port of Manila means that exporters are currently being hit with exorbitant charges for container demurrage, storage and port congestion fees, among others.  
http://www.seashipnews.com/News/Authorities-campaign-to-help-Philippine-exporters/3w3c3108.html

NEPAL
FM Mahat urges web-based, automated customs services, Kantipur, 27 January 2015
Finance Minister Ram Sharan Mahat on Monday urged promotion of web-based, automated customs services to catch up with dynamic and changing characteristics of international trade. He highlighted the need for making advancement in the use of information technology in customs procedures. “Revenue collection from customs is increasing by the year. The use of technology too is increasing. But still, there are some leakages in our system. To counter them, there is a need for making further technological advancements,” Mahat said at an event organised by the Department of Customs to celebrate the 63rd International Customs Day. He added the administration should not only keep tabs on the trading of physical goods, but also the trading that happens through electronic channels.  

THAILAND
Chiang Rai to be logistics hub for GMS, Bangkok Post, 28 January 2015
Thailand will continue with its special economic zone (SEZ) plan to promote the northern city of Chiang Rai as a major logistics centre of the Greater Mekong Subregion (GMS), the Industry Minister said yesterday. “Chiang Rai is in a perfect location, which is suitable to be promoted as a logistics centre of the GMS because it is the gateway to growing economic zones in Myanmar, Laos, Cambodia, Vietnam and also the southern Chinese province of Yunnan,” said Industry Minister Chakramon Phasukvanich. Phase two of the government’s SEZ plan includes other provinces that have strong potential to be promoted as business zones over the next two years. They are Nakhon Phanom, Nong Khai, which borders Laos, and Narathiwat, which borders Malaysia and Narathiwat, which borders Malaysia.  

OTHER REGIONS
UGANDA
Trade facilitation systems to widen Uganda tax base - Dutch envoy, New Vision, 20 January 2015
Government has been asked to embrace the trade facilitation systems being implemented by Uganda Revenue Authority to increase revenue which will reduce dependence on donor aid. The call was made by the Netherlands Ambassador to Uganda Alphons Hennekens
while taking six Dutch ambassadors from DR Congo and East African Region on a tour of some of the trade facilitation projects they have been supporting through Trade mark East Africa. Trademark East Africa is a multi-donor funded agency aimed at facilitating trade in the East African region which will in the long run increase cross border trade in the region. Hennekens said that the Netherlands government is committed to supporting Uganda through the implementation of trade facilitation projects like the electronic cargo tacking system, single window system which will reduce the time spent at the documentation center among others.


GHANA

GPHA vouches for single window clearance process, the Ghana Web, 12 January 2014
The Ghana Ports and Harbours Authority (GPHA) -- operator of the country's two seaports -- has thrown its weight behind government's plan to introduce the single window system of clearing goods at the ports: as it will ensure shorter dwelling time of cargo, do away with the current bureaucratic processes, and hugely reduce the cost of doing business. GPHA's Marketing and Corporate Affairs Manager, Paul Ansah-Asare, told the B&FT that introducing the system is long overdue considering the recent surge in trade, the pile-up of containerised and reefer goods at the various terminals, and continual bureaucracies in processing trade documents. “The single window system will provide the platform for an integrated clearance process that will minimize the human factor as much as possible and, to a large extent help to reduce the processing time for trade documents. “This will obviously be an improvement over the current situation where part of the cargo clearance process is automated while the other part is carried out manually.