

Regional Approach of the UN Regional Commission in Asia and the Pacific to Reducing Trade Costs

The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) is one of the five Regional Commissions of the United Nations. ESCAP has a long-standing and comprehensive programme on trade facilitation, implemented in close collaboration with regional and global partners, including OECD, UNCTAD, WCO, WTO and the World Bank at the global level, and the Asian Development Bank at the regional level. The programme consists of three integrated components: research, capacity building, and a legislative component.

Research on trade facilitation and trade cost is implemented essentially through the Asia-Pacific Research and Training Network on Trade (ARTNeT)¹, a network of research institutions in developing countries of the region. ESCAP developed and maintains, in close partnership with the World Bank, an international trade cost database providing estimates of overall trade costs at the bilateral and regional level. This database has been widely used to provide evidence of high trade costs in developing countries, and to calculate the potential cost reductions expected from the WTO TFA implementation². This macro-level database is complemented by micro-level data from product or corridor specific Business Process Analyses (BPA) of trade procedures, conducted in collaboration with ARTNeT Members and, increasingly, with the National Trade Facilitation Committees established in some countries.

Capacity building is delivered mainly through the United Nations Network of Experts for Paperless Trade in Asia and the Pacific (UNNExT)³, a regional network of trade facilitation practitioners enabling knowledge sharing from world-leading economies in this field (e.g., Republic of Korea or Singapore) to less advanced countries. The Secretariat of UNNExT is provided by ESCAP, in collaboration with the UNECE, where many of the international technical standards for trade facilitation have been developed. Several thousand stakeholders from developing countries have benefited from UNNExT capacity building guides and workshops since it was created, including the UNNExT Masterclass on Single Window Implementation, held annually in collaboration with the WCO and Korea Customs. Capacity Building activities of ESCAP, ADB and other regional organizations are coordinated through the Regional Organizations Cooperation Mechanism for Trade Facilitation (ROC-TF).⁴

On the legislative front, ESCAP has provided a platform for negotiation and implementation of regional arrangements aimed at reducing trade costs and increasing connectivity for several decades, including one of the very first preferential trade agreements signed in the 1970s (APTA), and the

¹ <http://artnet.unescap.org>

² For example, see OECD (2013), available at: <http://10.0.6.251/18166873>

³ <http://unnext.unescap.org>

⁴ <http://www.unescap.org/our-work/trade-investment/trade-facilitation/roc-tf>

Intergovernmental Agreement on the Asian Highway Network and on Dry Ports enacted in 2003 and 2013, respectively. Following adoption of an ESCAP Resolution on enabling paperless trade for trade facilitation in 2012, ESCAP members are now negotiating the text of a unique regional treaty on the facilitation of cross-border paperless trade. The first intergovernmental steering group meeting tasked to finalize the agreement highlighted the complementarity between this regional initiative and the implementation of the WTO Trade Facilitation Agreement when it met in April 2015.

Regional approaches and programmes are important in ensuring that actions taken at the national level and decisions taken at the global level are relevant and effectively implemented. Sustained and coordinated actions at the national, subregional, regional and global level will be essential to bringing trade costs in all developing countries to a level at which the inclusive and sustainable development benefits of trade can be reaped.

For other notes on Reducing Trade Costs in Asia and the Pacific see: <http://www.unescap.org/resources/notes-reducing-trade-costs-asia-and-pacific>

This note, based on in-house research and analysis, is a contribution by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) to The Fifth Global Review of Aid for Trade (July 2015) organized at the WTO on the theme of "Reducing Trade Costs for Inclusive, Sustainable Growth". For more information on ESCAP's work on reducing trade costs and trade facilitation, please visit: <http://www.unescap.org/our-work/trade-investment/trade-facilitation>