CAPACITY BUILDING WORKSHOP:

CURRENT TRADE-RELATED ISSUES AND THEIR IMPLICATIONS FOR APTA

BY APTA SECRETARIAT

11 SEPTEMBER 2018 , SEOUL, REPUBLIC OF KOREA

UNITED NATIONS ESCAP
Economic and Social Commission for Asia and the Pacific

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CURRENT ISSUES ON TRADE FACILITATION

TRADE FACILITATION AND PAPERLESS TRADE IN ASIA AND THE PACIFIC: STATE OF PLAY

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11 SEPTEMBER 2018 , SEOUL, REPUBLIC OF KOREA

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- **Trade Facilitation and Paperless Trade Implementation in Asia-Pacific**
  - UN Global Survey results
  - Towards cross-border paperless trade: New UN treaty for Asia and the Pacific

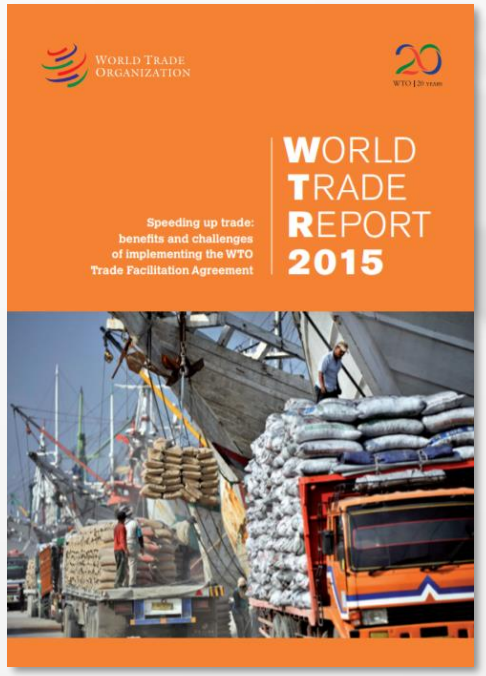
- **Conclusions**

- **Annex – Support from ESCAP**

INTRODUCTION

TRADE FACILITATION (TF)?

Definitions



https://www.wto.org/english/res_e/booksp_e/world_trade_report15_e.pdf

Table A.1: Definitions of trade facilitation

a) Academic literature	
Study	**Definition**
Duval (2007).	Trade facilitation involves increasing the efficiency of trading processes. Trade facilitation involves making customs, transport, and banking and insurance (services and infrastructure) more efficient. Trade facilitation cannot simply be limited either to at-the-border or to customs control processes, since these two sets of processes are only two of a number of other processes (e.g., payment and logistics) that affect the efficiency of a trade transaction.
Grainger (2011).	Trade facilitation looks at how procedures and controls governing the movement of goods across national borders can be improved to reduce associated cost burdens and maximize efficiency while safeguarding legitimate regulatory objectives.
Persson (2013).	Trade facilitation refers to making it easier for traders to move goods across borders by making cumbersome cross-border trade procedures more efficient.
Portugal-Perez and Wilson (2012).	Trade facilitation measures can be undertaken along two dimensions: a "hard" dimension related to tangible infrastructure such as roads, ports, highways, telecommunications, as well as a "soft" dimension related to transparency, customs management, the business environment, and other institutional aspects that are intangible.
Zaki (2014).	Trade facilitation includes five main elements: 1) simplification of trade procedures and documentation; 2) harmonization of the trade practices and rules; 3) more transparent information and procedures of international flows; 4) recourse to new technologies to promote international trade; 5) more secured means of payment for international commerce.
b) International organizations	
Institution/source	**Definition**
Asia-Pacific Economic Cooperation (APEC) *Source*: APEC (2007).	Trade facilitation refers to the simplification and rationalization of customs and other administrative procedures that hinder, delay or increase the cost of moving goods across international borders.
European Commission *Source*: http://ec.europa.eu/taxation_customs/customs/policy_issues/trade_falicitation/index_en.htm	Trade facilitation can be defined as the simplification and harmonization of international trade procedures including import and export procedures. Procedures in this context largely refer to the activities (practices and formalities) involved in collecting, presenting, communicating and processing the data required for movement of goods in international trade.
International Chamber of Commerce (ICC) *Source*: ICC (2007).	Improvements in the efficiency of the processes associated with trading in goods across national borders.
Organisation for Economic Co-operation and Development (OECD) *Source*: Moïsé *et al.* (2011).	Trade facilitation refers to policies and measures aimed at easing trade costs by improving efficiency at each stage of the international trade chain.

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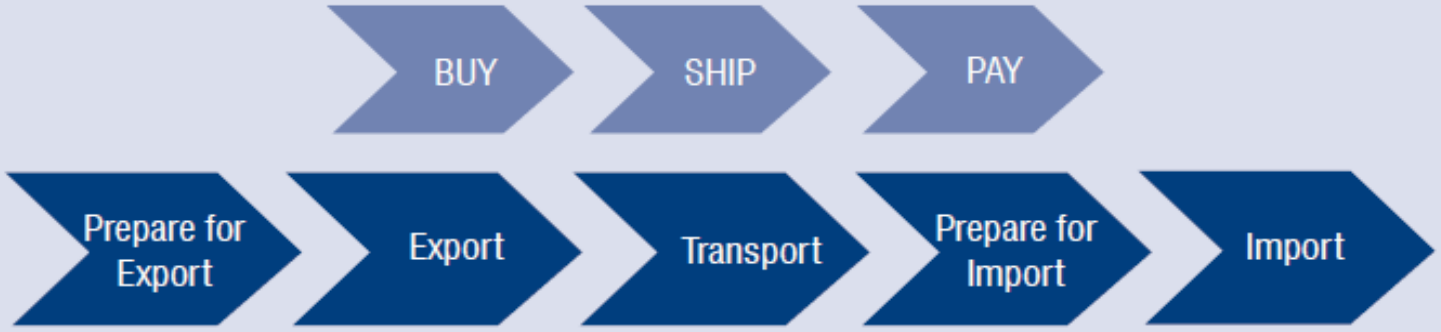
TRADE FACILITATION (TF)? – DEFINITION

- The plumbing of international trade" (Staples, 1998)

- "The simplification and harmonization of international trade procedures.", where trade procedures are the "activities, practices and formalities involved in collecting, presenting, communicating and processing data and other information required for the movement of goods in international trade." (WTO documents)

- "Any measure, or set of measures, that aims to increase the cost-effectiveness of international trade transactions". http://www.gfptt.org/

TRADE FACILITATION? ➡ DEFINITION



INVOLVES

Commercial Procedures

- Establish Contract
- Order Goods
- Advice on Delivery
- Request Payment
- Packing
- Certification
- Accreditation
- Warehousing

Transport Procedures

- Establish Transport Contract
- Collect, Transport and Deliver Goods
- Provide Waybills, Goods Receipts Status Reports, etc.

Regulatory Procedures

- Obtain Import/ Export Licenses, etc.
- Provide Customs Declaration
- Provide Cargo Declaration
- Apply Trade Security Procedures
- Clear Goods for Export/Import

Financial Procedures

- Provide Credit Rating
- Provide Insurance
- Provide Finance
- Execute Payment
- Issue Statements

Source: United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). 2008.

PAPERLESS TRADE (DIGITAL TRADE FACILITATION)?

- **Paperless Trade**

Conduct of trade activities on the basis of electronic rather than paper documents

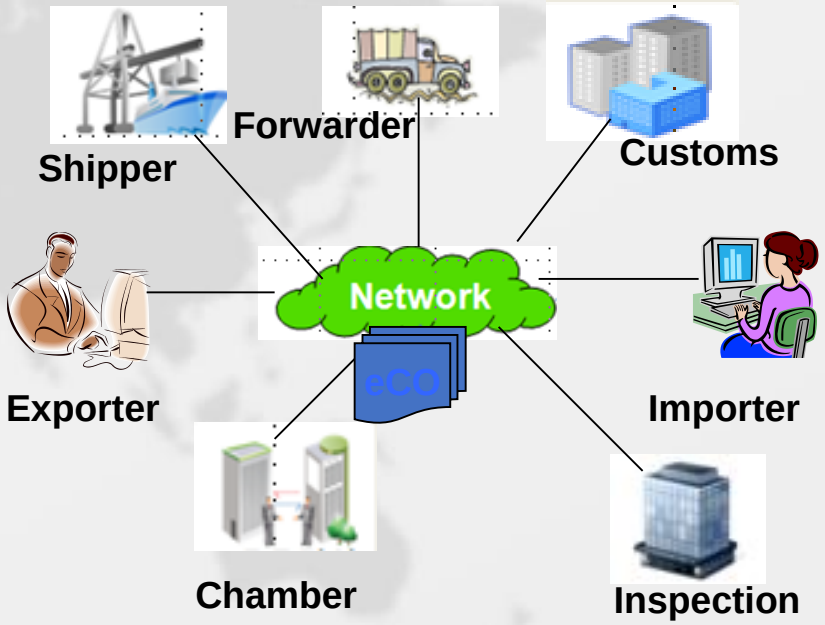
e.g. electronic Customs declaration, electronic cert. of origin

(application of e-commerce to international trade domain)

- **Paperless Trade Systems**

Legal/regulatory and technical frameworks in which paperless trade transactions take place

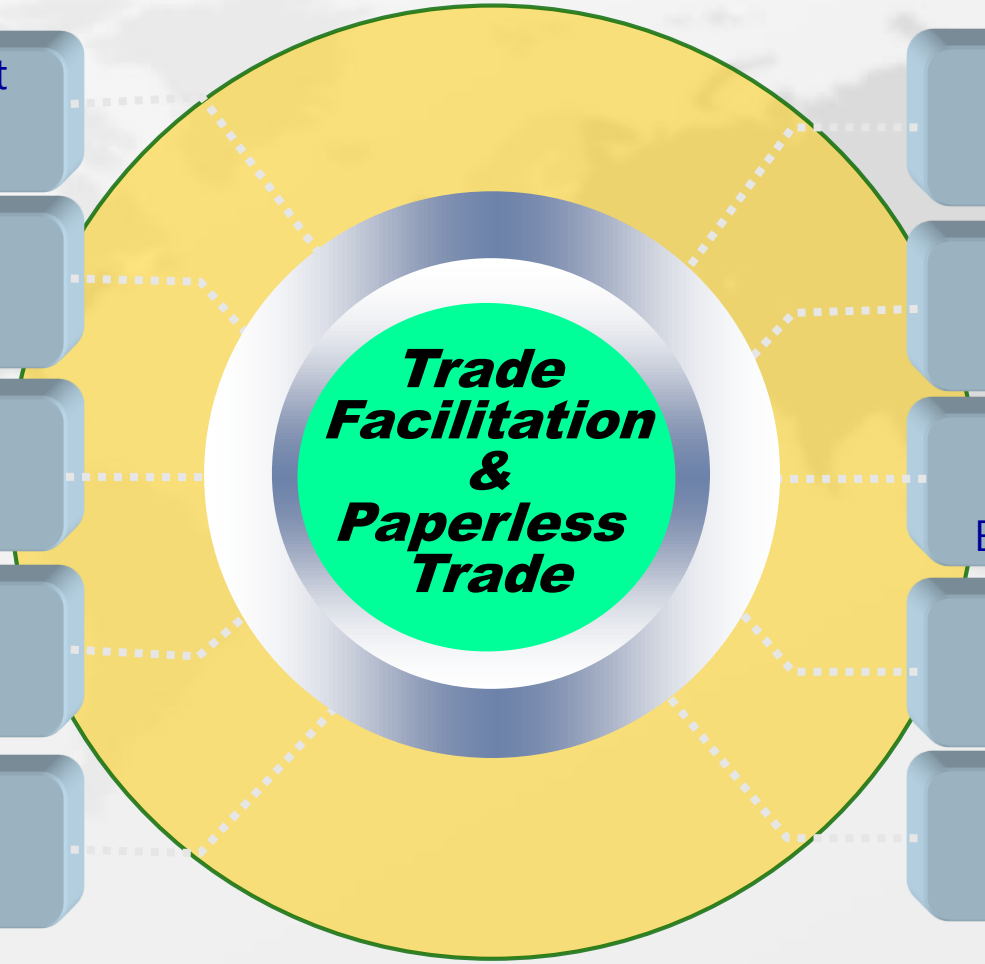
e.g. Digital customs system, electronic Single Window facility, e-port management systems, Framework Act on Electronic Transaction (in RoK)



BENEFITS OF TRADE FACILITATION & PAPERLESS TRADE

Government

- Effective & Efficient Deployment of Resources
- Correct Revenue Yield
- Improved Trader Compliance
- Enhanced Security
- Increased Integrity & Transparency



Traders

- Cutting Costs through Reducing Delays
- Faster Clearance & Release
- Predictable Application and Explanation of Rules
- Effective & Efficient Deployment of Resources
- Increased Transparency

EXPECTED GAINS FROM TRADE FACILITATION

- **Direct and indirect costs associated with trade documentation and cumbersome trade procedures: 1-15% of value of goods traded**
  ▷ $350 billion annually for Asia and the Pacific

- **A 1 day of delay prior to shipment reduces trade by 1%**

- **A 5% reduction in direct export costs result in a 4% increase in exports**

QUESTIONS FOR DISCUSSION

1. **Why have trade facilitation & paperless trade become increasingly important ?**

2. **How does trade facilitation relates to the three dimensions of sustainable development?**

REGIONAL STATE OF PLAY
TRADE COSTS & TRADE FACILITATION PERFORMANCE

TRADE COSTS IN ASIA AND THE PACIFIC

Table 1: Intra- and extra-regional comprehensive trade costs in the Asia-Pacific region (excluding tariff costs), 2010-2015

Region	ASEAN-4	East Asia-3	North and Central Asia - 4	Pacific Islands Developing Economies	SAARC-4	AUS-NZL	EU-3
ASEAN-4	76% (6.7%)						
East Asia-3	76% (4.1%)	51% (-2.9%)					
North and Central Asia - 4	343% (5.4%)	187% (-9.9%)	116% (-0.9%)				
Pacific Islands Developing Economies	172% (-9.0%)	173% (-3.1%)	370% (21.6%)	130% (-8.8%)			
SAARC-4	130% (3.5%)	123% (-2.1%)	302% (7.7%)	300% (-4.6%)	119% (12.9%)		
AUS-NZL	101% (2.9%)	87% (-5.4%)	341% (-4.9%)	82% (-8.9%)	136% (-6.7%)	51% (-4.9%)	
EU-3	105% (-3.4%)	84% (-3.4%)	150% (-7.1%)	204% (-7.1%)	113% (0.3%)	108% (-2.3%)	42% (-8.1%)
USA	86% (8.0%)	63% (0.4%)	174% (-3.5%)	161% (-5.4%)	112% (6.7%)	100% (2.9%)	67% (0.4%)

Source: ESCAP-World Bank Trade Cost Database (June 2017 update). Available at:

http://www.unescap.org/resources/escap-world-bank-trade-cost-database

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HOW TO VIEW ESCAP–WORLD BANK TRADE COST TRENDS OF COUNTRIES?

- **Go to ARTNeT: https://artnet.unescap.org/**
- **Click "Databases" on the menu**
- **Click "Asia-Pacific Trade Indicators Portal"**
- **Select "Vizualize data over time (trend)";**
- **Select "Comprehensive trade costs with large Asia-Pacific Developing Economies" OR Select "Comprehensive trade costs with large developed countries"**
- ***[click "Continue" button at bottom of page]***
- **Select countries you are interested in.**
- ***[click "Continue" button at bottom of page]***
- ***[click "Vizualize data"]***

HOW TO VIEW ESCAP–WORLD BANK TRADE COST TRENDS OF COUNTRIES?

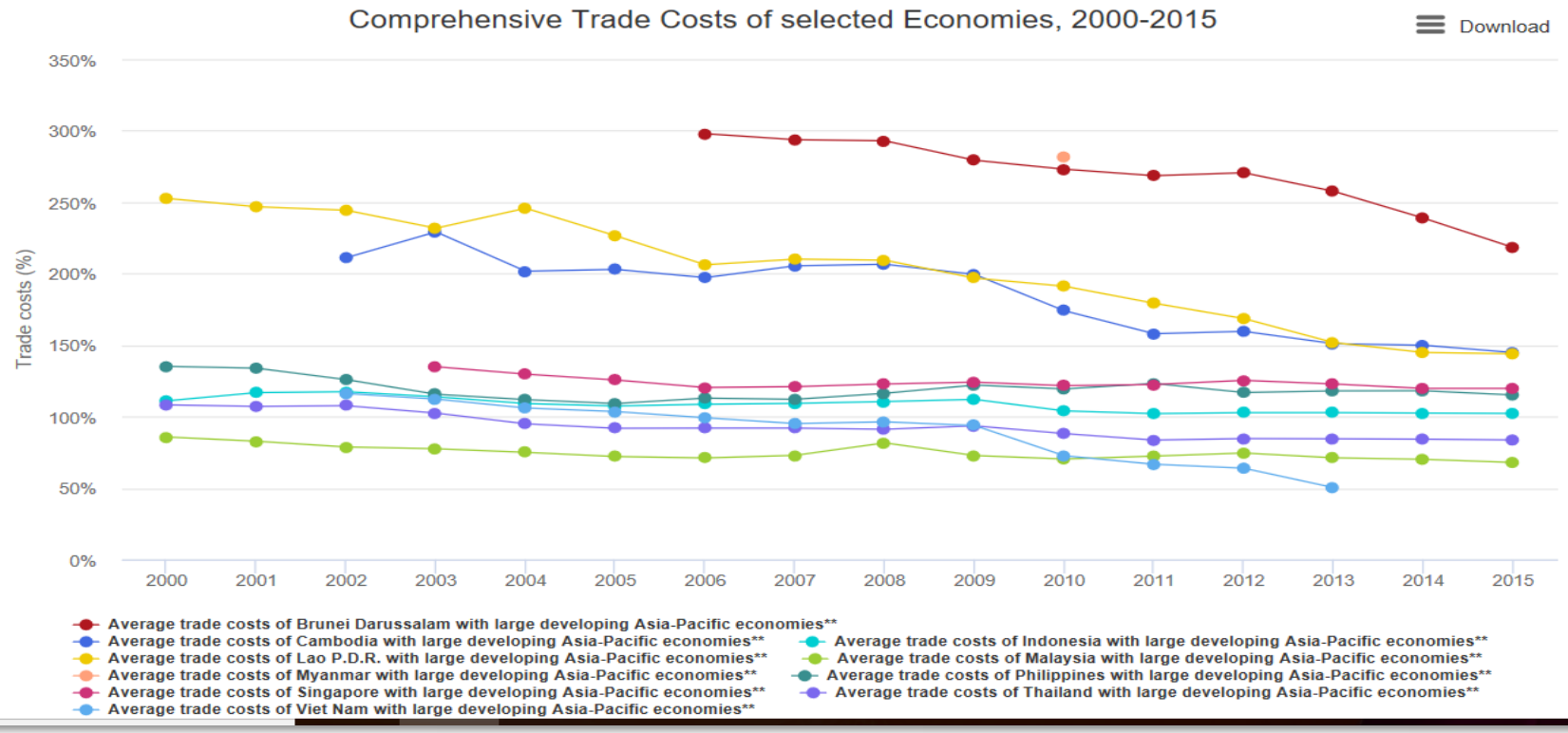
ARTNeT

HOME | FOCUS AREAS | MEMBERS & PARTNERS | PUBLICATIONS | DATABASES | ONLINE TRAINING | EVENTS

APTIP Asia-Pacific Trade Indicators Portal

You have selected the indicator **Comprehensive trade costs with large developing Asia-pacific economies**, for 11 (associate) member States over the period **2000-2016**.

New Search



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HOW TO VIEW ESCAP–WORLD BANK TRADE COST TRENDS OF COUNTRIES?

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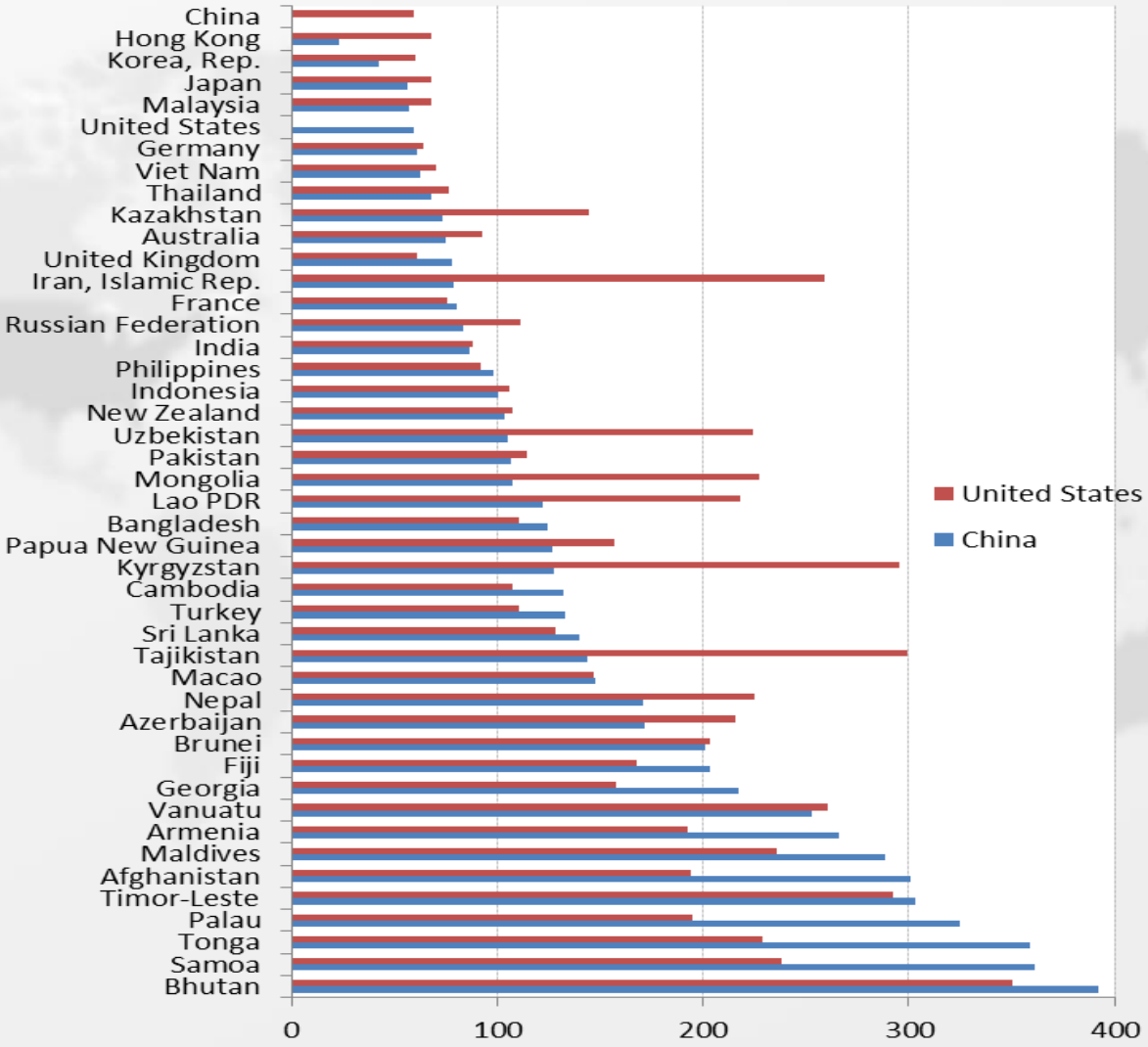
BILATERAL COMPREHENSIVE TRADE COSTS OF SELECTED ECONOMIES WITH CHINA AND UNITED STATES

(ad valorem equivalents, excluding tariff costs, 2009-2014)



Source: ESCAP-World Bank Trade Co st Database, updated June 2016. Ava ilable from Trade costs: http://artnet.unescap.org/database s.html#first

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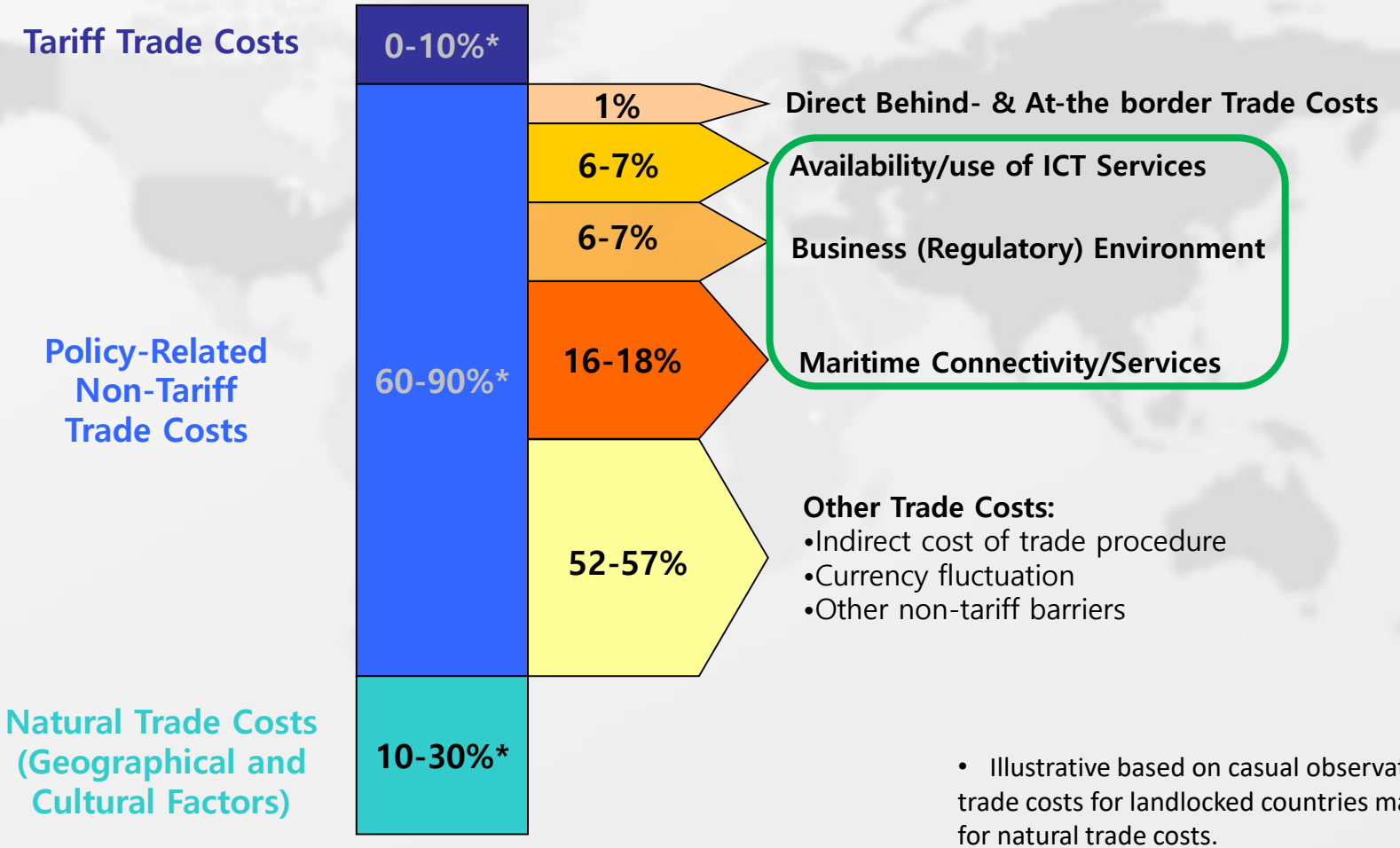
KEY FACTORS IN LOWERING TRADE COSTS – ASIA–PACIFIC PERSPECTIVE

Contribution of natural barriers, behind-the border facilitation and trade-related practice to trade costs



- Illustrative based on casual observation of the data only. Natural trade costs for landlocked countries may be outside the range shown for natural trade costs.

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TRADE FACILITATION PERFORMANCE

Examples:

- **WB Trading Across Border (TAB) indicators**
  - www.doingbusiness.org

- **WB Logistics Performance Index**
  - http://lpi.worldbank.org/

- **UNCTAD Liner Shipping Connectivity Index**
  - http://unctadstat.unctad.org/wds/TableViewer/tableView.aspx?ReportId=92

- **WEF Enabling Trade Index (composite of others)**

ESCAP–OECD HANDBOOK ON INDICATORS FOR TRADE FACILITATION

- **A new "digital" resource introducing key databases and indicators for trade cost and trade facilitation monitoring**

- **Direct links to all relevant indicators and databases included**

http://www.unescap.org/resources/escap-oecd-handbook-indicators-trade-facilitation

ESCAP–OECD HANDBOOK ON INDICATORS FOR TRADE FACILITATION

ade Facilitation Indicat

Secure | https://www.unescap.org/sites/default/files/FINAL%20V1.0_Indicators%20for%20Trade%20Facilitation-ESCAP-OECD%20Handbook_0.pdf

Table of contents by source

I. **ESCAP-World Bank Trade Costs Database**
- UNESCAP-World Bank Trade Costs Database
- UNESCAP Value-Added Trade costs Database

II. **World Bank Doing Business Trading across borders**
- Trading Across Borders Rank Indicator
- Border Compliance: Time and cost to export/import
- Documentary Compliance: Time and cost to export/import
- Domestic Transport: Time and cost to export/import

III. **World Bank Enterprise Surveys**
- Days to clear a direct exports through customs
- Days to clear imports from customs
- Percent of firms identifying customs and trade regulations as major constraint

IV. **OECD Trade Facilitation Indicators**
- Eleven Trade Facilitation indicators

V. **United Nations Global Survey on Trade Facilitation and Paperless Trade Implementation**
- General Trade Facilitation measures
- Paperless Trade measures
- Cross-border Paperless Trade measures
- Transit Facilitation measures

VI. **World Bank Logistic Performance Index (LPI)**
- World Bank Logistic Performance Index (International)
- World Bank Logistic Performance Index (Domestic)
  - i. Environment and Institutions
  - ii. Performance

VII. **UNCTAD Liner Shipping Connectivity Index (LSCI) & Liner Shipping Bilateral Connectivity Index (LSBCI)**
- Five components of the LSCI
- Five components of the LSCBI

VIII. **World Economic Forum, The Global Enabling Trade Report**
- Border administration
  - i. Efficiency and transparency of border administration
- Infrastructure
  - i. Availability and quality of transport infrastructure
  - ii. Availability and quality of transport services
  - iii. Availability and use of ICTs

IX. **World Bank & OECD Services Trade Restrictiveness Index (STRI)**
- World Bank STRI
- OECD STRI

X. **Beyond Aggregate Indicators and Cross-country Databases: Trade and Transport Facilitation Monitoring Mechanism (TTFMM)**

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ESCAP–OECD HANDBOOK ON INDICATORS FOR TRADE FACILITATION

Databases | ARTNeT | Asia-Pacific Trade Indicat | Trading Across Borders -

www.doingbusiness.org/data/exploretopics/trading-across-borders

DOING BUSINESS | Measuring Business Regulations

DATA RANKINGS REPORTS SUBNATIONAL METHODOLOGY RESEARCH BUSINESS REFORMS LAW LIBRARY CONTRIBUTORS ABOUT MEDIA

Data / Trading Across Borders

Trading across Borders

Select a topic

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in June 2017. See the methodology for more information.

Given the importance of trade digitalization, in *Doing Business 2018*, the Trading across Borders questionnaire included research questions on the availability and status of implementation of Electronic Data Interchange (EDI) and Single Window (SW) systems. With this information, *Doing Business* built a comprehensive dataset on the adoption and level of sophistication of electronic platforms in 190 economies. These data are not used to compute the distance to frontier score or ranking of the ease of doing business. The new dataset on EDI and SW systems is available here.

Data | Distance to Frontier | What is Measured | Why it Matters | DB Reforms | Good Practices | FAQ | Other Resources

= Subnational *Doing Business* data available. = Multi-city data for same economy is available.

Economy	Trading Across Borders DTF	Trading Across Borders rank	Time to export: Border compliance (hours)	Cost to export: Border compliance (USD)	Time to export: Documentary compliance (hours)	Cost to export: Documentary compliance (USD
Region						
East Asia & Pacific	69.97	102	55.9	387.5	68.2	112.1
Europe & Central Asia	83.96	58	28.0	191.4	27.9	113.8
Latin America & Caribbean	68.71	101	62.5	526.5	53.3	110.4
Middle East & North Africa	58.07	121	62.6	464.4	74.3	243.6
OECD high income	93.92	25	12.7	149.9	2.4	35.4
South Asia	58.32	126	59.4	369.8	77.0	179.5
Sub-Saharan Africa	52.56	137	100.1	592.1	87.8	215.1

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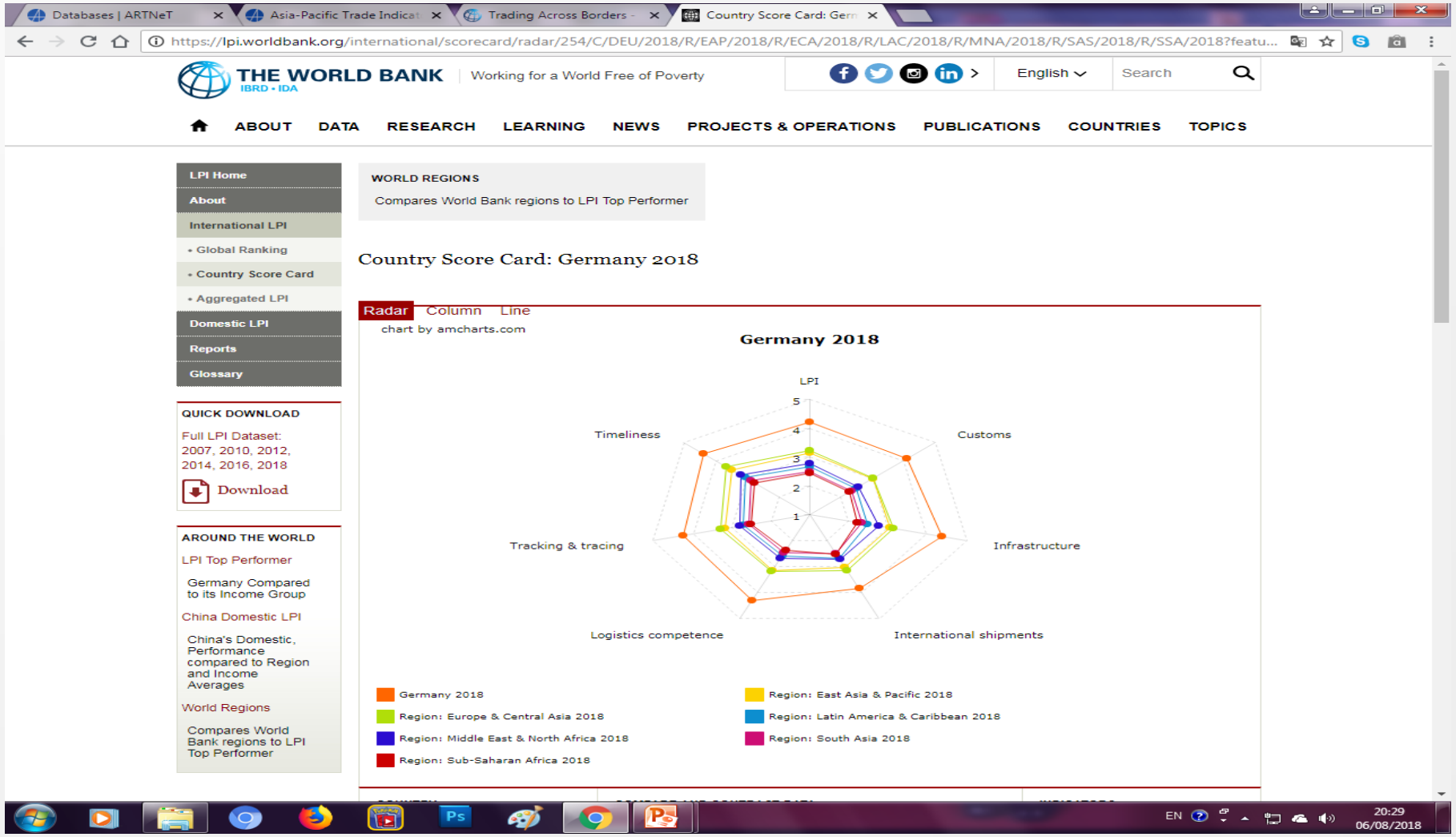
ESCAP–OECD HANDBOOK ON INDICATORS FOR TRADE FACILITATION



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TRADE FACILITATION AND PAPERLESS TRADE IMPLEMENTATION IN ASIA–PACIFIC

UN GLOBAL SURVEY RESULTS

TOWARDS CROSS–BORDER PAPERLESS TRADE: NEW UN TREATY FOR ASIA AND THE PACIFIC

UNITED NATIONS GLOBAL SURVEY ON TRADE FACILITATION AND PAPERLESS TRADE IMPLEMENTATION

https://unnext.unescap.org/AP-TFSurvey2017/

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UNITED NATIONS GLOBAL SURVEY ON TRADE FACILITATION AND PAPERLESS TRADE IMPLEMENTATION

https://unnext.unescap.org/AP-TFSurvey2017/

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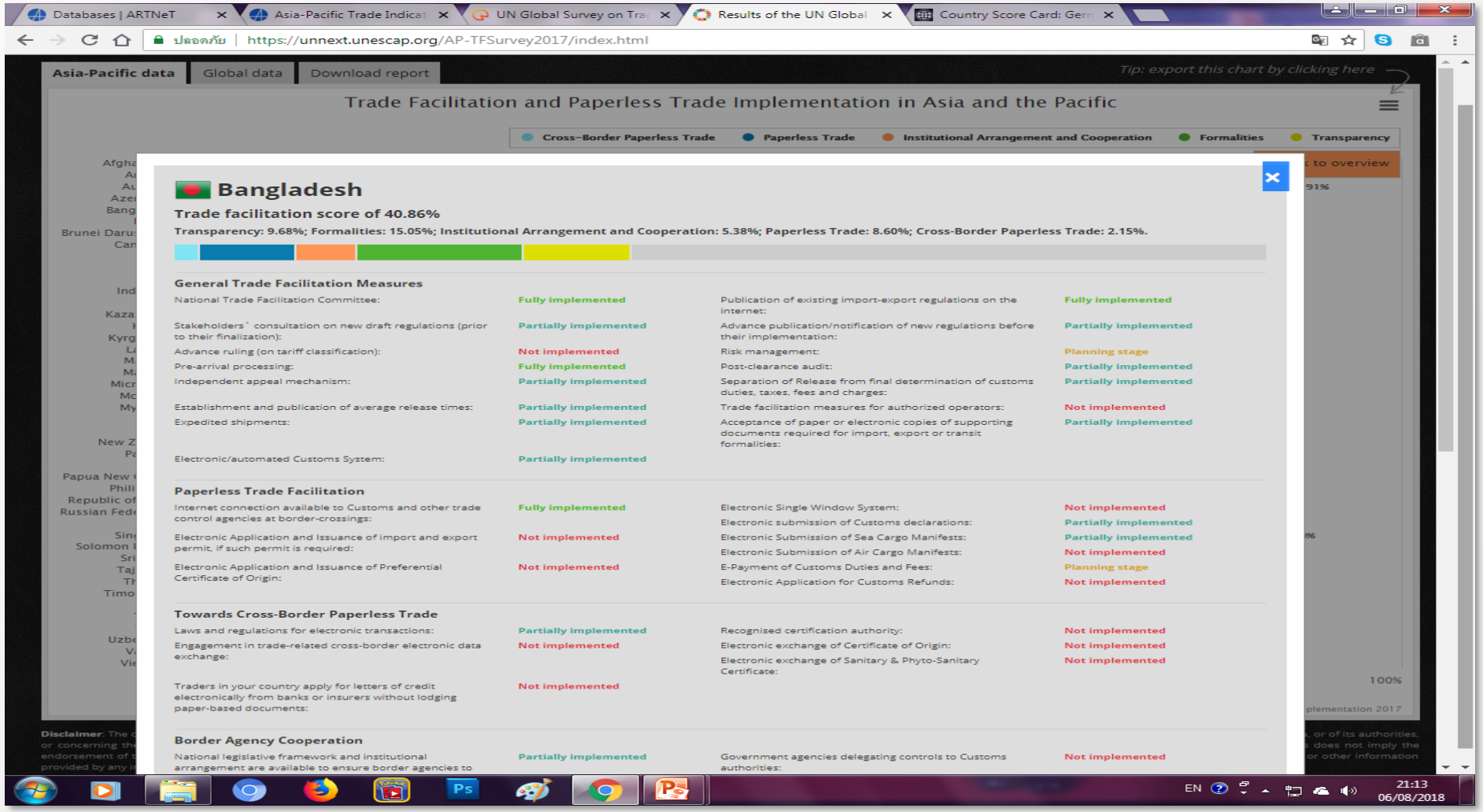
UNITED NATIONS GLOBAL SURVEY ON TRADE FACILITATION AND PAPERLESS TRADE IMPLEMENTATION



https://unnext.unescap.org/AP-TFSurvey2017/

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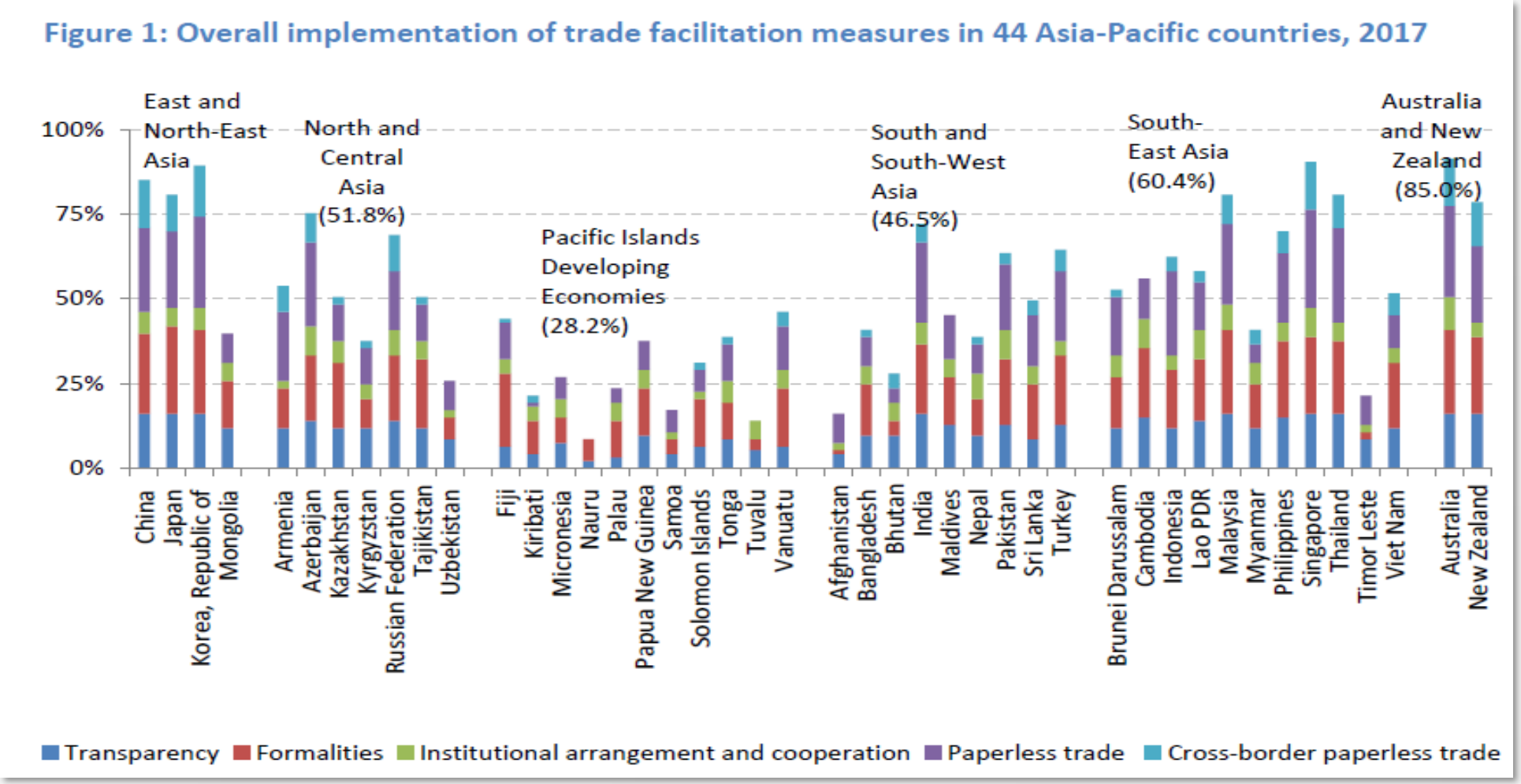
OVERALL IMPLEMENTATION OF TRADE FACILITATION MEASURES (44 ASIA–PACIFIC COUNTRIES)



Source: The second global survey on trade facilitation and paperless trade implementation (2017, preliminary)

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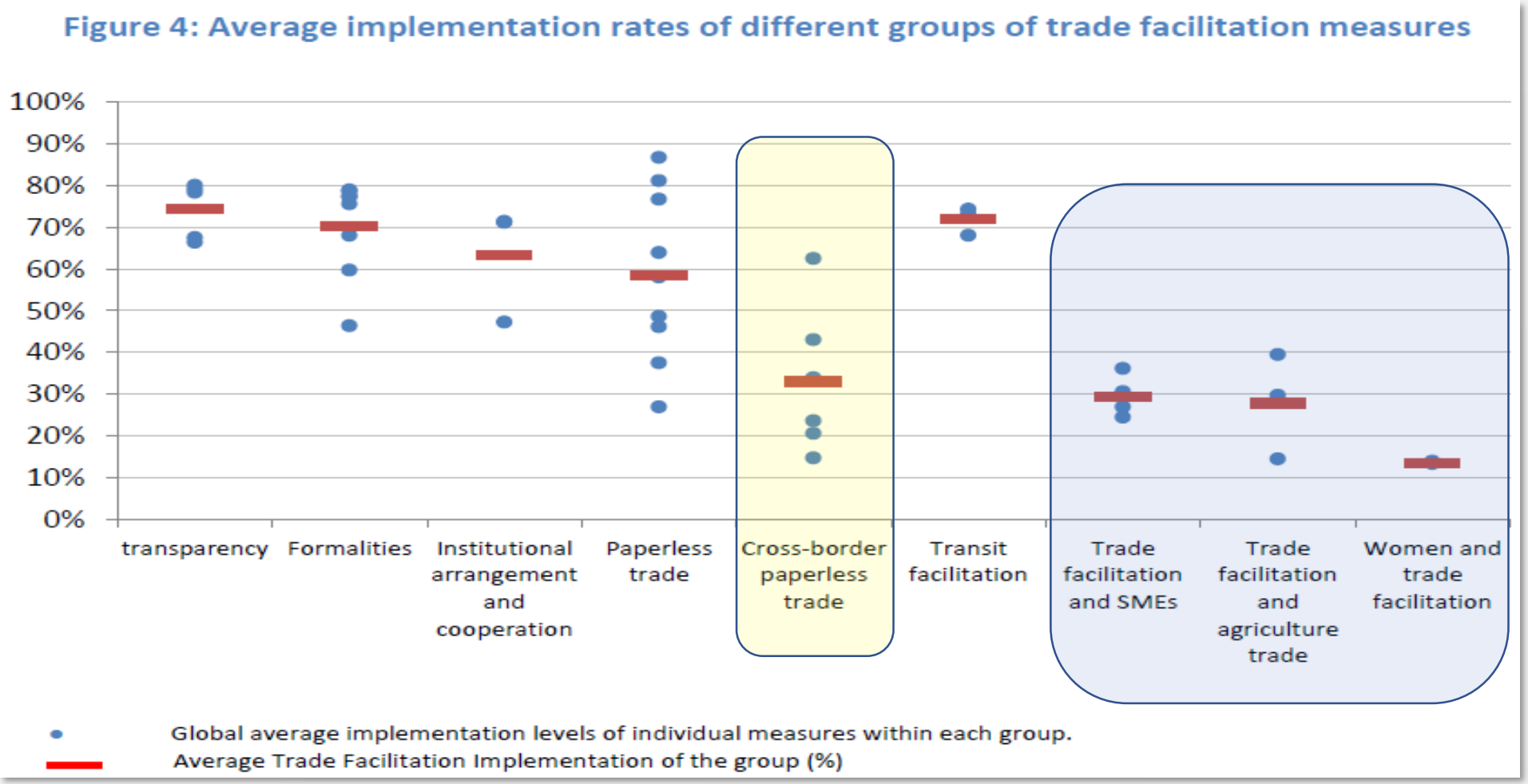
IMPLEMENTATION OF DIFFERENT GROUPS OF TRADE FACILITATION MEASURES



Source: The second global survey on trade facilitation and paperless trade implementation (2017, preliminary)

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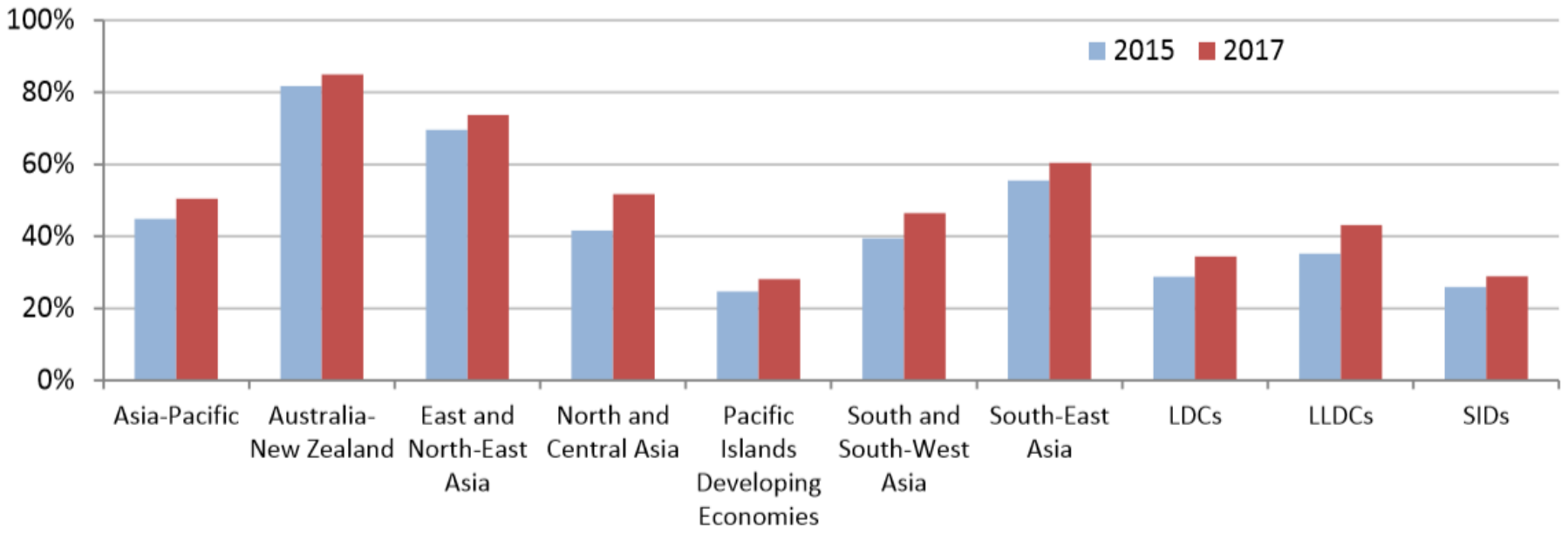
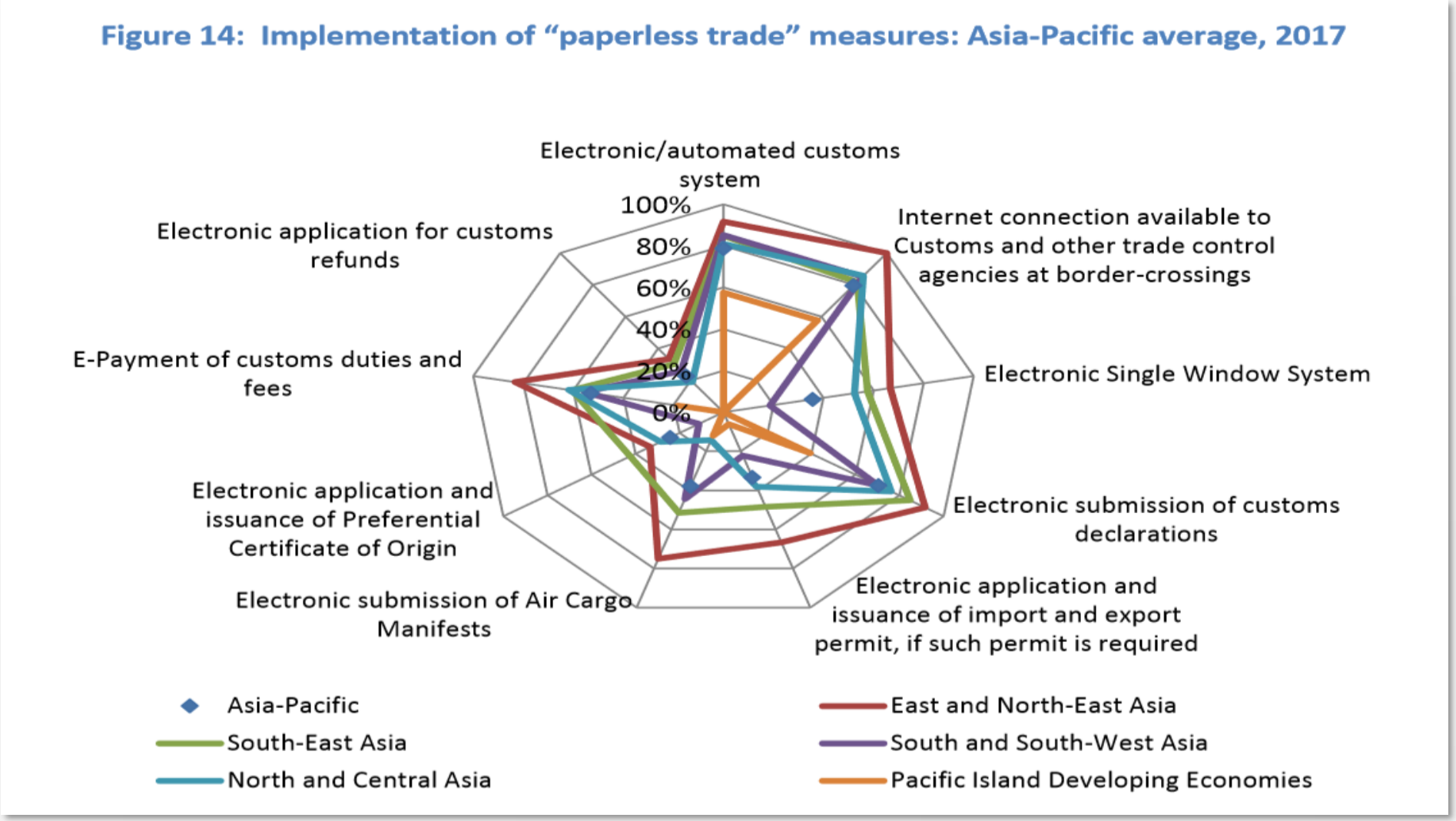
TRADE FACILITATION IMPLEMENTATION BY SUBREGIONS IN ASIA AND THE PACIFIC, 2015 AND 2017

Figure 5: Trade facilitation implementation by subregions in Asia and the Pacific, 2015 and 2017



Source: The second UNRC survey on trade facilitation and paperless trade implementation

IMPLEMENTATION OF "PAPERLESS TRADE" MEASURES: ASIA–PACIFIC AVERAGE, 2017"



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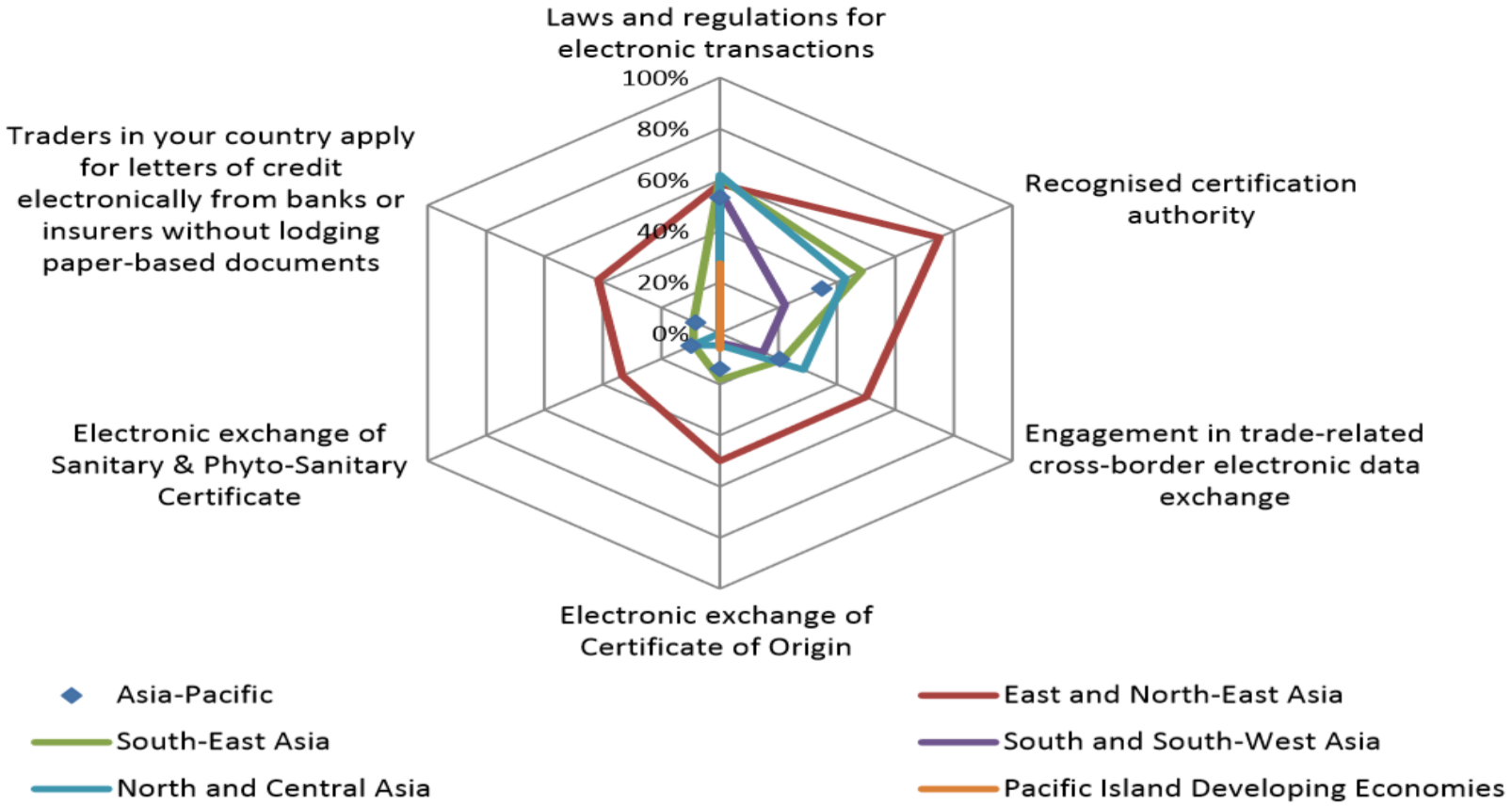
IMPLEMENTATION OF "CROSS-BORDER PAPERLESS" TRADE MEASURES: ASIA-PACIFIC AVERAGE, 2017"

Figure 16: Implementation of "cross-border paperless trade" measures: Asia-Pacific average, 2017



Source: The second UNRC survey on trade facilitation and paperless trade implementation

LEAST IMPLEMENTED MEASURES IN ASIA AND THE PACIFIC

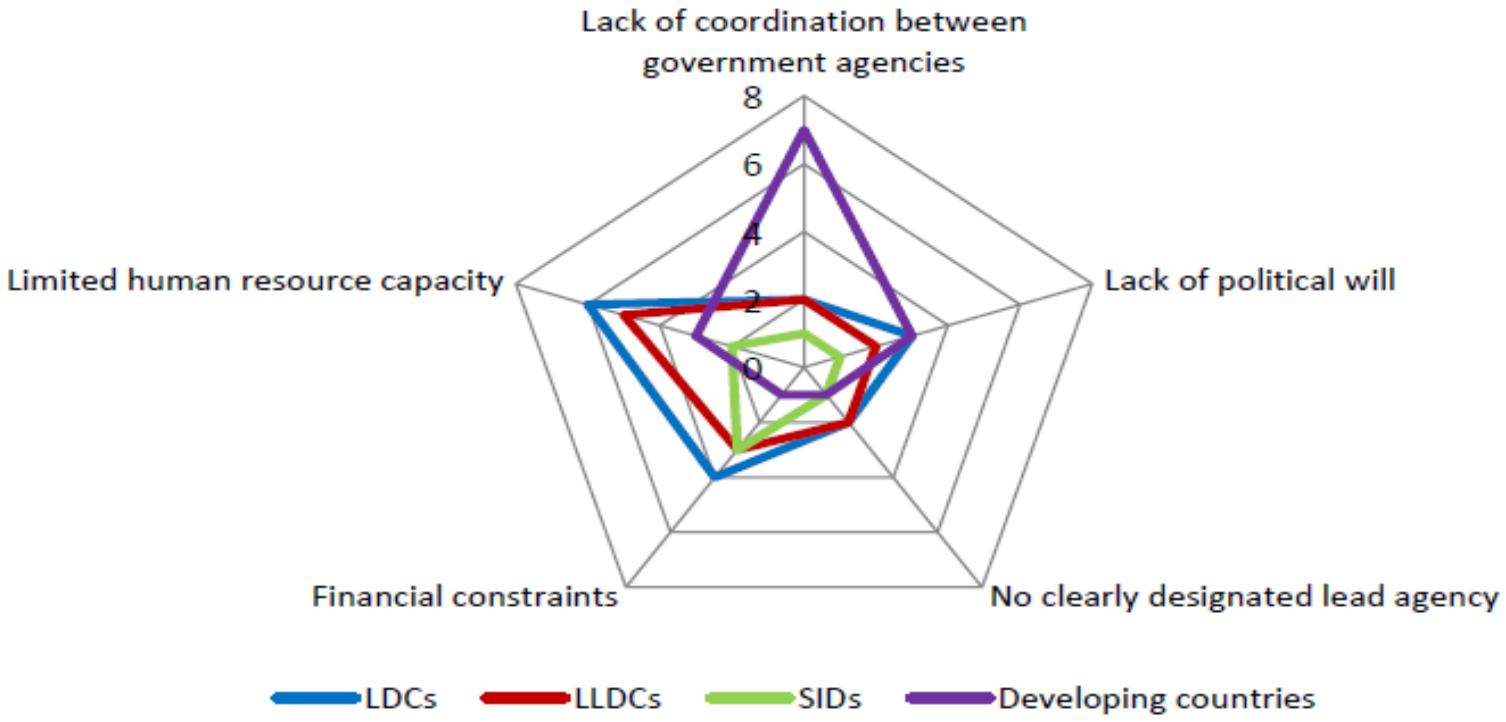
- **WTO TFA-related measures**
  - Advance rulings
  - Authorized operators programs
  - [Electronic] Single Window systems

- **Cross-border paperless trade measures**
  - E-exchange of SPS certificates
  - Paperless letters of credit

- **TF measures targeted at SMEs and Women**

KEY CHALLENGES FOR MAKING FURTHER PROGRESS IN ASIA AND THE PACIFIC

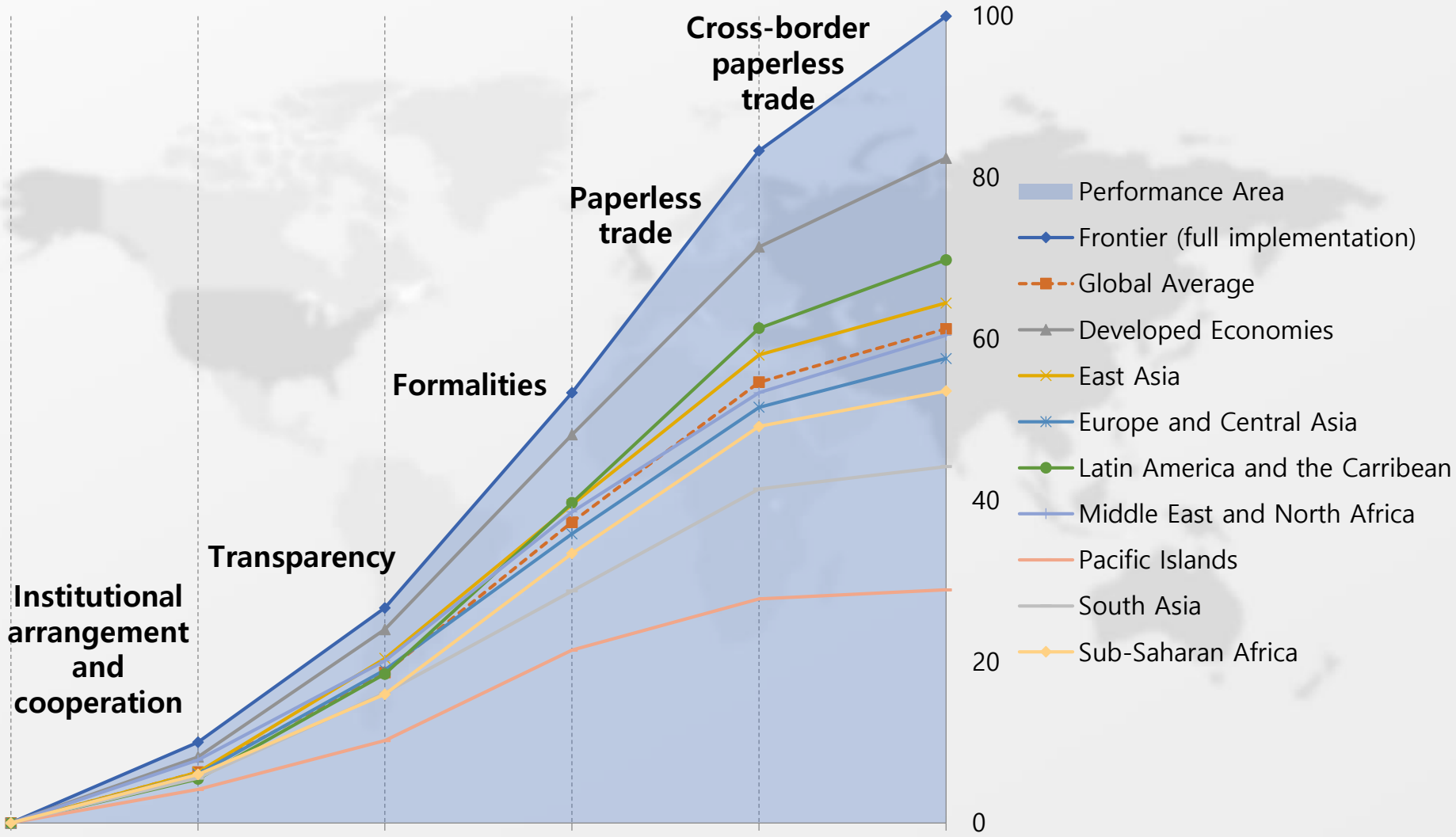
Figure 21: Challenges faced by Asia-Pacific LDCs, LLDCs, SIDSs and other developing countries in implementing trade facilitation measures



Note: Data show the number of countries.

Source: The second UNRC survey on trade facilitation and paperless trade implementation

MOVING UP THE TRADE FACILITATION LADDER TOWARDS SEAMLESS INTERNATIONAL SUPPLY CHAINS



Source: The UN Global Survey on Trade Facilitation and Paperless Trade Implementation (2017)

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EXPECTED GAINS FROM WTO TFA IMPLEMENTATION IN ASIA–PACIFIC (UPDATE)

- **Trade cost reductions almost double if full implementation of binding + not binding measures (-10%)**
- **ICT applications in TF (i.e. paperless trade measures) have high trade cost reduction potential (additional 7%)**

Table 7: International Trade Cost Changes in Asia and the Pacific Resulting from World Trade Organization Trade Facilitation Agreement Implementation

Asia and Pacific	WTO TFA (binding only)		WTO TFA (binding + non binding)		WTO TFA+ (binding + non binding + other paperless and cross-border paperless trade)	
	Partially implemented	Fully implemented	Partially implemented	Fully implemented	Partially implemented	Fully implemented
Model 1						
Overall TFI	-2.70%	-5.74%	-4.64%	-9.45%	-10.37%	-16.37%
Model 3						
Transparency	-0.81%	-1.74%	-1.29%	-3.27%	-1.29%	-3.27%
Formalities	-1.67%	-2.93%	-2.26%	-4.00%	-2.26%	-4.00%
Institution	-0.41%	-1.35%	-0.41%	-1.35%	-1.37%	-2.44%
Paperless and cross-border paperless	-	-	-1.39%	-2.24%	-6.73%	-9.26%

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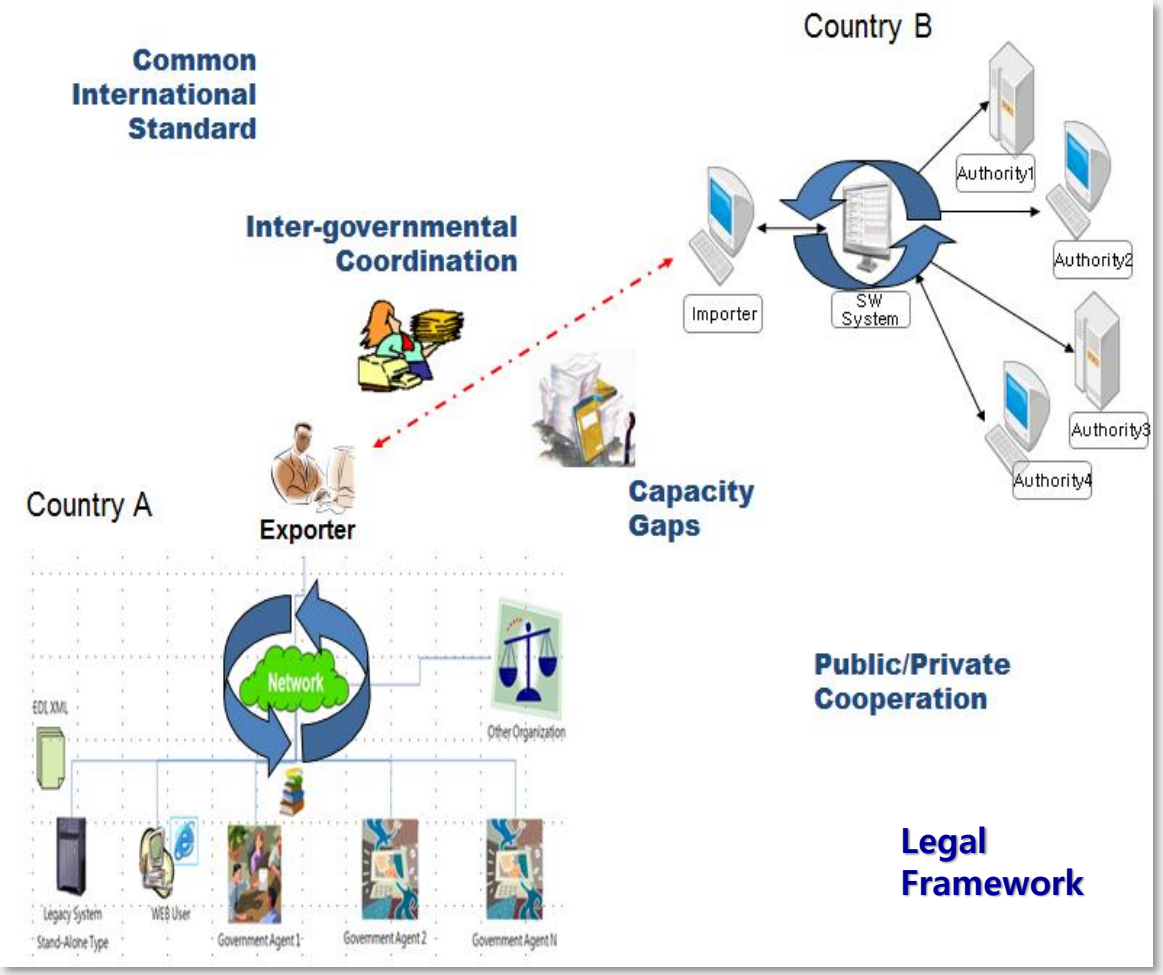
CHALLENGES TO MOVING FORWARD ON CROSS-BORDER PAPERLESS TRADE

- Adoption of common International Standards
- Harmonization of legal frameworks
- Capacity gaps among the parties (infrastructure & HR)
- Cooperation between public and private sectors
- Lack of intergovernmental coordination mechanism



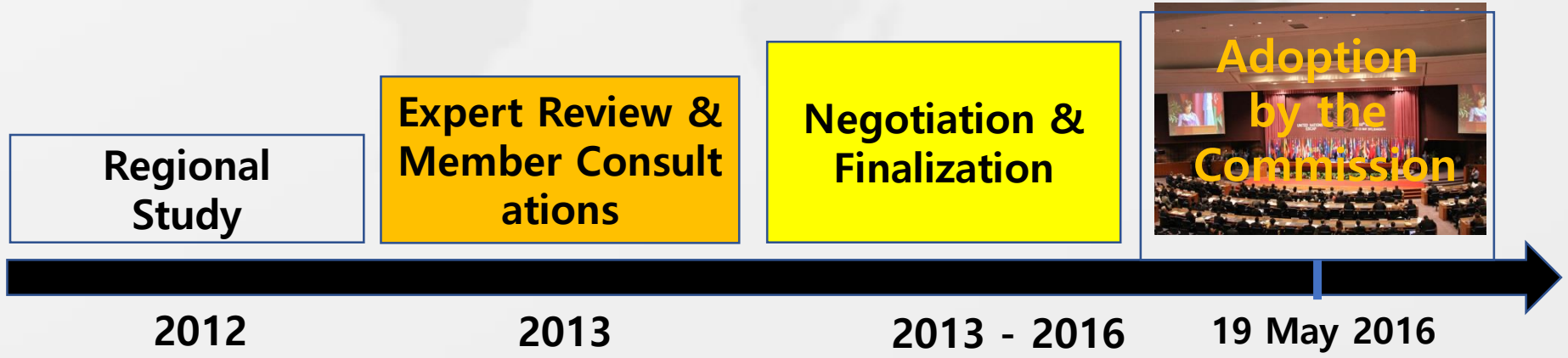
FRAMEWORK AGREEMENT ON THE FACILITATION OF CROSS-BORDER PAPERLESS TRADE IN ASIA AND THE PACIFIC – OVERVIEW

- **A new UN Treaty**
  - ▷ Open to interested (53) ESCAP member states (voluntary) to become parties
  - ▷ Opened for signature on **1 October 2016** at UN Headquarters, New York
- **Objective**

To facilitate cross-border paperless trade (data exchange) among willing ESCAP member states by providing a dedicated intergovernmental framework to develop legal and technical solutions

- Complementary to the WTO Trade Facilitation Agreement as well as (sub)regional efforts

- **4 year step-by-step development process (ESCAP resolutions 68/3,70/6,72/4)**
  - Over 30 countries directly involved in finalizing the treaty text in March 2016



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FRAMEWORK AGREEMENT ON THE FACILITATION OF CROSS-BORDER PAPERLESS TRADE IN ASIA AND THE PACIFIC – STATUS

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CHAPTER X | 20.

STATUS AS AT : 07-08-2018 07:31:43 EDT

CHAPTER X

INTERNATIONAL TRADE AND DEVELOPMENT

20. Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

Bangkok, 19 May 2016

Not yet in force : in accordance with article 19, the Agreement shall enter into force ninety (90) days after the date on which the Governments of at least five (5) ESCAP member States have deposited their instruments of ratification, acceptance, approval or accession to the present Agreement pursuant to article 18, paragraphs 2 and 3.

Text : Certified true copy

CN.597.2016.TREATIES-X.20 of 23 August 2016 (Opening for signature) and CN.598.2016.TREATIES-X.20 of 23 August 2016 (Issuance of Certified True Copies).

Note : The above Agreement was adopted on 19 May 2016 by resolution 72/4 during the seventy-second session of the United Nations Economic and Social Commission for Asia and the Pacific. In accordance with its article 18, the Agreement shall be open for signature by States that are members of the United Nations Economic and Social Commission for Asia and the Pacific at the United Nations Headquarters in New York from 1 October 2016 to 30 September 2017.

Participant	Signature	Ratification, Acceptance(A), Approval(AA), Accession(a)
Armenia	22 Sep 2017	
Azerbaijan		2 Mar 2018 a
Bangladesh	29 Aug 2017	
Cambodia	29 Aug 2017	
China	29 Aug 2017	
Iran (Islamic Republic of)	29 Sep 2017	

Azerbaijan

Reservation:

"In accordance with paragraph 7 of Article 17 of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, the Republic of Azerbaijan states that it does not consider itself bound by the provisions of the Article 17 relating to conciliation."

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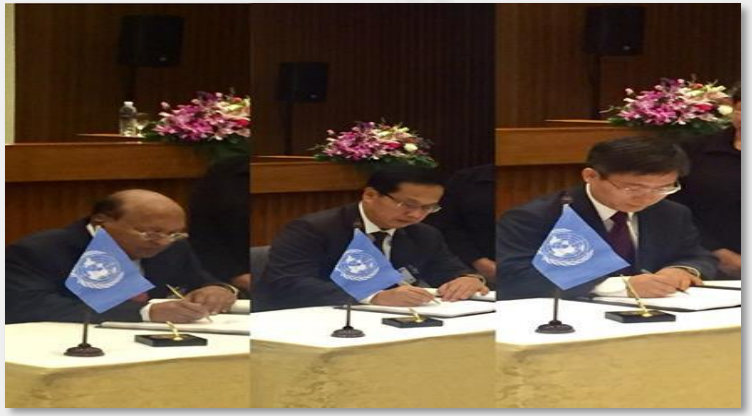
Armenia joins Agreement on Facilitation of Cross-border Paperless Trade in Asia & Pacific

15:23, 23 September, 2017

YEREVAN, SEPTEMBER 23, ARMENPRESS. Armenian foreign minister Edward Nalbandian signed the Framework Agreement on Facilitation of Cross-border Paperless (Electronic) Trade in Asia and the Pacific on the behalf of the Republic of Armenia on September 22 in the UN headquarters, the ministry said.



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UN treaty to facilita

www.tfafacility.org/new-un-treaty-facilitate-paperless-trade-asia-and-pacific-support-trade-facilitation-agreement

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"It is expected to provide countries of Asia and the Pacific with a new tool and "digital" complement for better implementation of the WTO Trade Facilitation Agreement (TFA) and the development of cross-border e-commerce."

New UN treaty to facilitate paperless trade in Asia and the Pacific to support Trade Facilitation Agreement implementation

01.10.2016

A new UN treaty, entitled *Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific*, will open for signature on 1 October 2016. It is expected to provide countries of Asia and the Pacific with a new tool and "digital" complement for better implementation of the WTO Trade Facilitation Agreement (TFA) and the development of cross-border e-commerce. Grounded on a common set of general principles and a dedicated intergovernmental platform, the regional treaty will provide Parties with enhanced opportunities to exchange and harmonize practices, build each other's capacity, and multilaterally develop, adopt and implement more specific and detailed technical and/or legal protocols needed to achieve safe and secure cross-border paperless trade. Implementation will build upon existing international standards as well as on-going bilateral and subregional initiatives, such as the ASEAN Single Window.

In May 2012, Member States of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) adopted a Resolution on Enabling Paperless Trade and the Cross-border Recognition of Electronic Data and Documents for Inclusive and Sustainable Intraregional Trade Facilitation. In May 2016, after four years of consultations and negotiations, the text of a new UN treaty to facilitate cross-border paperless trade in Asia and the Pacific was adopted. Participation

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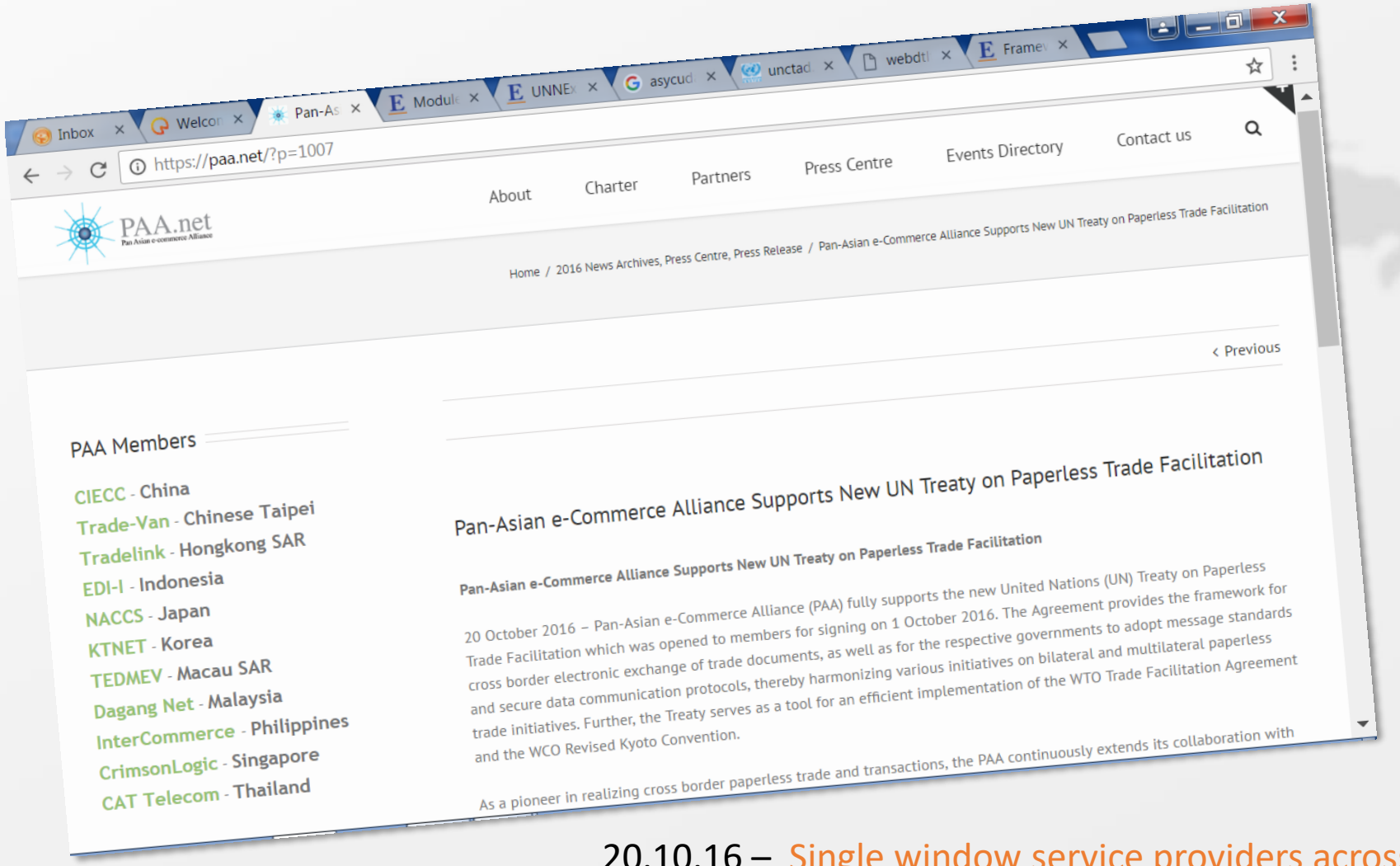
FRAMEWORK AGREEMENT ON THE FACILITATION OF CROSS-BORDER PAPERLESS TRADE IN ASIA AND THE PACIFIC – STATUS



20.10.16 – Single window service providers across South-east and East Asia express support for the Framework Agreement

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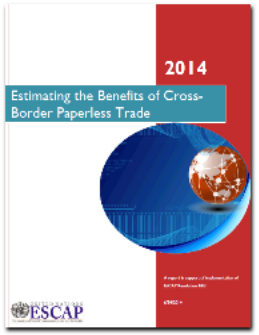
BENEFITS OF CROSS-BORDER PAPERLESS TRADE

Estimating the Benefits of Cross-Border Paperless Trade



Date: Tuesday, June 24, 2014

Type: Books

ABSTRACT

This report estimates the possible economic benefits—export gains, and cost savings—from partial or full implementation of cross-border paperless trade facilitation measures. Simulation results suggest that cross-border paperless trade has significant potential to reduce trade costs and boost trade in the Asia-Pacific region. Moreover, there is every reason to believe that these are low-end estimates of the possible economic gains from reform, due to the way in which the simulations are set up on a technical level, and the fact that they focus on implementation of cross-border measures only. In reality, paperless trade is typically implemented on a broader basis, which would tend to increase the level of export gains and cost savings reported here.

DOWNLOAD:

Benefits of Cross-Border Paperless Trade
Download

- **Annual regional export gains :**
  - $36 bn (for partial implementation) to $257 bn (full implementation)
- **Export time reduction: 24% to 44%**
- **Export cost reduction: 17% to 31%**
- **Total direct cost savings across all trade: $1bn to $7bn annually**

Source: http://www.unescap.org/resources/estimating-benefits-cross-border-paperless-trade

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FRAMEWORK AGREEMENT ON FACILITATION OF CROSS-BORDER PAPERLESS TRADE IN ASIA AND THE PACIFIC: CONTENTS

Preamble

- **Articles 1 to 16: Substantive clauses**
- **Article 1: Objective**
- **Article 2: Scope**
- **Article 3: Definitions**
- **Article 4: Interpretation**
- **Article 5: General principles**
- **Article 6: National Policy Framework, Enabling Domestic Legal Environment and Paperless Trade Committee**
- **Article 7: Facilitation of Cross-border Paperless Trade and Development of national Single Window(s)**
- **Article 8: Cross-border Mutual Recognition of Trade-related Data and Documents in Electronic Form**
- **Article 9: International Standards for Exchange of Trade-related Data and Documents in Electronic Form**
- **Article 10: Relation with Other Legal Instruments Enabling Cross-Border Paperless Trade**
- **Article 11: Institutional Arrangements**
- **Article 12: Action Plan**
- **Article 13: Pilot Projects and Sharing of Lessons Learned**
- **Article 14: Capacity Building**
- **Article 15: Implementation of the present Framework Agreement**
- **Article 16: Other agreements in force**

Articles 17 to 25: Final clauses

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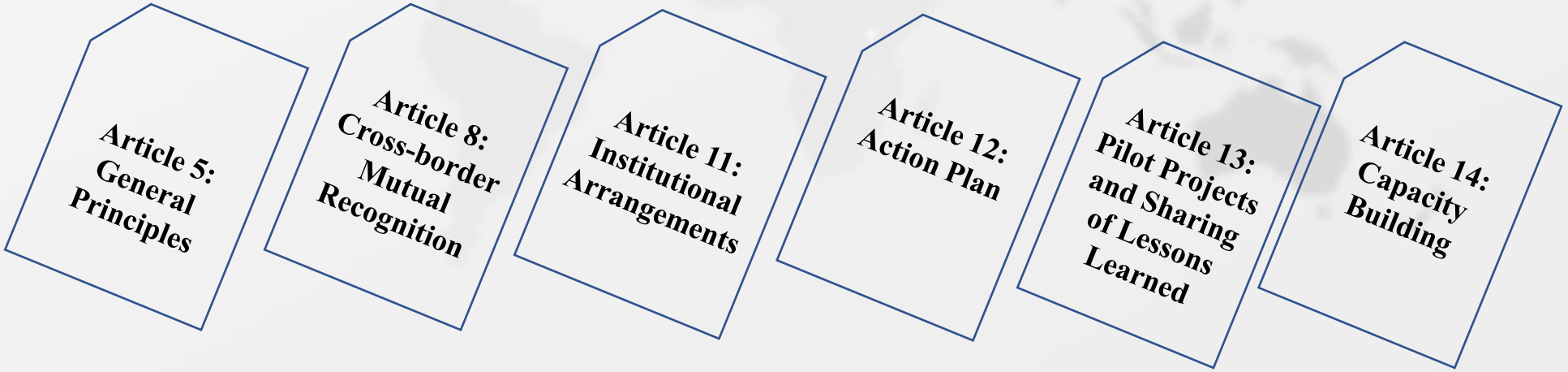
FRAMEWORK AGREEMENT ON FACILITATION OF CROSS-BORDER PAPERLESS TRADE IN ASIA AND THE PACIFIC: KEY PROVISIONS

- **Article 1: Objective**

The objective of the present Framework Agreement is **to promote cross-border paperless trade** by enabling the 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, for the purpose of making international trade transactions more efficient and transparent while improving regulatory compliance.



http://www.unescap.org/resources/framework-agreement-facilitation-cross-border-paperless-trade-asia-and-pacific

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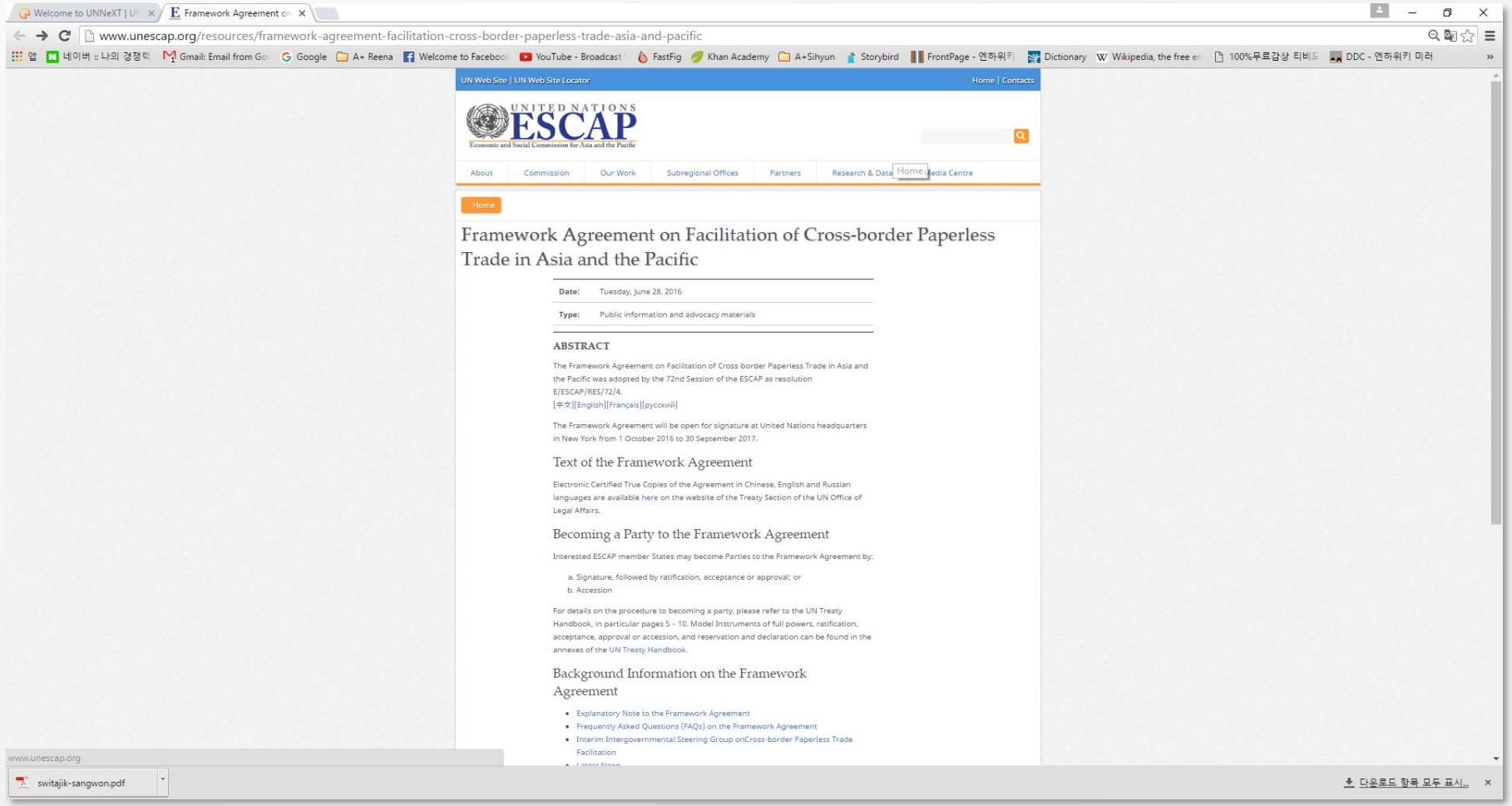
MORE INFORMATION: WEBPAGE ON THE FA



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CONCLUSIONS

CONCLUDING REMARKS

- **Trade facilitation essential to trade competitiveness and enabling participation in production networks**

  - A lot of room for improvement in Asia-Pacific LDCs

- **Need to keep the "big picture in mind" to be able to really reduce trade costs**

  - Need for a "whole of supply chain" approach to TF

  - Comprehensive assessment/analysis of import-export procedures needed + monitoring

- **WTO TFA implementation provides a great opportunity to engage in TF reform**

  - But achieving basic compliance will not be enough to be competitive

- **Moving from paper to electronic exchange of documents will not be an option for much longer, so plan accordingly**

- **Participation in regional/subregional initiatives can make a difference**

CONCLUDING REMARKS

- **What about implementation of TF measures?**

  - Many organizations provide guidance and support

  - Useful compendium at: **tfig.unece.org**

ANNEX
TRADE FACILITATION SUPPORT FROM ESCAP

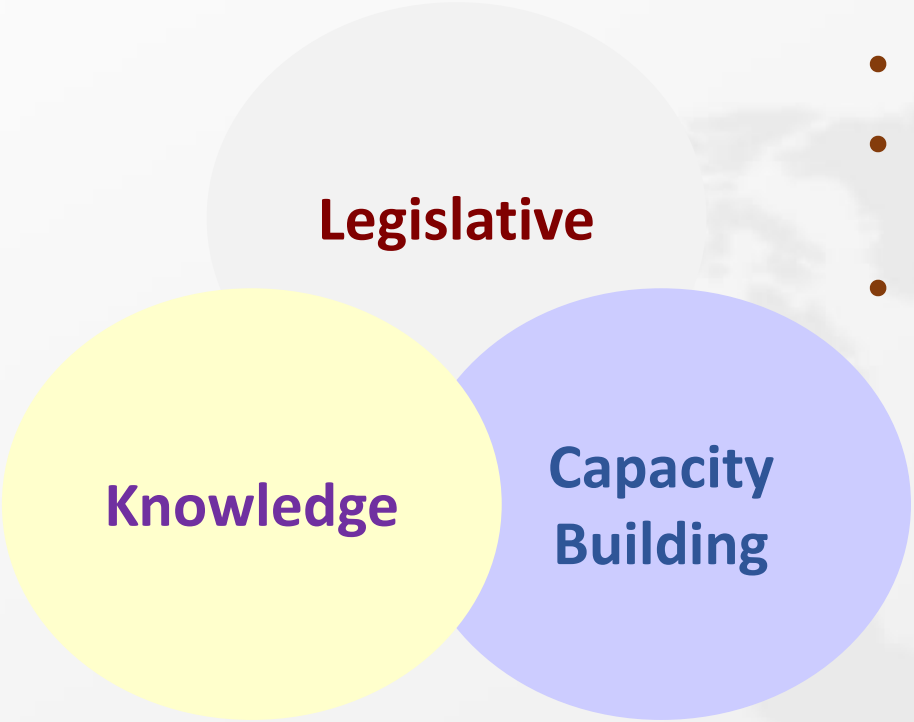
UNITED NATIONS ESCAP

- **UN ESCAP - Asia and the Pacific Regional Branch of the United Nations Secretariat**
- **53 member countries covering Central, South, Southeast, East and South Pacific countries**
- **Mandate: Promote sustainable and inclusive socio-economic development in Asia and the Pacific - through regional cooperation**
- **Areas covered: Trade, Investment and Innovation, Transport, Macroeconomic Policy, Environment, Emerging Social issues, Information and Communication Technologies…**

- Trade, Investment and Innovation:

1) Trade Facilitation;
2) Trade Policy;
3) Investment and Enterprise Development;
4) Science, Technology and Innovation

TRADE FACILITATION PROGRAMME IN ESCAP



- Enabling paperless trade (Res. 68/3)
- Interim Intergov. Steering Group on Cross-border Paperless Trade Facilitation (Res. 70/6)
- Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (Res. 72/4)

- ESCAP-WB Trade Cost Database
- Paperless Trade Guides & Impact analyses
- Global Trade Facilitation & Paperless Trade Implementation Survey
- Trade Process Analysis Database

- Business Process Analysis
- Single Window & Paperless Trade Implementation
- Trade & Transport Facilitation Monitoring Mechanism
- Agricultural & SME trade facilitation
- WTO TFA implementation support
- UNNExT Masterclass

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UNITED NATIONS NETWORK OF EXPERTS FOR PAPERLESS TRADE AND TRANSPORT IN ASIA AND THE PACIFIC

UNNExT
United Nations Network of Experts for Paperless Trade in Asia and the Pacific

"an ongoing community of knowledge and practice to facilitate the implementation of single window and paperless trade in the Asia-Pacific region "

Tools and guides development activities

Advocacy and Technical Training Workshops

www.unnext.unescap.org

UNITED NATIONS ESCAP
Economic and Social Commission for Asia and the Pacific

UNNExT
United Nations Network of Experts for Paperless Trade in Asia and the Pacific

UNECE

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UNNEXT SINGLE WINDOW IMPLEMENTATION TOOLKIT FOR TRADE FACILITATION

UNNExT
United Nations Network of Experts for Paperless Trade in Asia and the Pacific

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COURSE CERTIFICATE ON BPA FOR TF (SINCE SEP. 2016)

usiness in Af × | Doing Business in Af × | Country Score Card: × | Framework Agreeme × | E-Learning Series on × | afghanistan membe ×

www.unescap.org/our-work/trade-investment-innovation/trade-facilitation/bpa-course

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BPA TRAINING

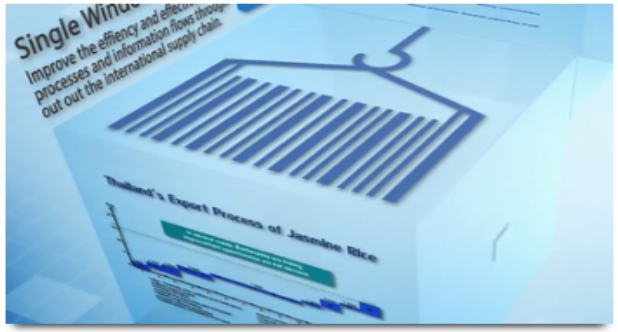
- Training Overview
- Module 1 - BPA Introduction
- Module 2 - UML
- Module 3 - Project Scope Setting
- Module 4 - Project Planning
- Module 5 - Data Collection
- Module 6 - Process Analysis
- Module 7 - From BPA to TTFMM

ADDITIONAL RESOURCES

- Course Study Guide
- UNNExT BPA Guide for TF
- TTFMM Guide
- BPA Case Studies
- Trade Process Analysis Database

E-Learning Series on Business Process Analysis for Trade Facilitation

The Business Process Analysis (BPA) online training course has been developed by the ESCAP Trade, Investment and Innovation Division based on the UNNExT BPA Guide to Simplify Trade Procedures. BPA is considered the first necessary step to simplifying trade procedures. The course consists of seven modules and introduces a step-by-step approach to conducting BPA. It is aimed at government officials and other stakeholders responsible for trade facilitation. For more information, testing and certification please contact: escap-tid@un.org



The course is divided as follows:

- Module 1: BPA for Trade Facilitation - An Introduction
- Module 2: Unified Modeling Language
- Module 3: Project and Scope Setting
- Module 4: Project Planning
- Module 5: Data Collection and Process Documentation
- Module 6: Process Analysis and Recommendations Development
- Module 7: From BPA to Trade and Transport Facilitation Monitoring Mechanism

For guidance on how to study this course download the Study Guide.

http://www.unescap.org/our-work/trade-investment-innovation/trade-facilitation/bpa-course

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THANK YOU

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