## Progress in Digital Trade Facilitation Implementation

(Based on the UN Global Digital and Sustainable Trade Facilitation Survey Results)

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### **UN Trade Facilitation (TF) Survey**



www.untfsurvey.org

WTO TFA-related measures

**Digital** TF: paperless trade & cross-border paperless trade

Implementation data for:

- 50+ TF measures
- 140+ countries
- Since 2015

Sustainable TF: for SMEs, for Agriculture, for women, trade finance

Trade facilitation during crisis and pandemic



**UNTFSURVEY.ORG** 

### **Examples of TF measures covered**

#### WTO TFA-related:

 publication of trade regulations procedures (transparency)

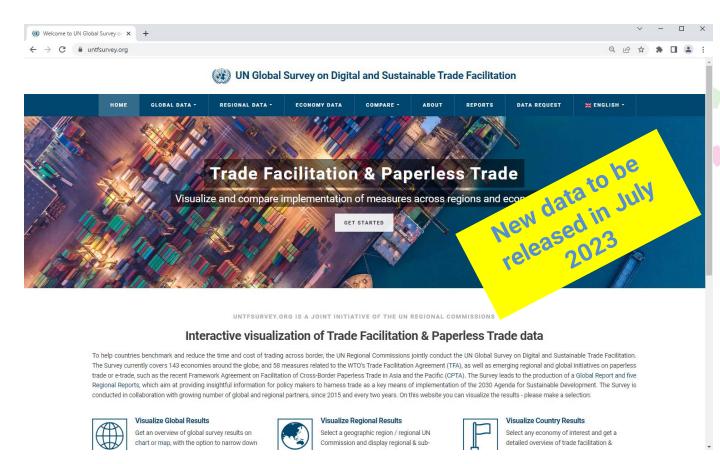
### Digital TF:

- Paperless trade → electronic submission of customs declaration
- Cross-Border Paperless Trade → electronic exchange of Certificate of Origin

#### Sustainable TF:

 SMEs represented in the National Trade Facilitation Committee

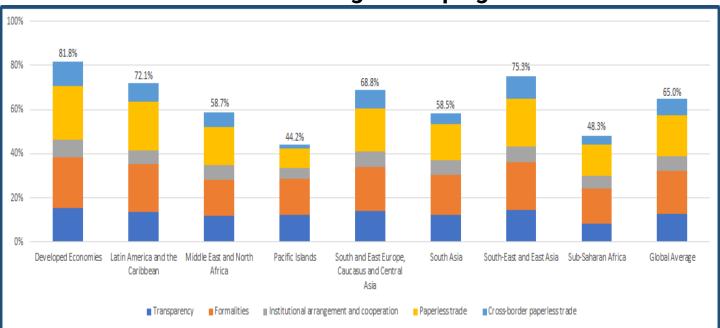






### Implementation of Trade Facilitation

### Global average stands 65% Southeast and East Asia leading developing countries

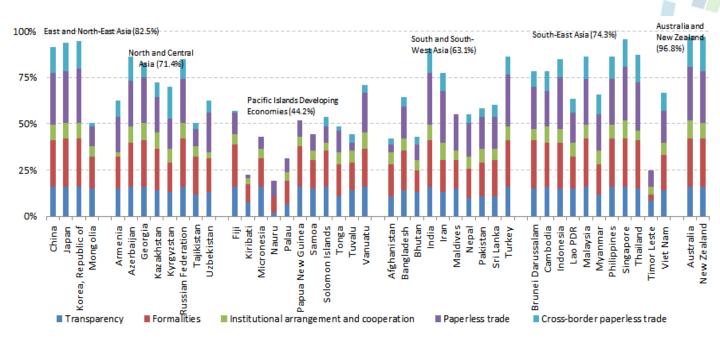




Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)

Note: UNRCs are still receiving feedback from some member countries on data validation. Therefore, the results may be further – probably slightly – revised in the final report to be issued in the coming months.

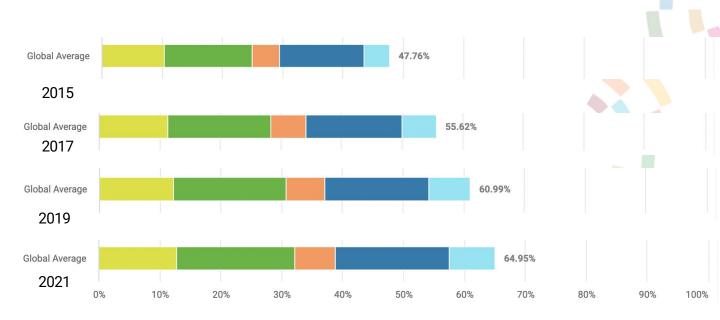
### Implementation of Trade Facilitation in Asia-Pacific (46 countries)





Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021) Note: ESCAP is still receiving feedback from some member countries on data validation. Therefore, the results may be further – probably slightly – revised in the final report to be issued in the coming months.

## **Global trend since 2015**





### **Progress of Global Implementation** (by region)

All regions have made progress - despite COVID crisis Most progress observed in South Asia and Pacific Islands





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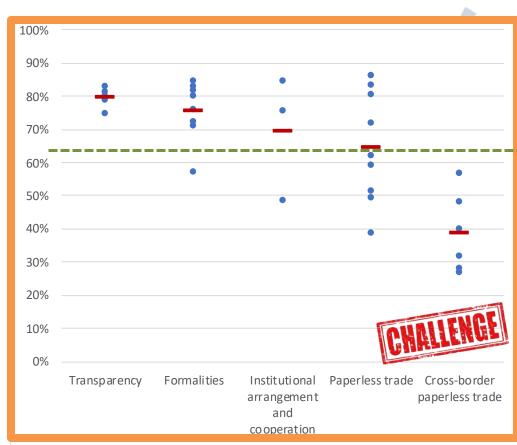
### Implementation of General and Digital TF Measures

"Paperless trade" implementation rates vary greatly depending on the individual measures

"Cross-border paperless trade" is still a challenge (< 40%)

Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)

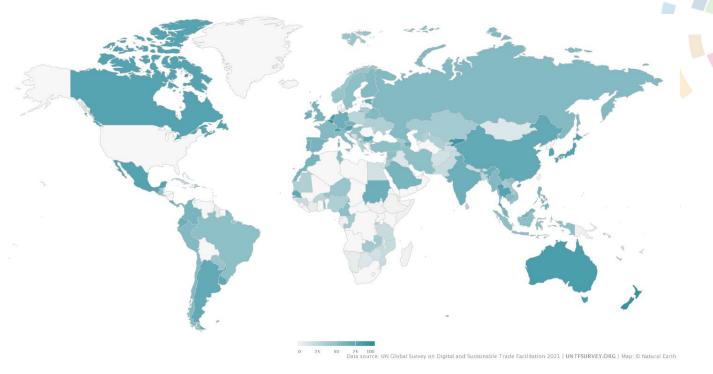
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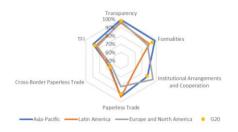
## Implementation of cross-border paperless trade measures

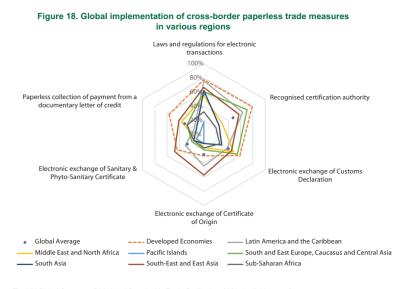




# Cross-border exchange and legal recognition of electronic data/docs lacking

- Significant progress made on paperless trade implementation (e.g. national e-Single Windows)
- But cross-border paperless trade remains limited, including in G20 countries





Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2021. Available at untfsurvey.org



### **Good Practices - Cross-border paperless trade**



EXCHANGE E-C/O EXCHANGE E-SPS

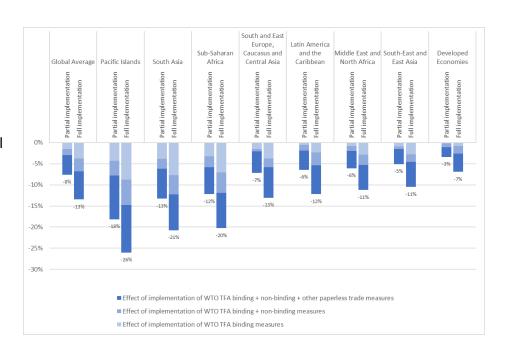
By March 2021, Cambodia, Myanmar, Singapore, Malaysia and Thailand have started exchanging the ASEAN Customs Declaration Document (ACDD) to support Customs in the importing country to carry out their risk management. In December 2019, all ASEAN Members joined the ASW Live Operation which allowed the granting of preferential tariff treatment based on the ASEAN Trade in Goods Agreement electronic Certificate of Origin (ATIGA e-Form D) exchanged through the ASW.

ASEAN Member
States are working to
expand the ASW to
support the exchange of
electronic Sanitary
and Phytosanitary (eSPS) Certificates.
The exchange of ePhyto Certificate are
being tested
between Indonesia and
Viet Nam.

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# Trade Digitalization: Benefits from cross-paperless trade facilitation

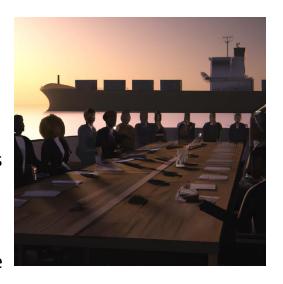
- Full implementation of cross-border paperless trade is expected to result in 13% trade cost reduction (up to 26%)
- and an increase in global trade by at least \$750 billion a year



## On-going initiatives to enhance trade digitalization (non-exhaustive)

- G7 Trade Minister's Digital Trade Principles
- UN Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific
- Digitization of documents under various transport and trade-related UN conventions (eTIR, eCMR, eCITES...)
- UNCITRAL model law on electronic transferable records (MLETR),
- UN/CEFACT Recommendations and package of standards, WCO data model
- ICC Digital Standards Initiative

• ...



# Accelerating Digital TF through the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

### The enabling UN treaty entered into force in 2021

#### **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.







# Accelerating Digital TF through the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

- 100% increase in number of acceding parties in 2022 – now 11 parties
- Most inclusive and and cooperative platform for progress
- Join to demonstrate highlevel commitment to digital trade transformation

 and enable cross-border cooperation

Participant	Signature	Ratification, Acceptance(A), Approval(AA), Accession(a)
Armenia	22 Sep 2017	
<u>Azerbaijan</u>		2 Mar 2018 a
Bangladesh	29 Aug 2017	13 Oct 2020
Cambodia	29 Aug 2017	
China	29 Aug 2017	22 Nov 2020 AA
Iran (Islamic Republic of)	29 Sep 2017	29 May 2020
Mongolia		27 Jul 2022 a
Philippines		23 Dec 2019 a
Republic of Korea		28 Nov 2022 a
Tajikistan		8 Dec 2022 a
Timor-Leste		5 Apr 2022 a
Turkmenistan		4 May 2022 a
Tuvalu		8 Dec 2022 a

https://www.unescap.org/projects/cpta







## Thank you!



### **ANNEXES**

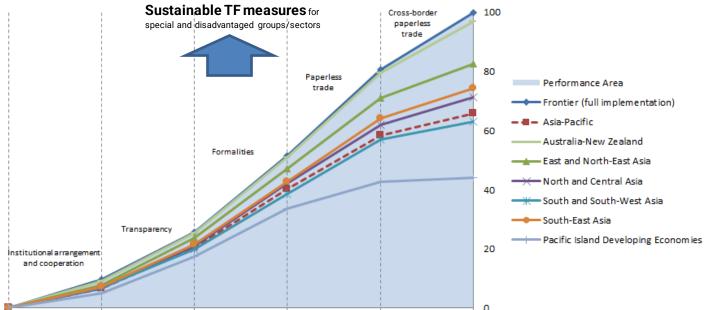




### Moving up the trade facilitation ladder

towards seamless international supply chains







Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021) Note: ESCAP is still receiving feedback from some member countries on data validation. Therefore, the results may be further – probably slightly – revised in the final report to be issued in the coming months.



### ESCAP Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific (CPTA)





https://www.youtube.com/watch?v=WDzcLwBzU3s&t=37s

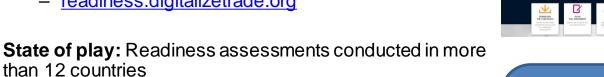
https://www.youtube.com/watch?v=TTPXQIr8RHU&t=102s



#### Technical support in conducting Cross-Border Paperless Trade Readiness Assessment available

**Background:** Assessment guide and legal + technical checklists developed by ESCAP interim Intergovernmental Steering Group on Cross-Border Paperless Trade and UNNExT, in collaboration with UNCITRAL and WTO EIF

readiness.digitalizetrade.org



ESCAP support provided at national level on request

- (1) funding for national legal/technical experts;
- (2) advisory and peer-review support to national team [by international experts]



