Regional Organizations Cooperation Mechanism for Trade Facilitation (ROC-TF)
NEWSLETTER

IN FOCUS

ESCAP and ADB organized 8th Asia-Pacific Trade Facilitation Forum (APTFF), 7-8 September 2017, Yogyakarta, Indonesia. The forum focused on trade facilitation innovations and digital solutions for sustainable development in the Asia-Pacific region. For more information see page 2.

The Fifth Meeting of ROC-TF took place on 4 September 2017 in Yogyakarta, Indonesia, on the side of the 9th APTFF. It was attended by ten international organizations working on trade facilitation in the region. More information available here.

PUBLICATIONS & RESOURCES

The recently published Asia-Pacific Trade and Investment Report 2017 (APTIR) focused on “channeling trade and investment into sustainable development”. The policy framework and analysis presented in the report points to trade facilitation as one of four key strategies to maximize the contribution of trade and FDI to the sustainable development agenda, along with good governance and SDG-targeted trade and investment liberalization policies. For more information see page 12.

ESCAP and ADB published Trade Facilitation and Better Connectivity for an Inclusive Asia and Pacific which investigates the evolution of trade costs, and reviews the state of play of trade facilitation and paperless trade in Asia and the Pacific. More information see page 12.

The second UN Global Survey on Trade Facilitation and Paperless Trade Implementation, conducted jointly by all UN Regional Commissions in 2017, covers 120 countries and 47 measures related to the WTO’s Trade Facilitation Agreement (TFA), paperless trade, and inclusive development. You can find the global report, regional reports, subregional reports as well as an interactive database. More information available here.

ANALYSIS

How can trade facilitation and better connectivity improve inclusivity in Asia-Pacific? Find the full analysis see page 9.

For more information:
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PROJECT/ACTIVITY UPDATE
Selected project/activity updates from ROC-TF organizations on Trade Facilitation

JOINT ACTIVITIES and PARTNERSHIPS

**ADB and ESCAP**

- **8th Asia-Pacific Trade Facilitation Forum (APTFF), 7-8 September 2017, Yogyakarta, Indonesia**

  ESCAP and ADB organized the forum focusing on innovations and digital solutions that can enhance trade facilitation implementation for inclusive and sustainable development in the Asia-Pacific region. The Forum examined ways to improve trade facilitation through measures such as e-commerce, institutional cooperation, and support for SMEs and agricultural trade, in order to boost competitiveness and economic growth in the region. It highlighted the need for improving institutional coordination for successful trade facilitation, also requiring improving the business climate and governance to ensure that trade facilitation measures are inclusive and consistently implemented. It also recommends digitalization of procedures as a way to further reduce trade costs in Asia and the Pacific.


**ESCAP and OECD**

- **Workshop on Measuring and Monitoring Trade Facilitation Performance, 7 September 2017, Yogyakarta, Indonesia**

  The workshop highlighted the importance of measuring and monitoring trade facilitation performance, and to review existing indicators included in Version 1.0 of the digital Handbook on Indicators for Trade Facilitation. Also discussed the importance of trade and transport facilitation monitoring as a key activity of national trade and transport facilitation committees. Suggestions was collected on preparation of the next version of the Handbook, as well as on other activities and tools to be undertaken to build capacity in measuring and monitoring trade facilitation.


**ESCAP, EEC, UNECE and Lomonosov Moscow State University**

- **International Conference on Cross-border Paperless Trade: Single Window in the Context of New Technological Wave, 7-8 December 2017, Moscow, Russian Federation**

  The conference brought together stakeholders of Single Windows from Eurasian Economic Commission (EEC) member counties and countries in Central Asia and discuss how to advance Single Windows and cross-border paperless trade in the region with innovative application of emerging information and communication technologies (ICTs).

PROJECT/ACTIVITY UPDATE
Selected project/activity updates from ROC-TF organizations on Trade Facilitation

WTO and UN Regional Commissions (UNRCs)

• WTO Ministerial Conference 11 "Advancing Trade Facilitation and Paperless Trade for Sustainable Growth", 9 December 2017, Buenos Aires, Argentina

The side event with WTO MC11 illustrated the development impact of trade facilitation interventions by the UNRCs in areas such as streamlining border clearance procedures; creating synergies between trade facilitation and quality control and assurance; reducing transaction costs; implementing international standards for paperless trade and other innovative trade facilitation approaches. It also provided the opportunity to hear from countries of the different regions about good practices and lessons learned related to the implementation of specific measures of the WTO Trade Facilitation Agreement (TFA), and the strategic priorities for advancing trade facilitation and e-commerce.


ESCAP and EIF

• ESCAP-EIF Capacity-building Workshop on Emerging Priorities in Least Developed Countries on Trade and Development

This workshop brought together government officials from LDCs members of ESCAP participating in the Enhanced Integrated Framework (EIF). The workshop focused on four key areas (1) Trade facilitation, (2) Trade and SDGs, (3) Least developed countries graduation, and (4) FDI promotion. The workshop combined presentations by resource persons, panel discussions and breakout groups and was co-organized with the EIF Secretariat and support implementation of EIF-supported national trade development activities in each of the least developed countries involved.

More information available at: http://www.unescap.org/events/escap-eif-capacity-building-workshop-emerging-priorities-least-developed-countries-trade-and

ORGANIZATION UPDATES

Asian Development Bank (ADB)

• CAREC Federation of Carrier and Forwarder Associations Board Members Standards Review Meeting and Regional Knowledge Sharing Forum on Trade Facilitation

The Board meeting was held on 15 August 2017 in Tashkent, Uzbekistan. The meeting discussed the private sector-led standards among member of the CFCFA and facilitated open discussion of the 10 Central Asia Regional Economic Cooperation (CAREC) Federation of Carrier and Forwarder Associations (CFCFA) recommended standards, which aim to pursue the adoption of international best practices in transport and logistics, and to enhance professionalism and efficiency among its members. The Knowledge Sharing Forum was held with PRCM-RKSI on 16–17 August 2017 and covered various topics including regional standardization, logistics development, cross-border supply chain development, and development of e-commerce for international trade, were presented.

PROJECT/ACTIVITY UPDATE
Selected project/activity updates from ROC-TF organizations on Trade Facilitation

• 16th CAREC Customs Cooperation Committee Meeting (CCC)

The meeting is under ADB-supported activity under CAREC Trade Facilitation Program. The meeting was held on 19 September 2017 in Dushanbe, Tajikistan. The meeting reviewed progress made on the CCC priority areas including the piloting of the CAREC Advance Transit System (CATS) and the Information Common Exchange (ICE). The CCC endorsed the following: (a) piloting of a CAREC Advanced Transit System and Information Common Exchange; (b) support for the implementation of the Trade Facilitation Agreement; (c) More investment and technical assistance projects for trade facilitation; and (d) formulation of a new Trade Facilitation Strategy.


• Second Workshop on the CAREC Advanced Transit System (CATS) and CAREC Customs Information Common Exchange (ICE)

ADB supported this activity under CAREC Trade Facilitation Program. The meeting was held on 25–26 September 2017 in Almaty, Kazakhstan to discuss in detail the Draft Trilateral Agreement among the three pilot countries, Azerbaijan, Georgia and Kazakhstan, with the objective of reaching a consensus that will permit the Prototype development to continue until end-2017 and implement the pilot in 2018; review and improve the Terms of Reference of the three working groups---regulatory, information technology, and risk management; and report the status of the CATS and ICE Prototype.


• CAREC Corridors Performance Measurement and Monitoring (CPMM) Workshop

The meeting was held in 20–21 October 2017 in Almaty, Kazakhstan. The meeting objective is to train CPMM partner associations and solicit their ideas on the proposed improvements in: (a) modifications in the time-cost-distance methodology, (b) implementation arrangements, (c) data gathering procedures, and (d) analyses of indicators.


Greater Tumen Initiative (GTI)

• Workshop on Authorized Economic Operator (AEO): Impacts on Trade Security and Facilitation

The 6th GTI Trade Facilitation Workshop was held during November 28-30, 2017 in Cheonan, Republic of Korea with a theme of “Realization of Trade Facilitation in the Northeast Asia through the promotion of AEO programs.” Recognizing AEO system as a key instrument in lessening inefficient border-crossing procedures and securing companies’ customs compliance, the participants actively discussed the various issues related to AEO programs. While GTI member states introduced its authorization criteria and mutual recognition framework, an accredited WCO expert from WCO ROCB A/P touched on details of WCO SAFE Framework of Standards, which is a guideline to secure and facilitate global trade.
Moreover, participants from other economies - Cambodia, Hong Kong, Malawi, and Rwanda - took part in the workshop to share their knowledge, experiences, and insights on AEO program.


**Oceania Customs Organisation (OCO)**

- **Workshop on facilitating trade for E-commerce**

The main objective of the Workshop was to update the Pacific countries on recent developments in e-commerce including discussions of Pacific Islands Countries current experiences. And the Workshop also provided the OCO with a good opportunity to establish networks with other development partners and understand the type of assistance that they could provide to members to strengthen their capacity (infrastructure, legislation, skills development) on e-commerce.


**United Nations Economic Commission for Europe (UNECE)**

- **Joint UNECE-BSEC Seminar on Trade Facilitation and Single Window Interoperability**

The joint UNECE - BSEC Seminar on Trade Facilitation and Single Window Interoperability took place at the BSEC Headquarters in Istanbul, Turkey, 21 September, 2017. It deliberated on the implementation of projects on the establishment of Single Window systems for export, import and transit clearance. And the objectives of this seminar was to present Single Window interoperability issues and explore the possibility for further work on SW interoperability in BSEC Regional Trade Facilitation Strategy.


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

- **Fifth Asia-Pacific Trade and Investment Week**

Asia-Pacific Trade and Investment Week brings together government officials and other stakeholders every two years for discussions on issues of importance to trade and investment policy making in the region. Drawing on the presence of senior policymakers from across the Asia-Pacific region, the week hosts a number of engaging events related to trade and investment policy making, covering areas such as trade facilitation, trade and investment agreements, science, technology and innovation (STI) policies and responsible business practices.


- **Regional Organizations Cooperation Mechanism for Trade Facilitation (ROC-TF) Meeting**

The Fifth Meeting of ROC-TF took place on 4 September 2017 in Yogyakarta, Indonesia, on the side of the 9th Asia Pacific Trade Facilitation Forum (APTFF). It was attended by ten international organizations working on trade facilitation in the Asia-Pacific region, including ADB, AFECT, APEC, ASEAN, ECE, ESCAP, ITC, WCO, and WTO. The meeting agreed that all organizations would continue exchanging information on trade
facilitation and inform each other of their relevant activities in the region in advance, so as to maximize synergies and take advantage of opportunities for joint events and collaboration.

More information available here: http://www.unescap.org/events/regional-organizations-cooperation-mechanism-trade-facilitation-roc-tf-meeting

- **APTFF Capacity Building Workshop on Facilitating Trade of Agricultural Products in the Context of the WTO TFA**

The meeting took place on 7 September 2017 in Yogyakarta, Indonesia. The WTO Trade Facilitation Agreement Article 7.9 calls for Member States to provide for the release of perishable good in the shortest time possible provided that all the regulatory requirements are met, in order to avoid loss and deterioration of the perishable goods. The perishable nature (temperature and time-sensitive) of agricultural products requires additional requirements and strategies to ensure that trade in these products facilitated efficiently and effectively.


- **Regional Consultation on Single Window Interoperability**

The meeting took place on 7 September 2017 in Yogyakarta, Indonesia, on the side of the 9th APTFF. The meeting reviewed key issues in enabling Single Windows to interoperate across borders. The meeting shared perspectives and requirements of experts from different domains of expertise, including technical, legal, policy and service providers. The meeting also reviewed draft guidelines on Single Window interoperability for its improvement and finalization.

More information available here: http://www.unescap.org/events/regional-consultation-single-window-interoperability

- **APTFF Workshop on Facilitating Sustainable Fisheries Management and Trade through Fisheries Information Management**

The meeting took place on 7 September 2017 in Yogyakarta, Indonesia, on the side of the 9th APTFF. The objective of the meeting is to discuss how key instruments such as FLUX and instruments like this can eventually be disseminated for adoption by fishermen, traders, fisheries management authorities and other relevant stakeholders. The meeting highlighted how sustainable fisheries management practices could contribute to implementation of SDG 14 and Target 14.4 in particular.

PROJECT/ACTIVITY UPDATE
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• ESCAP-UNCITRAL-ITU Roundtable on Cybersecurity, E-commerce and Trade Facilitation

The meeting took place on 7 September 2017 in Yogyakarta, Indonesia, on the side of the 9th APTFF. The roundtable discussed emerging issues related to cybersecurity in the context of fast growing e-commerce and automation of international trade processes. Experts shared their experience on how countries may prepare to face growing cybersecurity challenges as economies become increasing digital. The roundtable assisted in the identification of specific issues and tools that may need to be developed to enhance cybersecurity of trade transactions.


International Trade Centre (ITC)
• T4SD_Trade for Sustainable Development Forum 2017

International Trade Centre’s annual Trade for Sustainable Development Forum is one of the leading events focused on how voluntary sustainability standards can support sustainable value chains. Sustainability initiatives address environmental, labour and social issues, and improve transparency. The objective of this forum is to provide support to the activities of the Trade for Sustainable Development team and to focus on how voluntary sustainability standards can support sustainable value chains.


WCO Asia Pacific Regional Office for Capacity Building (ROCB A/P)
• WCO Regional Workshop on the WTO Trade Facilitation Agreement, 6-10 November 2017, Kashiwa, Japan

The World Customs Organization (WCO), in cooperation with the WCO Asia Pacific Regional Office for Capacity Building (ROCB A/P) and Japan Customs, organized the WCO Regional Workshop on the WTO Trade Facilitation Agreement (TFA) on 6-10 November 2017 at the WCO Regional Training Center (RTC) Japan (Japan Customs Training Institute) in Kashiwa, Japan, under the sponsorship of Japan Customs Cooperation Fund (CCF/Japan).

The topics covered in the Workshop included, among other things, national coordination to expedite TFA implementation, coordinated border management, risk management, stakeholder engagement. In the Workshop, the facilitators explained the WCO’s instruments and tools to assist the Member administrations to implement trade facilitation measures and the participants shared regional and national best practices in implementing of the pertinent trade facilitation measures related to the TFA.

More information available at: http://www.rocb-ap.org/article-detail/374/?crmid=foki0d0ra2o1naugmk.2357mf7
PROJECT/ACTIVITY UPDATE
Selected project/activity updates from ROC-TF organizations on Trade Facilitation

- **WCO Regional Workshop on Risk Management and Post Seizure Analysis, 4-8 December 2017, Kashiwa, Japan**

  The WCO, in cooperation with the ROCB A/P and Japan Customs, organized the WCO Regional Workshop on Risk Management and Post Seizure Analysis from 4-8 December 2017 at the WCO Regional Training Center (Japan Customs Training Institute) in Kashiwa, Japan, under the sponsorship of Japan Customs Cooperation Fund (CCF/Japan). There were 32 participants from 25 regional Member administrations and 3 resource speakers took part in it. The workshop covered various topics, including risk assessment, use of open source information, conduct of database analysis, establishment and management of the national targeting centers and good practices in risk-based categorization of the traders, as well as several group exercises on the application of the techniques associated with some of the key methodologies for risk management.

  More information available here: [http://www.rocb-ap.org/article-detail/380/?crmid=vr8jmq3r7t306bl3cn96gkv3](http://www.rocb-ap.org/article-detail/380/?crmid=vr8jmq3r7t306bl3cn96gkv3)

- **ROCB A/P promotes the WCO Mercator Programs at the Central Asian Countries, 12 December, Bangkok, Thailand**

  At the invitation from the Asian Development Bank (ADB), Mr. Kazunari Igarashi, Head of the ROCB A/P, participated in the Central Asia Regional Economic Cooperation (CAREC) Workshop on Trade and Trade Facilitation Reforms, which was held on 12 December 2017 in Bangkok, Thailand. More than 40 officials from the CAREC Member countries and its development partner organizations (e.g. WTO, WCO, UNESCAP, Korea Customs Service and GIZ), as well as ADB representatives took part in this workshop.

  More information available here: [http://www.rocb-ap.org/article-detail/381/?crmid=sf1bgq016nq0qob7nt2ucr7qu5](http://www.rocb-ap.org/article-detail/381/?crmid=sf1bgq016nq0qob7nt2ucr7qu5)
Trade Facilitation and Better Connectivity for an Inclusive Asia and Pacific

Trade facilitation has emerged as a key instrument for further reducing trade costs. Trade costs have fallen in Asia and the Pacific since 1996, but still vary widely across subregions. While tariff rates have come down substantially across Asia and the Pacific, non-tariff barriers – including complex trade procedures – remain significant. East Asia has the lowest trade costs in the region, continuing a downward trend. Trade costs in the Russian Federation and Central Asia remain high but have declined dramatically and steadily over the past decade, putting them nearly at par with those of the South Asian economies. The Pacific has the highest, but their trend is clearly downward (Figure 1).

Figure 1: Trade Costs of Asia and Pacific Subregions with Large Developed Economies

Trade Facilitation and Paperless Trade in Asia and the Pacific: State of Play

The 2017 UN Global Survey on Trade Facilitation and Paperless Trade implementation reveals improvement across Asia and the Pacific. The survey covers 47 trade facilitation measures divided into seven groups—(i) general trade facilitation measures including transparency; formalities, and institutional arrangement and cooperation; (ii) paperless trade; (iii) crossborder paperless trade; (iv) transit facilitation; (v) trade facilitation for small and medium-sized enterprises (SMEs); (vi) agricultural trade facilitation; and (vii) women in trade facilitation.1

Key findings include the following:
• The average implementation rate on (i) general trade facilitation; (ii) paperless trade; and (iii) cross-border paperless trade improved to 50.4% in 2017 from 46.5% in 2015 for Asia and the Pacific.
• The implementation rates vary widely across subregions and within each subregional group. Apart from Australia and New Zealand, average implementation is highest in East Asia (73.7%), followed by Southeast Asia and Timor-Leste (60.1%), the Russian Federation and Central Asia (51.8%), and South Asia and Turkey (46.5%). The Pacific lags at 28.2% (Figure 2).
• The region’s implementation rates on (i) general trade facilitation and (iv) transit facilitation—mostly covered by the World Trade Organization’s Trade Facilitation Agreement (WTO TFA)—are relatively high,
at 50%–70%. However, areas such as (iii) cross-border paperless trade remain low, reflecting the early stage of development in the area.

- Average implementation rates in (v) trade facilitation for SMEs and (vii) women in trade facilitation, are low at 39% and 23%, respectively, suggesting a need for further support in these areas.

**Figure 2: Overall Implementation of Trade Facilitation Measures in Asia and the Pacific**

Subregional Cooperation Initiatives and Trade Facilitation in Asia and the Pacific

Across Asia and the Pacific, various subregional economic cooperation programs have helped advance economic development in the areas of trade and investment, infrastructure, financial integration, and regional public goods. As a key component of these subregional programs, trade facilitation has reduced processing time, trade costs, and travel time, fostering integration into global production networks and creating more jobs. For example, in the Central Asia Regional Economic Cooperation (CAREC), trade facilitation has two major components: (i) customs cooperation on reforms and modernization, and (ii) integrated trade facilitation by establishing a regional mechanism. The average time needed to clear a border-crossing along CAREC transport corridors—by rail and road—was reduced by an hour in 2015 from 2014. Travel time by rail dropped by 16% (5.2 hours), and average train speed rose 20%. In the Greater Mekong Subregion (GMS), infrastructure and economic corridors are the main strategic pillars of subregional cooperation, along with facilitation of cross-border movement and market integration. Projects pursued under the GMS program have yielded positive results. At key border crossings, new infrastructure and greater border efficiency cut travel time between Bavet (Cambodia) and Moc Bai (Vietnam) in half—from about 10 hours in 1999 to 5 hours in 2013. Cross-border trade increased from $10 million in 1999 to $708 million in 2013. Finally, in the South Asia Subregional Economic Cooperation (SASEC): Trade Facilitation Strategic Framework 2014–2018 covers national and subregional projects in five priority areas: (i) customs modernization and harmonization; (ii) standards and conformity assessments focusing on sanitary and phytosanitary (SPS) measures; (iii) improving cross-border facilities; (iv) transport facilitation;
and (v) institutional capacity building. The program promotes the establishment of a national monitoring mechanism intended to identify bottlenecks in the implementation of trade facilitation measures. As a first step, baseline studies have been conducted by ESCAP and ADB in Bangladesh, Bhutan, and Nepal in 2016-2017.

Assessing Impacts of Trade Facilitation
Implementing the WTO TFA measures could reduce trade costs by up to 9% of total trade costs under full implementation, or an annual saving of $219 billion for Asia and the Pacific. However, gains from the full implementation of the WTO TFA may be relatively small for developing countries where trade costs have been already reduced substantially through simplifying, harmonizing, and automating trade procedures at the national and subregional levels. Further reductions in trade costs in these economies need to come from beyond the conventional trade facilitation measures; for example, developing legal and technical frameworks to support cross-border paperless trade.

An analysis shows that a 10% reduction in time at the importers’ border leads to an increase in intra-CAREC trade by 2%–3%. This amounts to an increase in intraregional trade of $1.4 billion. Empirical evidence points to the importance of the time taken at the importers’ border for facilitating bilateral trade among the CAREC countries, compared to the time taken at the exporters’ border. Much of the time and cost of road activities at the CAREC border crossing points are spent during customs clearing and waiting or queuing, compared to other activities at the crossing points. Efforts to further improve trade procedures need to target time taken during customs clearing and waiting and queuing at importer border crossing points.

Challenges and the Way Forward
The implementation of trade facilitation measures is typically much less costly than implementing physical infrastructure projects, but can be more very challenging and complex to complete. For example, the impact of delays is greatest on routes crossing multiple borders. But the facilitation measures that reduce delays are complex and difficult to implement due to multiple layers of authority and governance across borders. A key challenge is thus to adopt a more integrated approach to transport and trade facilitation that improves efficiency alongside new physical infrastructure. Institutional coordination is essential for successful trade facilitation. Commitment and consistency are required—for all stakeholders on policies, systems, and institutions. Improving the business climate and governance is also a critical condition to maximize trade facilitation results.

Going forward, digitalization offers great potential to enhance trade facilitation implementation and further reduce trade costs in Asia and the Pacific. Trade facilitation implementation follows a step-by-step process: (1) setting up the institutional arrangement, (2) ensuring more transparent trade processes, (3) designing and implementing simpler and more efficient trade formalities, (4) developing paperless trade systems, and (5) achieving cross-border paperless trade. The United Nations treaty, the “Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific”, which complements the WTO TFA by facilitating paperless trade, can provide a unique opportunity for participating countries to boost trade and investment competitiveness and support the growth of their digital economies.

RESOURCES AND PUBLICATIONS

PUBLICATION IN FOCUS: Asia-Pacific Trade and Investment Report 2017: Channelling Trade and Investment into Sustainable Development

The Asia-Pacific Trade and Investment Report (APTIR) is a recurrent publication prepared by the Trade, Investment and Innovation Division of the United Nations Economic and Social Commission for Asia and the Pacific. It provides information on and independent analyses of regional trends and policy developments in trade in goods and commercial services, as well as foreign direct investment. It also provides insights into the impacts of these recent and emerging developments on countries’ abilities to meet the challenges of achieving sustainable development.

The theme of APTIR 2017 is Channelling Trade and Investment into Sustainable Development. The Report proposes a framework to further enhance the contribution of international trade and foreign direct investment to sustainable development. The framework highlights the importance of two other key enablers in achieving more sustainable trade and FDI: trade facilitation and good governance. Without cutting red tape and reducing trade transaction costs, attracting FDI and facilitating participation of more firms and people in international trade will not be possible. Without good governance, enabled by effective public institutions as envisaged in Sustainable Development Goal 16, policies will not be enforced, no matter how sustainable they may be.

Read the full report here: http://www.unescap.org/publications/APTIR2017

ESCAP & ADB

- Trade Facilitation and Better Connectivity for an Inclusive Asia and Pacific, September 2017

This publication investigates the evolution of trade costs in the region, examines trade facilitation and paperless trade implementation, and highlights the key initiatives and efforts in Central Asia, the Greater Mekong Subregion, South Asia, and the Pacific. It includes impact assessments of trade facilitation implementation and corridor performance on reducing trade costs and increasing trade.


- Trade and Transport Facilitation Monitoring Mechanism in Bangladesh: Baseline Study, June 2017

The report establishes sustainable Trade and Transport Facilitation Monitoring Mechanism (TTFMM) in the country in the long term. It provided a baseline study on the TTFMM and was disseminated to different stakeholders.

Available here: https://www.adb.org/publications/ttfmm-baseline-study-bangladesh

- Trade and Transport Facilitation Monitoring Mechanism in Bhutan: Baseline Study, September 2017

This report establishes sustainable Trade and Transport Facilitation Monitoring Mechanism (TTFMM) in the country in the long term. It provided a baseline study on the TTFMM and was disseminated to different stakeholders.

RESOURCES AND PUBLICATIONS

• Trade and Transport Facilitation Monitoring Mechanism in Nepal: Baseline Study, December 2017

This report reviews trade and transport procedures in Nepal, highlights the importance of monitoring trade and transport facilitation, and lays a foundation for future studies and establishment of long-term, sustainable TTFMM. In light of the Bangladesh, Bhutan, India, Nepal (BBIN) Motor Vehicles Agreement, the report presents both the challenges and enormous opportunities for enhancing efficiency along the BBIN corridors.


ESCAP and OECD

• ESCAP-OECD Handbook on Indicators for Trade Facilitation

As governments continue their efforts to reduce trade costs by streamlining trade-related procedures and enhancing the quality of related infrastructure and services, it is important that officials in charge of developing future plans in this area be fully cognizant of the available data and indicators they may use to monitor progress. Accordingly, this Handbook, developed by ESCAP in collaboration with OECD and other partners, aims at providing a comprehensive source of information on publicly available cross-country databases and indicators relevant to trade facilitation in a format easy to use for both trainers and individual readers alike.

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

ESCAP and UNNExT

• UNNExT Brief No. 20, The Turkish Risk-Based Trade Control System (TAREKS)

Enhancing agricultural trade is an essential component in fostering sustainable economic development in the Asia-Pacific region. However, the procedures associated with trade in agricultural products are considered among the most complex, costly and time-consuming. Agricultural trade facilitation can be defined as the simplification and harmonization of procedures involved in the import and export of agrifood products, including but not limited to collecting and processing data and documents required for the cross-border movement of these products. Increasingly countries are adopting measures to streamline and automate the procedures involved in the trade of agricultural products, in order to enhance trade competitiveness; ensure food safety; and to reduce the time and cost associated with agrifood trade.

RESOURCES AND PUBLICATIONS

• UNNExT Brief No. 19, Electronic Phytosanitary Certificates for Agricultural Commodities in Malaysia

Electronic certification is an important measure for facilitating agri-food trade. Complex global supply chains, trade, advances in modes of transportation and increased trade volumes at entry points in the Asia Pacific countries has enhanced the importance of electronic certification (or e-Cert). Consequently, an increasing number of countries are moving away from the paper-based documentation system. Implementation of e-Cert can help reduce forgery, increase transparency and enhance predictability in trade in agri-food products, and facilitate faster clearance at the entry points.


ESCAP and other UN Regional Commissions

• Trade Facilitation and Paperless Trade Implementation Global Survey and Reports 2017

The global report presents the main findings of the second UN Global Survey on Trade Facilitation and Paperless Trade Implementation covers 120 countries and 47 measures related to the WTO's Trade Facilitation Agreement (TFA), paperless trade, and inclusive development.

You can find the global report, regional reports, subregional reports as well as an interactive database that present you a visualization to trade facilitation data with the link below.


• Digital Trade Facilitation in Asia and the Pacific, Studies in Trade, Investment and Innovation

In light of the increasing importance of digital trade facilitation, this report provides an overview of trade facilitation and paperless trade implementation in the Asia-Pacific region, followed by an analysis of the impact on trade costs of different sets of trade facilitation measures. It also reviews in some details paperless trade provisions in recent regional trade agreements in the region, before discussing the benefits of the FA-PT as an inclusive regional platform and tool to accelerate progress towards digital trade facilitation and cross-border e-commerce.

RESOURCES AND PUBLICATIONS

ADB

- Asian Economic Integration Report 2017, October 2017

Asian Economic Integration Report 2017 introduces a new composite index to gauge the progress of regional cooperation and integration (RCI) in Asia and the Pacific. RCI plays an important role in supporting economic growth and poverty reduction, and has been high on the development agenda for many Asian economies in recent years. Supporting RCI is one of ADB’s key strategic priorities for development assistance in the region. An index that calibrates the status of RCI can be a useful policy tool for assessing the progress of RCI efforts especially by various subregional initiatives.


ITC

- Reforming logistics services for effective trade facilitation, October 2017

Difficult customs procedures, barriers to investment, and labour regulations limiting movement and hiring of personnel are the most stringent obstacles for logistics services providers in developing countries. This report finds that policymakers need to respond to traders’ concerns by promoting coordination between key stakeholders and supporting public-private dialogue and offers practical guidance for policymakers and logistics services providers to drive regulatory reforms in the sector, a stepping-stone towards connecting small businesses to international markets.

Available here: http://www.intracen.org/publication/Reforming-logistics-services-for-effective-trade-facilitation/

UNCTAD

- National Trade Facilitation Committees: Beyond Compliance with the WTO Trade Facilitation Agreement?

The main findings of this study are: Motivation for establishment of National Trade Facilitation Committees; Objectives of National Trade Facilitation Committees; Scope of action of National Trade Facilitation Committees; Coordinating agency and permanent secretariat of the National Trade Facilitation Committee; Frequency and regularity of meetings of National Trade Facilitation Committees; Concrete operational outcomes and impact of National Trade Facilitation Committees; Lessons learned by National Trade Facilitation Committees.


UNECE

- Trade Facilitation and Paperless Trade Implementation - UNECE Regional Report 2017

This report, based on the results of the UN Global Survey on Trade Facilitation and Paperless Trade Implementation 2017, aims to help UNECE member States to advance trade facilitation and paperless trade to the advantage of governments, cross-border traders and consumers, to enhance regional and global integration and to ultimately achieve the Sustainable Development Goals of the United Nations Agenda 2030. Available here: https://www.unece.org/index.php?id=47634
## Upcoming Events

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Venue</th>
<th>Organizer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshop on Electronic Cargo Tracking System</td>
<td>6 Feb 2018</td>
<td>Kolkata, India</td>
<td>ADB</td>
</tr>
<tr>
<td>Regional Workshop on AEO and MRA</td>
<td>5-9 Feb 2018</td>
<td>Seoul, RoK</td>
<td>WCO-ROCB</td>
</tr>
<tr>
<td>Training on Intelligence, Information Gathering and Investigation</td>
<td>5-9 Feb 2018</td>
<td>Phuentsholing, Bhutan</td>
<td>ADB</td>
</tr>
<tr>
<td>OCO Coordinated Border Management Regional Workshop</td>
<td>12-17 Feb 2018</td>
<td>Suva, Fiji</td>
<td>OCO</td>
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<td>CTI Committee on Trade and Investment Meeting</td>
<td>3-4 Mar 2018</td>
<td>Port Moresby, PNG</td>
<td>APEC</td>
</tr>
<tr>
<td>SASEC Trade Facilitation and Transport Working Group Meeting</td>
<td>5-6 Mar 2018</td>
<td>Male, Maldives</td>
<td>ADB&amp;SASEC</td>
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<tr>
<td>National Workshop on PCA for Malaysia, Melaka</td>
<td>5-9 Mar 2018</td>
<td>Melaka, Malaysia</td>
<td>WCO</td>
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<tr>
<td>1st Subregional Consultation for the CAREC Consolidated Trade Agenda (Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, Uzbekistan).</td>
<td>14–15 Mar 2018</td>
<td>Almaty, Kazakhstan.</td>
<td>ADB</td>
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<tr>
<td>National Workshop on TRS for Myanmar, Yang</td>
<td>12-16 Mar 2018</td>
<td>Yangon, Myanmar</td>
<td>WCO-ROCB</td>
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<tr>
<td>Fifth Meeting of Legal and Technical Working Groups on Cross-border Paperless Trade Facilitation</td>
<td>20-21 Mar 2018</td>
<td>Bangkok, Thailand</td>
<td>ESCAP</td>
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<tr>
<td>Fourth Meeting of the Interim Intergovernmental Steering Group on Cross-Border Paperless Trade Facilitation</td>
<td>22-23 Mar 2018</td>
<td>Bangkok, Thailand</td>
<td>ESCAP</td>
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<tr>
<td>Regional Meeting on PACER Plus Transposition</td>
<td>26-30 Mar 2018</td>
<td>Fiji Suva, Fiji</td>
<td>OCO</td>
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<tr>
<td>2nd Subregional Consultation for the CAREC Consolidated Trade Agenda (People's Republic, Mongolia).</td>
<td>5–6 Apr 2018</td>
<td>Beijing, PRC</td>
<td>ADB</td>
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<tr>
<td>Regional Workshop on Customs laboratory, tbd</td>
<td>17-19 Apr 2018</td>
<td>Korea</td>
<td>WCO-ROCB</td>
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<tr>
<td>3rd Subregional Consultation for the CAREC Consolidated Trade Agenda (Afghanistan, Azerbaijan, Georgia, Pakistan).</td>
<td>18–19 Apr 2018</td>
<td>Tbilisi, Georgia.</td>
<td>ADB</td>
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<tr>
<td>OCO Rules of Origin Regional Workshop</td>
<td>23-27 Apr 2018</td>
<td>Fiji Suva, Fiji</td>
<td>OCO</td>
</tr>
<tr>
<td>31st UN/CEFACT Forum</td>
<td>23-27 Apr 2018</td>
<td>Geneva, Switzerland</td>
<td>UNECE</td>
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<tr>
<td>24th Session - UN/CEFACT Plenary</td>
<td>30 Apr – 1 May 2018</td>
<td>Geneva, Switzerland</td>
<td>UNECE</td>
</tr>
<tr>
<td>TRS (Time Release Study) Preparatory Workshop</td>
<td>May 2018 (TBC)</td>
<td>Phnom Penh, Cambodia</td>
<td>ADB</td>
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<tr>
<td>Study tour for Pacific DMCs to international port and airport</td>
<td>May 2018 (TBC)</td>
<td>TBC</td>
<td>ADB</td>
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<tr>
<td>Ministers Responsible for Trade Meeting</td>
<td>25-26 May 2018</td>
<td>Port Moresby, PNG</td>
<td>APEC</td>
</tr>
<tr>
<td>National Workshop on PCA for Bhutan, Thimpu</td>
<td>4-8 Jun 2018</td>
<td>Thimpu, Bhutan</td>
<td>WCO-ROCB</td>
</tr>
</tbody>
</table>
## UPCOMING EVENTS

<table>
<thead>
<tr>
<th>Event Description</th>
<th>Date</th>
<th>Location</th>
<th>Organizer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inaugural Meeting of the CAREC Regional Trade Group</td>
<td>25–26 Jun 2018</td>
<td>Bangkok, Thailand</td>
<td>ADB</td>
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<tr>
<td>Nepal: Workshop on the Electronic Cargo Tracking System</td>
<td>TBD</td>
<td>Kathmandu, Nepal</td>
<td>SASEC</td>
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<tr>
<td>MOU signing to implement Single Stop Inspection at Savannakhet (Lao)– Mukdahan (Thailand) and finalise the relevant operation manual.</td>
<td>TBD</td>
<td>TBD</td>
<td>ADB</td>
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<tr>
<td>Series of Trainings on CAREC Advanced Transit System (CATS) and CAREC Customs Information Common Exchange (ICE).</td>
<td>TBC</td>
<td>Azerbaijan, Georgia, Kazakhstan</td>
<td>ADB</td>
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<tr>
<td>CAREC Customs-CFCFA Consultation Dialogue on Standardization.</td>
<td>TBC</td>
<td>TBC</td>
<td>ADB</td>
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<tr>
<td>Workshop on CAREC Corridor Performance Measurement, Time Release Study and Behind-the-Border Indicators.</td>
<td>TBC</td>
<td>TBC</td>
<td>ADB</td>
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</tbody>
</table>
Developing countries should continue trade-easing reforms in wake of WTO deal, 5 January 2018

New UNCTAD research reveals how nearly 60 countries have prepared the ground to cut red tape and streamline revenue collection in the year since the World Trade Organization’s Trade Facilitation Agreement (TFA) entered into force in February 2017, but says such reforms should go beyond TFA compliance.

The TFA obligates most of the world’s trading nations to recognize trade-easing measures in international law and so reduce the loss to developing countries of billions of dollars that lengthy waiting times, ungathered income and spoiled goods can cause.

UNCTAD estimates that the cost of cross-border trade for developing countries is on average 1.8 times higher than for developed countries.

"Article 23.2 of the TFA stipulates the obligation for countries to set up or maintain a coordination mechanism that will support the implementation of the trade facilitation provisions included in the agreement," UNCTAD trade facilitation specialist and main author of the study Arántzazu Sánchez said.


2017 in Review, 5 January 2018

At the start of January, Sudan became the first country to complete UNCTAD’s Empowerment Programme for National Trade Facilitation Committees. It should help the nation move goods across borders more smoothly, including such products as cotton, gum arabic, sesame, groundnuts, hibiscus flowers, senna pods, livestock, meat, vegetables and fruits, and hides and skins.

Later in the month, UNCTAD Secretary-General Mukhisa Kituyi attended the World Economic Forum in Davos, Switzerland, to tell global influencers that a "model of trade that leaves too many people behind is not a sustainable model of inclusive prosperity".

With the imminent entry into force of the World Trade Organization’s Trade Facilitation Agreement – which eventually came on 22 February when the threshold of national ratification by two-thirds of the WTO’s 164 members was passed – UNCTAD intensified its work supporting developing countries to comply with its terms.


UN Commission on International Trade Law adopts the UNCITRAL Model Law on Electronic Transferable Records, 17 July 2017

The United Nations Commission on International Trade Law (UNCITRAL) adopted the UNCITRAL Model Law on Electronic Transferable Records (the "MLETR") on 13 July at its fiftieth session in Vienna. The MLETR legally enables the use of electronic transferable records that are functionally equivalent to transferable documents and instruments including bills of lading, bills of exchange, promissory notes and warehouse receipts.

The use of electronic transferable records may bring a number of benefits to electronic commerce including speed and security of transmission as well as the possibility of reusing the information contained therein. Electronic transferable records may be particularly relevant for certain business areas such as transport and logistics and finance (fintech). Moreover, their use allows for the establishment a fully paperless trade environment.

http://ow.ly/RkdS30i88PN

Bangladesh, Cambodia and China sign new UN treaty to strengthen digital trade in Asia-Pacific, 29 August 2017


Open to all 53 ESCAP Member States, this unprecedented regional treaty illustrates Asia and the Pacific’s leadership in adopting innovative trade facilitation measures. It will provide the foundation for participating countries in the region to cooperate and accelerate progress in achieving paperless trade across borders, cut trade time and costs, and ultimately boost economic competitiveness.

According to a recent ESCAP study, regional export gains for the Asia-Pacific region are estimated to reach US$250 billion annually with the full implementation of cross-border paperless trade. Even partial implementation of cross-border paperless trade could lead to an export increase of US$36 billion annually, and decrease the time
required to export by as much as 44 per cent and reduce costs by up to 31 per cent.
http://ow.ly/DW7c30i8aRg

ARMENIA
Armenia joins Agreement on Facilitation of Cross-border Paperless Trade in Asia & Pacific, 23 September 2017
Armenia 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.
http://ow.ly/CRIX30i8aYM

AZERBAIJAN
Azerbaijan accedes to framework agreement on paperless trade in Asia-Pacific region, 12 January 2018
President Ilham Aliyev of Azerbaijan has approved the Law on accession to the Framework Agreement on the facilitation of cross-border paperless trade in the Asia-Pacific region. According to the law, Azerbaijan has acceded to the Framework Agreement with the corresponding statement and proviso. The law was signed by the head of state on 1 December.

CAMBODIA
Customs collection up 10.4 percent, 26 January 2018
Revenue in the General Department of Customs and Excise (GDCE) reached $1.9 billion last year, an increase of 10.4 percent compared to 2016. “We collected 104.5 percent of our goal,” said Kun Nhém, director general of GDCE. Mr Nhém said the key achievements for his department in 2017 have been strengthening the technical compliance of customs and customs procedures and preventing and cracking down on tax evasion. He also said that there have been significant improvements in trade facilitation, international cooperation, human resources development, and consultation with the private sector.
http://ow.ly/Q6Do30i8b0W

CAMBODIA AND VIETNAM
New Cambodia-Vietnam Market to Serve as ‘Model’ for Growing Trade Ties, 18 January 2018
A new market will open on the Cambodia-Vietnam border over the next year, according to commerce ministry officials. The general goods market, launched during a groundbreaking ceremony on Tuesday in Tbong Khmum province, is being built following the conclusion of demarcation of the border in Memot district’s Dar commune, officials said. Seang Thay, commerce ministry spokesman, said the Vietnam government had provided a grant for $2 million for the construction of Dar Market. “This is a commercial market which is the first ‘model’ market, which we will build to facilitate the people along the border to easily trade our goods in a better way,” he said. He added that the market was being built on two hectares of land in an industrial park owned by tycoon Chhon Thary.
http://ow.ly/T0I330i8b2j

INDIA
WCO backs India’s trade facilitation plan, 22 July 2017
India’s National Trade Facilitation Action Plan (NTFAP), which aims to reduce cargo release time for exports and imports as part of measures intended to boost trade, has been described by the World Customs Organisation (WCO) as a ‘best practice’ that other nations can adopt. The WCO on Friday emphasised the fact that as many as 51 of the 76 activities mentioned in the NTFAP (released by the Centre on Thursday) “go beyond” the implementation requirements of the World Trade Organisation’s Trade Facilitation Agreement (TFA). The NTFAP, which is to be implemented between 2017 and 2020, is part of India’s efforts to improve its ease of doing business ranking in the World Bank’s annual report. While India’s overall rank in the report is 130, it ranks 144 out of 190 nations in the report’s ‘Trading Across Borders’ category.
http://www.thehindu.com/business/wco-backs-indias-trade-facilitation-plan/article19326517.ece

MYANMAR
Myanmar invites investments in logistic services sector, 29 December 2017
Myanmar Investment Commission (MIC) has invited local and foreign investments in logistic services sector, official Global New Light of Myanmar reported Friday. Aiming at reducing trade delay and promoting trade facilitation, the investments are invited in dry port services, bonded warehouses services, highway bus and freight terminals, warehouses, wholesale centres and trading hubs. Investors from home and abroad are also invited in manufacturing of the import-substitute commodities, vehicles, machines, telecommunication equipment as well as production of electricity distributing and control apparatus, fertilizer, plastic raw materials and other commodities products. In accordance with the statistics, over 4.5 billion U.S. dollars’ foreign direct investment had entered the country so far in present fiscal year 2017-2018.
http://ow.ly/oYG030i8bj2
Myanmar plans to boost trade facilitation with ADB help, 23 July 2017
As Myanmar aims to increase its exports to major trading partners like China and Thailand, trade facilitation would be supported by development lenders including Asia Development Bank, an official says.
Aung Soe, director general of Myanmar Trade Promotion Department (MyanTrade), said the nation would focus on reducing trade deficit by increasing exports of rice, beans and pulses, fishery products, wooden products, garment, rubber and promoting tourism as a core service sector.
“Why are we far behind our neighbours? It is because we did not do as they did. Our ways of doing business were out of date. Now we are back on the right track.”
Aung Soe is delighted to see that ADB has been supporting the International Trade Supply Chain Working Group since last year. He said the initiative could help Myanmar meet the World Trade Organisation’s trade facilitation standards.
http://www.elevenmyanmar.com/business/10682

NEPAL
Important Measures and Initiatives on Trade Facilitation in Nepal, 14 January 2018
The Government of Nepal has recognized the importance of trade facilitation through simplification, harmonization, standardization, and modernization of trade and customs procedures, identifying trade facilitation as a key reform agenda. Transaction cost reduction through trade facilitation and institutional reforms is one of the strategic pillars of the Trade Policy 2015. Similarly, the 13th Development Plan (2015/16–2017/18) and Trade Policy 2015 identifies various actions to improve the state of trade facilitation. The Department of Customs has been reengineering its reform and modernization program within the purview of Customs Reform and Modernization Strategies and Action Plan (CRMSAP). Currently, CRMSAP for 2013–2017 is under implementation. One of the activities identified under the CRMSAP is reducing the excessive government documents and making export and import requirements more transparent, clear, and specific.

How Nepal’s trade cost could be minimised, 7 January 2018
A recent report jointly prepared by the Asian Development Bank (ADB) and United Nations Economic and Social Commission for Asia and Pacific (UNESCAP) titled ‘Trade and Transport Facilitation Monitoring Mechanism (TTFMM) in Nepal’ has suggested the government to set up the TTFMM institutional mechanism to monitor processes in certification, customs, transit and cargo transportation to bring down the cost of trade.
“Currently Nepal requires multiple documents for trade that essentially serve the same purpose. Hence, removing even one of such requirements can help reduce the cost and time in export,” says the report. There are dozens of requirements to export cargoes from Nepal. After the exporter gets order from the buyer, the lengthy processes for required documents result in delay in exports.
Similarly, it takes around a month-and-a-half on an average to import third country goods to Nepal, which is long when compared to other countries and it has adverse impact on the cost of production. Cost of production in Nepal is comparatively higher due to the time consumed for import of raw materials and intermediate goods.

PAKISTAN
NLC sets up more border terminals for trade facilitation, 4 January 2018
To fully exploit the unique geo-strategic position of Pakistan and make it a potential hub of transit trade, National Logistics Cell (NLC) has chalked out detailed plans for establishment of new border terminals at key entry /exit points with neighboring countries in addition to upgradation of the existing ones at Chaman, Torkham and Wahga, according to a press release issued by the organization.
Apart from facilitating the smooth flow of trade at an economical cost, NLC operated Border terminals are playing an important role in regulating cross border movement of cargo and passenger traffic thus becoming an important component to the overall border management system.
Construction is already underway on terminals at Kharlachi in Kurram Agency and Ghulam Khan Khel in North Waziristan Agency that will be commissioned by mid-January having requisite facilities for Customs, Immigration, ANF and other government departments. Latest facilities at the terminals are being developed including import/export yards, weigh stations, baggage scanners, fork lifters, tender fire crash etc.