



# International Framework and Practice, Measure in Asia and the Pacific

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# AGENDA

- Trade Facilitation ?
- Challenges and benefits of paperless trade
- Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific
- Related initiatives on TF and paperless trade

# 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

# Paperless Trade (Trade digitalization)

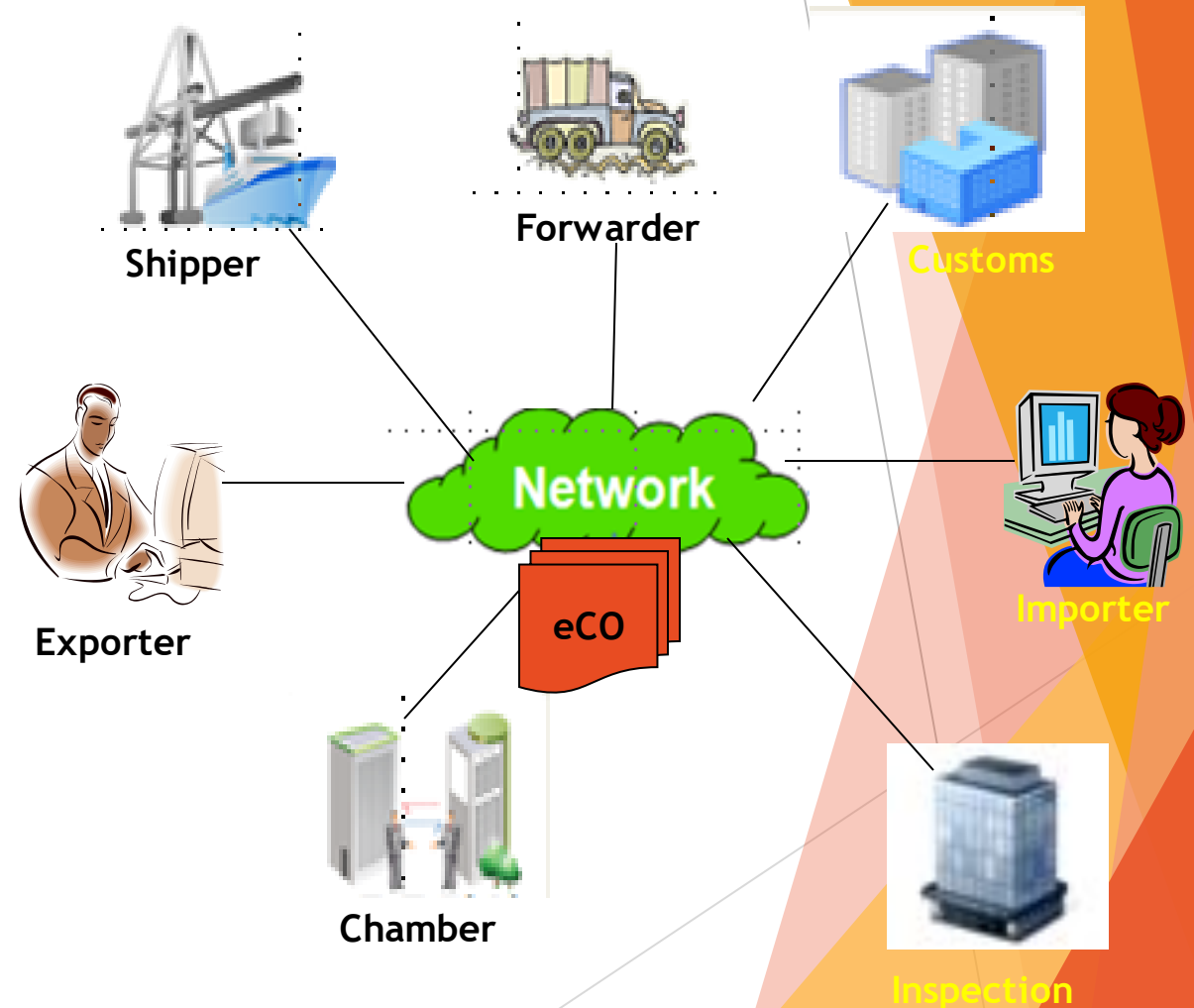
- Paperless Trade

Conduct of trade activities on the basis of electronic rather than paper documents  
*e.g. electronic Customs declaration, electronic cert. of origin*

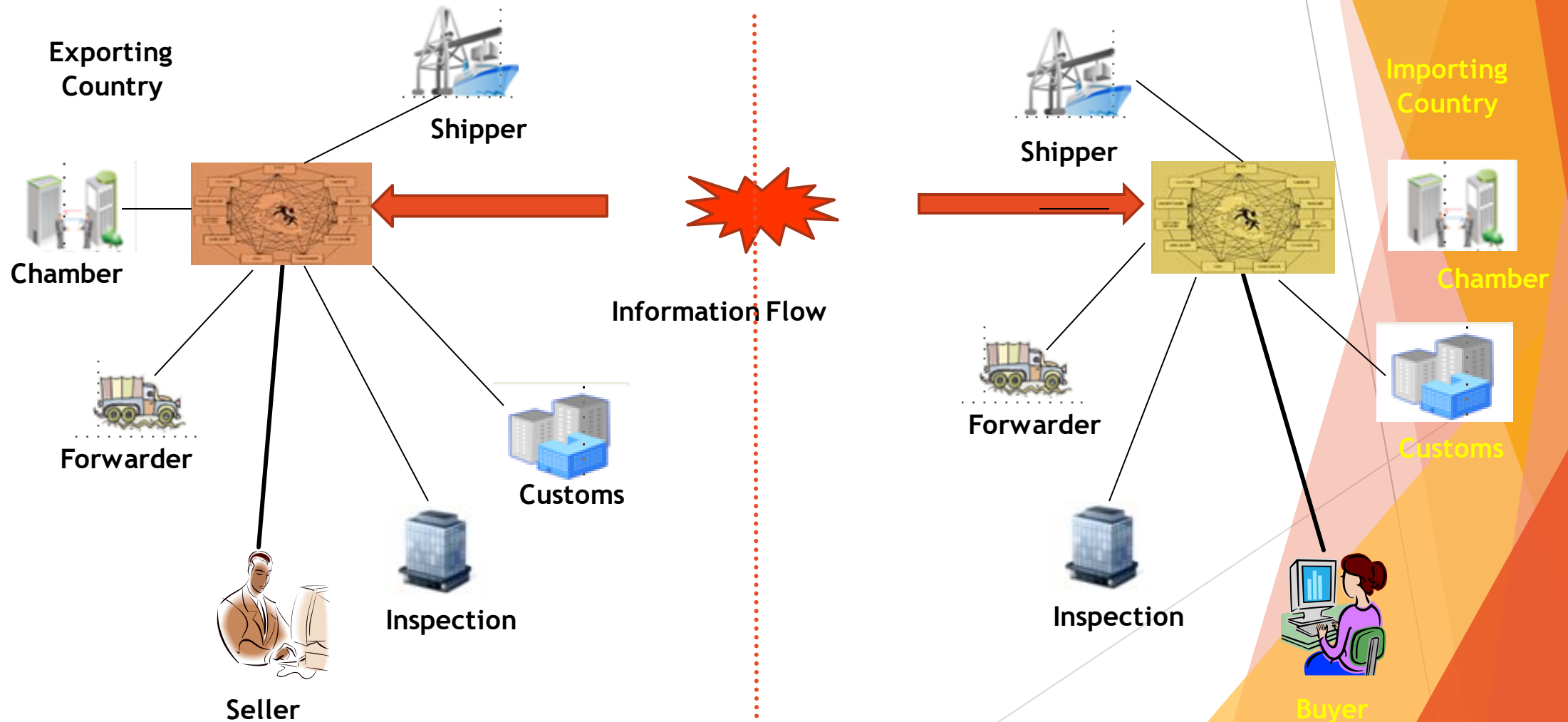
(application of e-commerce to international trade domain)

- 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)*



# Cross-border flow of information in need of further facilitation

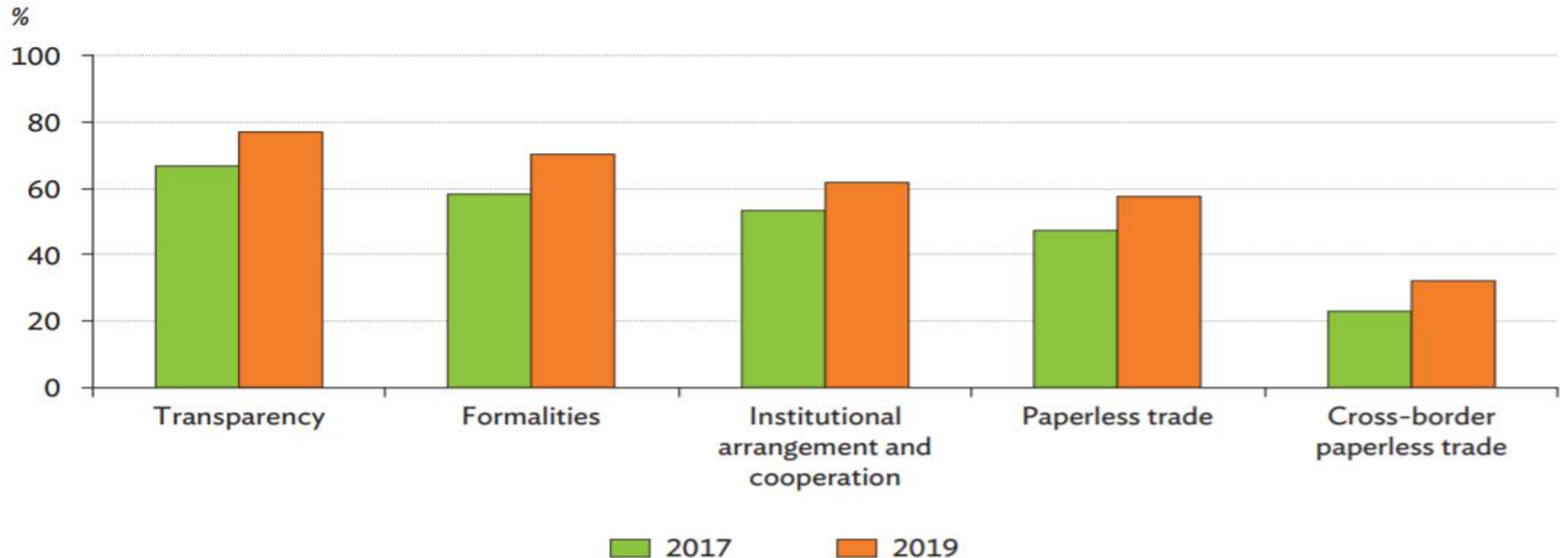


The background features abstract geometric shapes in shades of orange and yellow, primarily on the right side, with a white background on the left. The shapes are layered and semi-transparent, creating a modern, dynamic feel.

# *Challenges and benefits of paperless trade*

# Implementation of cross-border paperless trade still a challenge

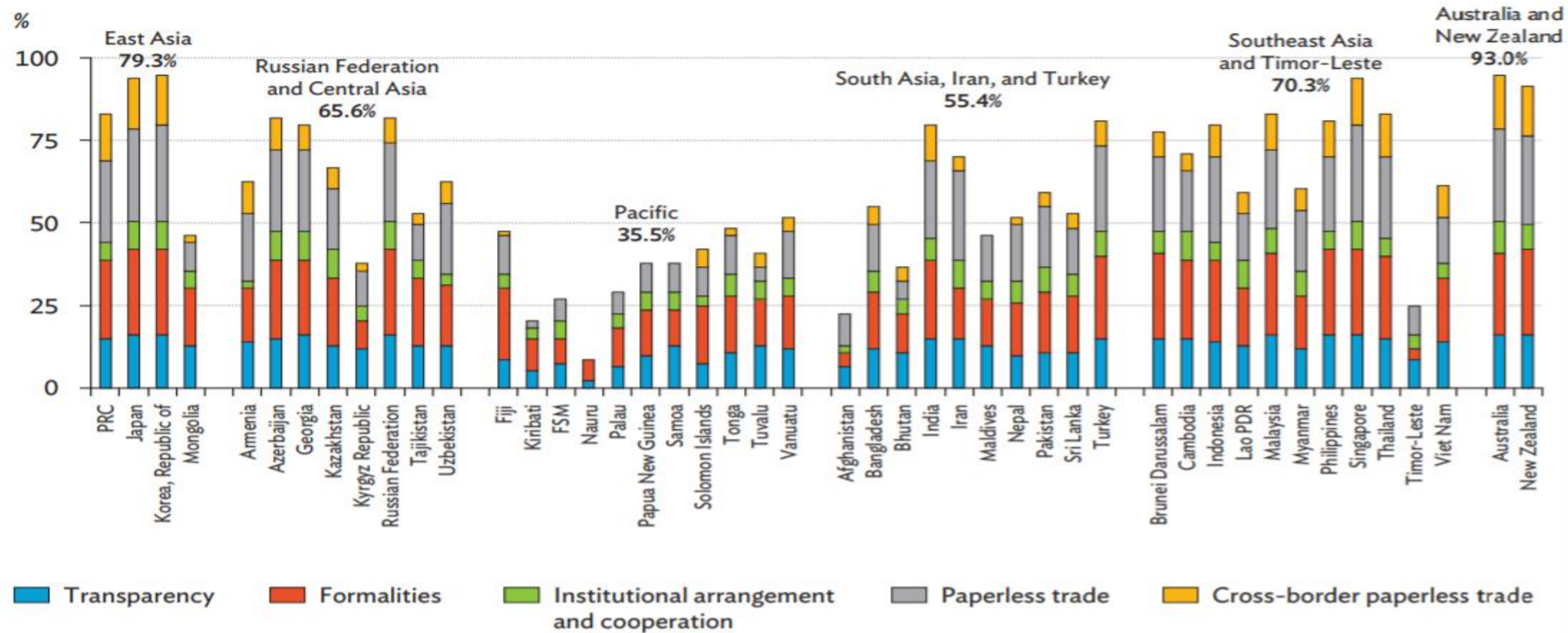
**Figure 6:** Implementation of Groups of Trade Facilitation Measures, 2017–2019



# TF Implementation varies widely across countries and sub regions

## Overall Implementation of Trade Facilitation Measures in 46 Countries of Asia and the Pacific, 2019

UNTF SURVEY.ORG





# BENEFITS OF TRADE FACILITATION & PAPERLESS TRADE

## Government

Effective & Efficient  
Deployment of  
Resources

Correct  
Revenue  
Yield

Improved  
Trader  
Compliance

Enhanced  
Security

Increased  
Integrity &  
Transparency

**Trade  
Facilitation  
&  
Paperless  
Trade**

## Traders

Cutting Costs  
through  
Reducing Delays

Faster  
Clearance &  
Release

Predictable  
Application and  
Explanation of Rules

Effective & Efficient  
Deployment of  
Resources

Increased  
Transparency

# Challenges to Moving forward on Cross-border Paperless Trade



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 Facilitation of Cross-Border Paperless Trade in Asia and the Pacific

## A UN Treaty

- Open to interested (53) ESCAP member states (voluntary) to become parties
- Enabling and action-oriented agreement

## 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

# Milestones in Progress

- ❑ 4-year step-by-step development process
  - ✓ Over 30 countries directly involved in finalizing the treaty text in March 2016, including adopting ESCAP resolutions 68/3 and 70/6
- ❑ Adopted by the Commission as a UN treaty (resolution 72/4) in May 2016
- ❑ Entered into force on **20 February 2021**.

## Progress



# Framework Agreement: 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

# Overview of Provisions: 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.**

Article 5:  
General  
Principles

Article 8: Cross-  
border Mutual  
Recognition

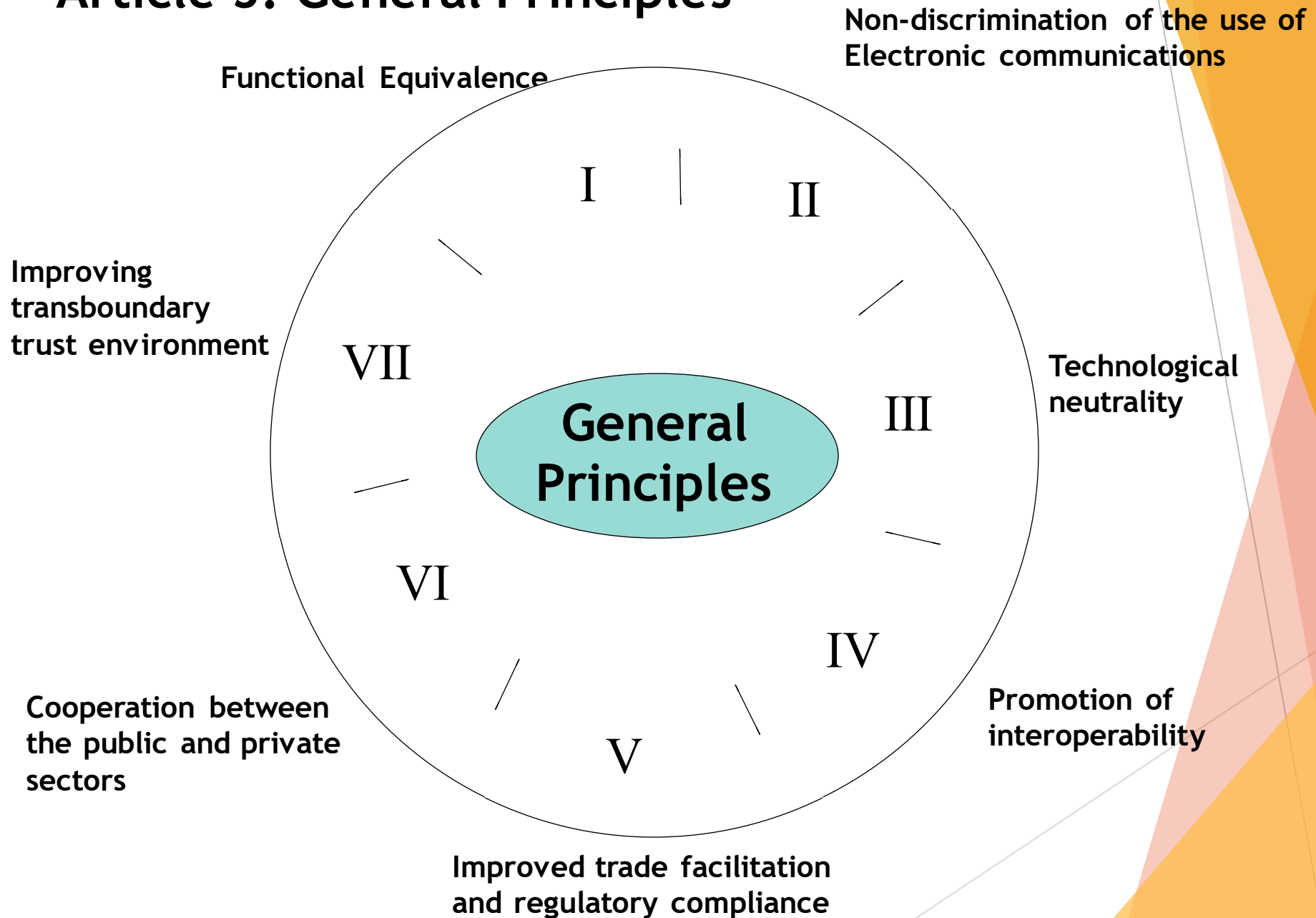
Article 11:  
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Article 12: Action  
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Lessons Learned

Article 14:  
Capacity  
Building

# Article 5: General Principles



*Related initiatives on TF and  
paperless trade*



# TF practices during COVID-19 pandemic

- **Simplification and digitalization of trade procedures:** most implemented
- **Expedited customs clearance:** especially for essential goods
- **Coordination mechanisms:** considered crucial but lacking (no mandate given to NTFC or equivalent)
- **Supporting small and medium-sized enterprises (SMEs):** crucial and call for regional and multilateral cooperation to achieve cross-border harmonization of trade-related regulations and procedures.

# Paperless trade supporting recovery from the pandemic

- “Contactless”: Ensure access to essential goods while minimizing physical contact among people in cross-border supply chains by facilitating the flow of goods without spreading the virus.
- Trade cost reduction along with being “contactless”: support the post-pandemic recovery



Thank You!

Q & A