

The ROC-TF newsletter is a biannual publication, which features updates, publications and forthcoming activities of regional and international organizations working on trade facilitation in the Asia-Pacific region.

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

IN FOCUS:

First Global Trade Facilitation and Paperless Trade Implementation Survey 2015

On 1 July 2015, at a side-event of the WTO's Fifth Global Review of Aid for Trade in Geneva, ESCAP together with the four other United Nations Regional Commissions (UNRCs) presented the results of the first Global Survey on Trade Facilitation (TF) and Paperless Trade Implementation. The global survey, conducted by the UNRCs in collaboration with OECD, UNCTAD, ITC subregional as well as organizations such as the Oceania Customs Organization (OCO). provides data on implementation of 38 TF measures, including but not limited to those featured in the WTO Trade Facilitation Agreement (WTO TFA), of over 100 economies around the world. The full report of the Global Survey will be made available in August 2015, but data and reports for Asia and the Pacific are already available. The Survey will be conducted regularly and new partners are always welcome. For more information visit: http://unnext.unescap.org/UNTFSurvey 2015.asp

ESCAP Asia-Pacific Member States make progress towards a regional agreement on cross-border paperless trade facilitation

The Meeting First of the Intergovernmental Steering Group on Cross-Border Paperless Trade Facilitation held from 1-3 April in Bangkok brought together officials from 27 ESCAP member states to continue negotiations on a prospective regional agreement on cross-border paperless trade facilitation. The overall objective is to enhance regional integration by setting up a framework to enable exchange and mutual recognition of electronic data and documents across borders to reduce trade costs. Good progress was made and the Meeting decided to establish legal and technical working groups to accelerate work. The working groups are set to meet 8-11 September 2015 in Bangkok. For more information see page 8.

FEATURED ANALYSIS

Trade Facilitation Implementation in Asia-Pacific 2015: Moving Towards Paperless Trade

The results for Asia-Pacific of the first Global Trade Facilitation and Paperless Trade Implementation Survey 2015 suggest that, although half of the countries in the region may have already implemented 80% of the WTO TFA measures, significant room for progress remains to further facilitate trade and reduce trade costs. See page 10 for the analysis.

UPCOMING

ADB and ESCAP will hold the 7th Asia Pacific Trade Facilitation Forum (APTFF) in Wuhan, China on 20-21 October 2015. This year's Forum is organized with the China International Electronic Commerce Center (CIECC) under the theme "Deepening Regional Integration through Trade Facilitation". Side events on implementation of selected WTO TFA provisions as well as on implementation monitoring will be organized with OECD, UNCTAD and WCO. More information at: http://unnext.unescap.org/tfforum15.as р



Wuhan, China to host the 7th APTFF

The 7th annual ROC-TF meeting will also be held back-to-back with the APTFF 2015. See information about upcoming events on page 19

JOINT ACTIVITIES and PARTNERSHIPS

ADB and ESCAP

UPCOMING: Asia Pacific Trade Facilitation Forum 2015, Wuhan, China, 20-21 October 2015

Under the theme "Deepening Regional Integration through Trade Facilitation", this year's APTFF is organized by ESCAP, ADB and the China International Electronic Commerce Center (CIECC). The 7th annual APTFF will examine the key role of trade facilitation measures for deepening regional and global linkages and promoting regional cooperation to address regional and national trade facilitation challenges. The APTFF, which has become the leading annual regional platform for exchange of information, experiences and practices in trade facilitation in Asia-Pacific, will look at key emerging issues in trade facilitation, such as the WTO Trade Facilitation Agreement (TFA), efforts towards an Asia-Pacific regional agreement on facilitation of cross-border paperless trade, cross-border e-commerce, and trade facilitation



measures for LLDCs, LDCs, Small Island Developing States (SIDs), SMEs and the agricultural sector.

In addition the Forum will also host a multimedia exhibition and a number of side-events in collaboration with several partner organisations, such as the 7th annual ROC-TF meeting, the APTFF Capacity Building Workshop on Implementing Trade Facilitation Measures of the WTO TFA, the APTFF Trade Facilitation Performance and Monitoring Workshop and a Workshop on Electronic Exchange of SPS Certificates.

More information about the APTFF 2015 is available here: http://unnext.unescap.org/tfforum15.asp

ADB and WCO

ADB and WCO conducts National Expert Mission on Customs Valuation for Bhutan Customs, 22-26 June 2015, Paro, Bhutan



The WCO Asia-Pacific Regional Office for Capacity Building (ROCB A/P) and the ADB, with support from the World Customs Organisation (WCO) Secretariat and Maldives Customs Service, conducted a National Expert Mission on Customs Valuation for Bhutan Customs under the WCO-ADB Multi-year Assistance for the South Asia Subregional Economic Cooperation (SASEC) Countries. 3 core Members of this Multi-year Project and 3 supporting officers from Bhutan Customs met the experts and joined the work. The objective of the Multi-year project is to support SASEC countries' efforts to realize the proper management of Customs Valuation control, ideally through Post Clearance Audit (PCA). As part of this Multi-year project a National Expert Mission on

<u>Customs Valuation was also held in the Maldives</u> earlier in the year from 18-22 May 2015. For more information see: <u>http://www.rocb-ap.org/article-detail/153/</u>

National Workshop on SAFE Framework of Standards (SAFE) and Authorized Economic Operators (AEO), 27-29 May 2015, Ulaanbaatar, Mongolia

The Government of Mongolia, with support from the ADB, conducted a national workshop on the requirements to launch an AEO program. The workshop aimed to improve the skills and capacity of the Mongolian Customs in its efforts to modernize its risk management system. Experts from the WCO discussed in detail the SAFE Framework of Standards and the basic principles of the AEO Program. Japan Customs also shared its implementation experience. For more information see: http://www.carecprogram.org/index.php?page=aeo-workshop-mongolia

First National Workshop on Time Release Study in Nepal, 17-19 March 2015, Kathmandu, Nepal

The Nepal Department of Customs, in partnership with the ADB, WCO, and Japan Ministry of Finance, organized the first National Workshop on Time Release Study (TRS). Approximately 50 participants representing government agencies, private sector organizations and a non-profit organization participated. The workshop provided hands-on training of the WCO TRS software and developed a TRS implementation action plan. The first TRS is expected to be carried out in two Customs offices—Birgunj and Mechi. The exercise is expected to produce a TRS report in December 2015,



based on data collection and analysis to be conducted at these two locations. For more information see: http://www.sasec.asia/index.php?page=event&eid=137&url=workshop-time-release-study

ADB and GIZ

Improving Authorized Economic Operators Performance in the Republic of Kazakhstan, 7-9 July 2015, Almaty, Kazakhstan



The Customs department of the State Revenue Committee of the Republic of Kazakhstan, together with ADB and GIZ (German International Development Cooperation Agency), organized an "International Workshop on the Performance of the Authorized Economic Operators (AEO) programme in Kazakhstan". The workshop was organized to support the Republic of Kazakhstan in its efforts to improve on the implementation of its AEO programme. The event was attended by over 50 Customs officers and representatives from the business community from Kazakhstan, Uzbekistan and Kyrgyzstan. Participants also benefited from detailed information sharing by China, Korea, EU and the USA on the implementation of their

respective AEO programmes and Mutual Recognition Agreements based on the SAFE Framework of Standards. **For more information see:** <u>http://www.carecprogram.org/index.php?page=aeo-workshop-kazakhstan</u>

ASEAN and ADB

Strategic Discussion on Trade Facilitation among the ASEAN Member States and Development Partners, 19 March 2015, Jakarta, Indonesia

The "ASEAN-ADB Workshop on Implementation of the WTO Trade Facilitation Agreement in the Context of the ASEAN Economic Community" convened approximately 60 representatives from the relevant Ministries of the ASEAN Member States and Development Partners (i.e. ADB, ASEAN, Australia, the United States, Japan, WCO, UNESCAP, European Union, and World Bank). The overall objective of this Workshop was to maximize the WTO TFA implementation discussion among ASEAN Members States, including the sharing of information on their respective national and regional trade facilitation efforts. The Workshop focused on two topics, namely TFA implementation under the ASEAN Economic Community, and the roles of the Development Partners in supporting pertinent initiatives in ASEAN. The meeting emphasized the need for political will, national trade facilitation strategies, effective trade facilitation monitoring mechanisms and increased capacity building for effective implementation of the TFA. For more information see: http://www.rocb-ap.org/article-detail/124/

ESCAP and **GTI**

Upcoming: International Seminar on Trade Facilitation in North East Asia

ESCAP, in partnership with the Greater Tumen Initiative (GTI) is organizing an International Seminar on Trade Facilitation in North East Asia on 2 September 2015 in Changchun, China. The seminar is an annual joint event organized back-to-back with the GTI Trade Facilitation Committee. This year's seminar will focus on perspectives on trade facilitation from the private sector, in addition to an update on recent trends as well as progress of GTI members in trade facilitation. **For more information contact:** escap-tid@un.org

ESCAP and IDB

ESCAP and the Islamic Development Bank (IDB) conduct Trade Process Analysis for Selected **Central Asian Countries**

ESCAP and IDB have jointly supported trade process analysis in Kyrgyzstan, Kazakhstan and Azerbaijan for the past two years. Using UNNExT Business Process Analysis (BPA) of Trade Procedures the studies map the 'asis' trade processes and procedures, identify the bottlenecks in trade facilitation and provide recommendations for further streamlining of the following trade process and procedures: the import of processed fruits from Kazakhstan to Kyrgyzstan; the export of cereal products from Kazakhstan to Azerbaijan; and the import of fabric from China to Kyrgyzstan. The draft study was validated at the "UNNExT workshop on Trade Facilitation and Paperless Systems for Agrifood Products" held in Almaty, Kazakhstan from 4-6 May 2015. It is expected that the report will be finalized and published by ESCAP and IsDB in August 2015. For more information contact: escap-tid@un.org

ESCAP and ITC

ESCAP and ITC strengthen cooperation for trade facilitation in Asia and the Pacific



ESCAP and the International Trade Centre (ITC) have signed a Memorandum of Understanding (MoU) to strengthen their support for developing countries in the Asia-Pacific, as they implement the WTO TFA. Under the terms of the MoU, ESCAP and ITC will leverage their unique strengths, products and services to provide coordinated and integrated capacity building support to ESCAP member States on trade facilitation issues. Cooperation between the two organizations will concentrate on delivering a joint compendium of capacity building and training, with a strong focus on least developed countries (LDCs) and transition

economies. Actions include, among others, joint workshops on accession to the WTO and implementation issues related to other WTO agreements. For more information see: http://www.unescap.org/news/escap-and-itcstrengthen-cooperation-trade-facilitation-asia-and-pacific

ESCAP and UNCITRAL

ESCAP and UNCITRAL provide Legal Advisory Services to Maldives in Implementing a Single **Window Environment**

At the official request of the government of Republic of Maldives, ESCAP in partnership with the United Nations Commission on International Trade Law (UNCITRAL) will provide a legal advisory service to Maldives in creating a Single Window environment. As part of the legal advisory service, ESCAP and UNCITRAL will conduct gap analysis on current legal framework and support drafting model law(s) to facilitate implementation of a Single Window in Maldives. For more information contact: escap-tid@un.org

ESCAP and UNCITRAL held joint workshop to promote latest practices in cross-border paperless trade facilitation in Asia, 31 March 2015, Bangkok, Thailand

ESCAP and UNCITRAL Regional Centre for Asia and the Pacific (UNCITRAL-RCAP) organized a Capacity Building Workshop on Cross-border Paperless Trade Facilitation: Challenges and Issues for Enabling Environment, with the support of the United Nations Network of Experts for Paperless Trade and Transport in Asia and the Pacific (UNNExT) and the Ministry of Strategy and Finance, Republic of Korea. Over 50 participants from the Asia-Pacific region attended the workshop to discuss the latest practices and issues related to crossborder trade facilitation. Regional experts shared their experiences on the actions necessary to facilitate crossborder paperless trade. The workshop looked at pertinent legal issues for enabling cross-border paperless trade, such as interoperability and mutual recognition from legal, technical and policy perspectives. Key case studies were presented, such as China's experience in e-commerce and cross-border paperless trade and the case of cross-border data exchange between Afghanistan and Taiikistan. For more information see: www.unescap.org/events/escap-uncitral-capacity-building-workshop-cross-border-paperless-tradefacilitation

Joint ESCAP, UNCITRAL and ETDA, Thailand workshop highlights the UN Electronic Communications Convention as a legal tool to promote cross-border electronic commerce, 3 April 2015, Bangkok, Thailand

ESCAP, in cooperation with UNCITRAL and the Electronic Transactions Development Agency, Thailand (ETDA) organized the Workshop on the UN Electronic Communications Convention: a legal tool to promote crossborder electronic commerce. The objective of the workshop was to discuss how the United Nations Convention on the Use of Electronic Communications in International Contracts can be used to promote crossborder electronic commerce in Asia and the Pacific, including its implications for Thailand. Approximately 150 stakeholders from the Asia



and the Pacific region participated in the workshop, including several Thai participants. The panel discussions provided an opportunity to share regional perspectives on the implications of the Convention on cross-border paperless trade. For more information see: <u>http://www.unescap.org/events/workshop-un-electronic-communications-convention-legal-tool-promote-cross-border-electronic</u>

ESCAP and WTO

WTO/ESCAP 10th ARTNeT Capacity Building Workshop for Trade Research: Empirical Methods in Trade: Analyzing Trade Costs and Trade Facilitation, 15-19 June 2015, Bangkok, Thailand

ESCAP in collaboration with the WTO jointly organized the ARTNeT-WTO 10th Capacity Building Workshop for Trade Research "Empirical Methods in Trade: Analyzing Trade Costs and Trade Facilitation". The 5-day handson training workshop focused on the use of applied empirical methods in analyzing trade costs and trade facilitation. The workshop reviewed of how applied econometrics, gravity models, and existing databases such as the ESCAP-World Bank Trade costs and World Bank Enterprise Surveys databases can be used in research related to trade costs and trade facilitation. About 30 researchers from academic, government agencies, and policy think-tank institutions participate in the workshop. The workshop was facilitated by resource persons from the WTO, Chulalongkorn University, Thailand and ESCAP. For more information see: http://www.unescap.org/events/wtoescap-10th-artnet-capacity-building-workshop-trade-research-%E2%80%9Cempirical-methods-trade

ORGANIZATION UPDATES

Asian Development Bank (ADB)

Central Asia Regional Economic Cooperation (CAREC): Working with the Private Sector in Trade Facilitation, 25-27 June, Ashgabat, Turkmenistan

CAREC delivered a Trade Logistics short course for the Turkmenistan Ministry of Economy and Development. The training program is the latest in a series of such workshops aimed at sharing best practice with CAREC regulators and operators in the provision of trade logistics services. About 30 representatives from government agencies and private sector attended. Thus far, trade logistics training has been conducted in seven CAREC countries. The project also supports the CAREC Corridor Performance Measurement and Monitoring (CPMM). The 2014 CPMM report was issued in June 2015 at the mid-year CAREC Senior Officials' Meeting. For more information see: http://adb.org/projects/details?page=overview&proj_id=43078-012 and http://cfcfa.net/cpmm/annual-and-quarterly-reports-cpmm

ADB provides support to the Bhutan for workshops on the Revised Kyoto Convention (RKC) and the Draft Customs Act, 16-20 March 2015, Phuentsholig, Bhutan

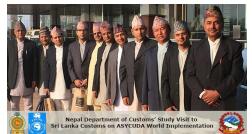


With support from the ADB, Bhutan's Department of Revenue and Customs (DRC), Ministry of Finance conducted a series of sensitization and consultation workshops on the Revised Kyoto Convention (RKC) and Draft Customs Act from 16-20 March in Phuentsholing, Bhutan. The Workshops aimed to sensitize the private sector on RKC provisions and related Customs reform work, as well as consult with stakeholders on the amendments to the Customs Act drafted by DRC, following Bhutan's accession to the RKC in September 2014. The Draft Customs Act was

presented in detail, including related RKC provisions. Consultations with Customs officials emphasized how Customs processes are designed to facilitate faster and more efficient flow of trade. For more information see: http://www.sasec.asia/index.php?page=event&eid=139&url=national-workshop-on-rkc-and-amended-customs-act

Nepal Department of Customs Visit Sri Lanka Customs on ASYCUDA World Implementation, 19-23 January 2015, Sri Lanka

In preparation for implementation of the Automated System for Customs Data (ASYCUDA) World in Nepal, ADB provided support to Nepal's Ministry of Finance and Department of Customs for a study visit to Sri Lanka Customs. The delegation included senior-level officials, and experts from the ADB. The visit included discussion of customs modernization and reform in Sri Lanka Customs, including Customs Valuation, Post Clearance Audit, Legislative Provision, and Customs Clearance; a detailed walk-through of various implementation processes of ASYCUDA World in Sri Lanka; and a presentation of the draft



ASYCUDA World work plan by Nepal's Department of Customs. The Nepal Department of Customs and the United Nations Conference on Trade and Development signed an agreement to help Nepal Customs develop an efficient e-Customs service by implementing ASYCUDA World under the ADB-financed Subregional Transport Enhancement Project on 30 December 2014. Customs modernization is one of the four pillars underpinning the SASEC Trade Facilitation Strategic Framework, adopted by SASEC countries in March 2014. For more information see: http://www.sasec.asia/index.php?page=event&eid=133&url=study-visit-sri-lanka-asycuda-world

Promoting Cooperation in Sanitary and Phytosanitary (SPS) Measures for CAREC



A Common Agenda for the modernization of SPS has been developed for countries in the CAREC region. A workshop held in Bishkek in January 2015 discussed next steps for ensuring animal and plant health and food safety while facilitating trade expansion among CAREC countries. The objectives of the Common Agenda are to (i) promote concerted reforms and modernization in the SPS area consistent with international standards such that trade is facilitated; and (ii) identify and prioritize investment needs. ADB anticipates funding investments in CAREC to address SPS identified needs regionally, and in this regard, a loan to Mongolia to upgrade SPS measures for trade facilitation is being processed. The SPS

Common Agenda was initially presented at the CAREC Senior Officials Meeting in Bangkok in June 2015 and will be further discussed at the CAREC National Focal Points' Meeting in Ulaanbaatar, Mongolia with a view to initiating its adoption at the 14th CAREC Ministerial Conference in September 2015. A workshop for the benefit of Turkmenistan SPS officials was conducted in Ashgabat from 29–30 June 2015. The workshop was conducted in collaboration with experts from FAO and WTO. **For more information:** <u>http://www.adb.org/projects/46019-001/main</u> and <u>http://www.carecprogram.org/index.php?page=workshop-on-sanitary-and-phytosanitary-modernization</u>

Aligning Customs Trade Facilitation Measures with Best Practices in CAREC

Under the technical assistance programme for Aligning Customs Trade Facilitation Measures with Best Practices ADB CAREC supports (i) Revised Kyoto Convention (RKC) accession and compliance, (ii) modernization of risk management systems and (iii) development of an electronic customs information exchange mechanism. ADB is working closely with the five countries that have yet to accede in completing the requirements for accession. A regional workshop on Sharing RKC Accession Experiences for CAREC Countries was held in November 2014 in Shanghai to help participants better understand the accession requirements and train them on how to use WCO self-assessments tools. Action plans to facilitate accession and improve RKC compliance were prepared. A followthrough workshop on RKC Situation/Gap Analysis was held in Uzbekistan in February 2015 where WCO experts assisted Uzbekistan Customs to develop an initial road map for RKC accession. Assessment of customs risk management systems of Kazakhstan, Uzbekistan and Tajikistan were undertaken with the help of WCO experts to identify gaps in risk assessment, profiling and targeting methodologies and procedures. Workshops on the implementation of an AEO program were held in Azerbaijan in October 2014 and in Mongolia in May 2015. An AEO workshop in Kazakhstan took place in July 2015. For more information see: http://www.adb.org/projects/47081-001/main

Asia-Pacific Economic Cooperation (APEC)

APEC Sub-Committee on Customs Procedures Meeting, 27-29 January 2015, Clark, Philippines



The first meeting of the Sub-Committee on Customs Procedures (SCCP) in 2015 reviewed the SCCP 2014 outcomes and reported the specific achievements such as the adoption of the APEC Customs 3M Strategic Framework. Related work being done on the implementation of the WTO-Trade Facilitation Agreement and the expansion of Single Window processing in the region was also discussed. Another relevant outcome of the SCCP work in 2014 was the adoption of "cross-border e-commerce" as a new item in the group's Collective Action Plan. As part of this effort, SCCP conducted

and analysed the Survey on APEC Cross-border E-commerce, which summarised the status quo of law and legislation, supervision and control, and law enforcement activities in the APEC region with regard to cross border e-commerce. SCCP also discussed the need for capacity building programs on e-Commerce and a workshop is expected to be held in September this year on this issue. **For more information see:** <u>http://www.apec.org/Groups/Committee-on-Trade-and-Investment/Sub-Committee-on-Customs-Procedures.aspx</u>

International Trade Center (ITC)

Introducing Tajikistan to the WTO's Trade Facilitation Agreement

ITC held a two-day workshop on trade facilitation under the Swiss funded Trade Cooperation Program in Dushanbe, Tajikistan on 29 July 2015. The workshop brought together representatives from government, the private sector, business associations, and the expert community to discuss the importance of trade facilitation, and to learn about the provisions of the WTO TFA and Tajikistan's WTO commitments on trade facilitation. The workshop is part of the joint efforts of Tajikistan and the ITC to establish and launch the Tajikistan Trade Facilitation Committee (TTFC), which is one of the country's commitments under the WTO TFA's provisions. For more information see: http://itctj.org/2015/07/29/introducing-tajikistan-to-the-wtos-trade-facilitation-agreement/

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

ESCAP conducts regional Training of Trainer's Workshop on Paperless Transit Transport Facilitation, 30 June - 1 July 2015, Incheon, Republic of Korea

As part of the UNNExT inititative, ESCAP has prepared a study and a guide on paper-less transit transport for use in the capacity building of government officials to design and implement paper-less transit transport systems. On that basis, ESCAP organized a regional Training of Trainer's Workshop on Paperless Transit Transport Facilitation. The meeting was attended by LLDCs and transit countries including India, Kyrgyzstan, Lao People's

Democratic Republic, Mongolia, Pakistan, Russian Federation and Uzbekistan. For more information see: http://www.unescap.org/events/training-trainers-workshop-paperless-transit-transport-facilitation

ESCAP provides technical support to Myanmar on Trade Facilitation and the Implementation of the WTO TFA, 4-5 June 2015, Nay Pyi Taw, Myanmar

ESCAP organized a 'National Workshop on Trade Facilitation and the Implementation of the WTO Trade Facilitation Agreement' at the request of and in collaboration with the Ministry of Commerce of Myanmar. The workshop provided insight into the importance of trade facilitation in the context of regional and global production networks and the National Export Strategy of Myanmar. Furthermore the WTO Trade Facilitation Agreement was introduced, highlighting how its implementation can support overall trade and customs reform in the country. During the workshop relevant government agencies and development partners reviewed on-going trade facilitation projects and initiatives in Myanmar. The workshop also discussed good practices and strategies for the establishment and operation of a national trade facilitation committee (NTFC) in Myanmar. For more information see: http://www.unescap.org/events/workshop-trade-facilitation-and-implementation-wto-tfa

ESCAP, UNNExT experts and partners train Central Asian officials on paperless trade facilitation for SMEs and agrifood products, 4-6 May 2015, Almaty, Kazakhstan

ESCAP organized two UNNExT workshops on Paperless Trade Facilitation for SMEs and Agrifood Products in collaboration with several international and regional organizations, including UNECE, UNCTAD, GIZ, Islamic Development Bank and the Eurasian Economic Commission. The workshops trained over 50 officials from Ministries of Commerce, Ministries of Agriculture, national inspection



agencies and private sector stakeholders from 7 countries in Central Asia, namely Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, and Uzbekistan. International, regional and UNNExT experts joined the workshops to provide training on business process analysis, electronic sanitary and phytosanitary certificates, national single window initiatives, electronic traceability and WTO Trade Facilitation Agreement. For more information see: http://www.unescap.org/events/unnext-workshop-trade-facilitation-and-paperlesssystems-agrifood-products and http://www.unescap.org/events/unnext-workshop-paperless-trade-facilitationsmall-and-medium-sized-enterprises-central-asia

ESCAP Member States move forward on negotiations towards a regional agreement on crossborder paperless trade facilitation, 1-3 April 2015, Bangkok, Thailand



The First Meeting of the Intergovernmental Steering Group on Cross-Border Paperless Trade Facilitation convened 27 government officials from ESCAP member states to continue negotiations on a prospective regional agreement on cross-border paperless trade facilitation. The objective is to enhance regional integration by setting up a framework to enable exchange and mutual recognition of electronic data and documents across borders to reduce trade costs. The Steering Group meeting, which was chaired by the Russian Federation, worked to improve the draft text of the regional arrangement as a potential intergovernmental agreement. The

meeting highlighted the complementarity between this regional initiative and the implementation of the WTO Trade Facilitation Agreement. The meeting was also joined by several experts from across the Asia-Pacific region and observer delegations from UNCITRAL, WCO and WTO. Legal and technical working groups were established to continue the work and develop an implementation road map. The working groups are set to meet 8-11 September 2015 in Bangkok. The Steering Group will meet annually to continue the negotiations. For more information see: http://www.unescap.org/events/first-meeting-intergovernmental-steering-group-cross-borderpaperless-trade-facilitation

ESCAP and partners conduct first training workshop on paperless trade facilitation for SMEs, 2-4 February 2015, Bangkok, Thailand

Under UNNExT, ESCAP in cooperation with UNECE, the International Trade Centre (ITC) and the International Finance Corporation/World Bank Group, organized a sub-regional workshop on paperless trade facilitation for SMEs. Seventeen officers and experts from ministries and research/training institutions of nine countries (Bangladesh, Bhutan, Cambodia, Lao PDR, Myanmar, Nepal, Sri Lanka, Thailand and Vietnam) participated in the event. The workshop aimed to build the capacity of government officials to better understand, identify and address trade facilitation and paperless trade measures that have a proportionally larger impact for SMEs, so that SMEs–



specific 'paperless' measures can be integrated into national trade facilitation reforms. Participants benefited from the exposure to a number of case studies on issues such as public-private partnerships for Single Window implementation; development of e-commerce platforms for market access and innovative financing for SMEs. For more information see: <u>http://www.unescap.org/events/unnext-workshop-paperless-trade-facilitation-small-and-medium-sized-enterprises</u>

United Nations Economic Commission for Europe (UNECE)

Round Table on Single Window Interoperability, 18 - 19 February 2015, Geneva, Switzerland

The Round Table on Single Window Interoperability organized by UNECE which brought together experts from the EEC, EU, ESCAP, OECD, UNCTAD WCO, World Bank amongst others, to debate four background papers and any other relevant issues regarding Single Window Interoperability (SWI). The goal was to consolidate these papers and finalize the text for a UN/CEFACT recommendation on Single Window Interoperability which can be representative of real implementations around the world. At a later stage, the concept will be further explored to examine the requirements for a possible additional recommendation on the interoperability and integration of multiple "Single" Windows within a given country (and indeed between countries) to achieve greater integration between the regulatory and logistics flow of information for international trade. All of the above will be presented at a UNECE symposium on Single Window Interoperability towards end-of-year 2015. For more information see: http://www.unece.org/index.php?id=38765#/

World Customs Organisation (WCO)

WCO A/P Regional Workshop on Strategic Initiatives for Trade Facilitation – Mercator Program, 16-18 March 2015, Jakarta, Indonesia

WCO, in cooperation with the ROCB A/P and Indonesian Customs, organized the WCO Regional Workshop on Strategic Initiatives for Trade Facilitation – Mercator Program. The workshop was co-sponsored by Japan Customs Cooperation Fund and the ADB. Nearly 100 participants attended from the WCO regional Member administrations, partner organizations, such as APEC, ASEAN, ESCAP and



the WTO as well as business associations. This workshop was the first regional workshop of its kind under the auspices of the WCO for calling across the board collaboration to effective and early implementation of the WTO Trade Facilitation Agreement (TFA). This included participants in the workshop exchanging their ideas and initiatives in order to facilitate legitimate trade through concerted approaches initiated by the respective National Trade Facilitation Committees. This Workshop provided a timely and opportune platform to gain further momentum for solidifying collaborative efforts among the relevant parties at national and regional levels. For more information see: http://www.sasec.asia/index.php?page=news&nid=207&url=wco-holds-first-regional-workshop-on-tf

Trade Facilitation Implementation in Asia-Pacific 2015: Moving Towards Paperless Trade ¹

In response to the lack of comprehensive cross-country data on the implementation of trade facilitation and paperless trade measures, the United Nations Regional Commissions (UNRCs) initiated a global survey in October 2014 to better understand and monitor progress on implementation of trade facilitation and paperless trade measures; as well as to support evidence-based policy making and highlight capacity building and technical assistance needs. This first Global Survey builds on an annual regional survey undertaken by ESCAP since 2012, and has been conducted in close collaboration with <u>UNCTAD</u>, <u>OECD</u>, <u>ITC</u>, <u>OCO</u> and <u>SELA</u>. This analysis features the results of the regional survey for Asia and the Pacific for 2015, in which data on 38 trade facilitation measures has been collected for 44 Asia-Pacific economies.

Findings: TF Implementation in Asia-Pacific

Figure 1 shows the TF implementation levels of all 44 Asia-Pacific economies, with an overall regional average implementation score of 46.5%. Implementation is very heterogeneous, with Australia, Republic of Korea and Singapore achieving scores in excess of 85%, while other countries barely achieve 15%.

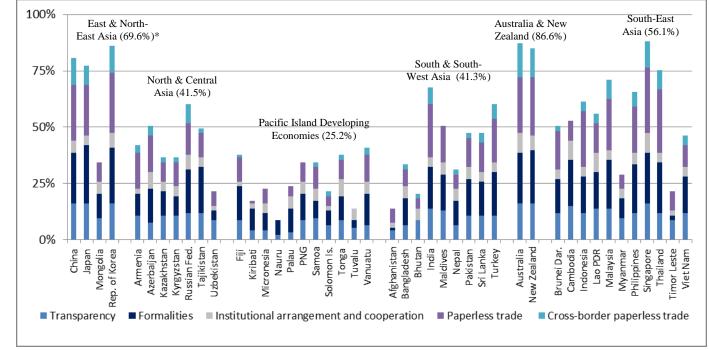


Figure 1: Overall implementation of trade facilitation measures in 44 Asia-Pacific economies

*Sub-regional average implementation rate *Source*: ESCAP, UNRCs TF Survey 2015

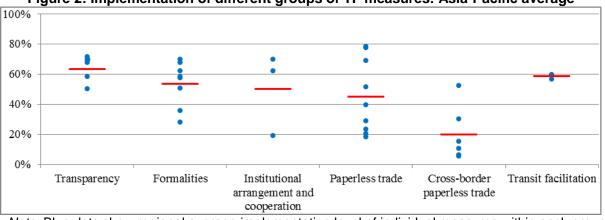
Australia & New Zealand have the highest average implementation level at almost 90%, while the average implementation rate of Pacific Island Developing Economies lags far behind other sub-regions at only 25%. In general, more advanced or larger economies are at higher levels of trade facilitation, while smaller or less developed countries such as LDCs or small Pacific countries lag behind, particularly for paperless trade measures. However, amongst low income countries there is greater heterogeneity in trade facilitation implementation rates with levels that vary between less than 15% to over 60%. Notable examples of this are Cambodia, Lao PDR, and Maldives, which all have relatively high implementation scores.

TF implementation also varies widely within each sub-region. Differences are widest in South-East Asia, and smallest within Pacific countries. Likewise, countries with special needs (Least Developed Countries (LDCs),

¹ The full regional report is available here: <u>http://www.unescap.org/resources/unrcs-trade-facilitation-and-paperless-trade-implementation-survey-2015-asia-and-pacific</u>

Landlocked Developing Countries (LLDCs), and Small Island Developing States (SIDS)) face particular challenges in TF implementation, especially for paperless trade and cross-border paperless trade measures, as reflected in their implementation levels (between 25 and 35%). Interestingly, LLDCs as a group appear to have achieved higher TF implementation levels on average than LDCs or SIDS.

All countries are engaged in the implementation of trade facilitation measures aimed at improving transparency and reducing formalities of trade procedures. While implementation levels vary greatly across countries for all TF categories, differences in overall scores are exacerbated by wide differences in the level of paperless trade implementation, and in particular cross-border paperless trade. Indeed, while all but two economies in the region have taken steps towards implementation of paperless trade, nearly a quarter of the countries have not implemented – even at the pilot stage – any measure related to cross-border paperless trade.





Note: Blue dots show regional average implementation level of individual measures within each group. — Average regional implementation level by groups of measures. Source: ESCAP, UNRCs TF Survey 2015

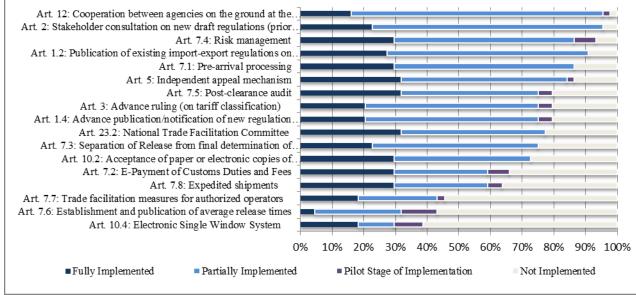
Overall, "transparency" measures, including measures such as *Stakeholder consultation on new draft regulations prior to implementation*; or *Publication of existing import-export regulations on the internet,* have been the best implemented (regional average implementation of greater than 60%, followed by "transit facilitation" measures (57%). Measures aimed at reducing or speeding up "formalities", in particular implementation of *Risk management* and *Pre-arrival processing of documents*, have also been given serious attention in many economies of the region, with the regional average implementation rate exceeding 50% in that category. Regional average implementation also reaches 50% for measures related to "institutional arrangements and inter-agency cooperation", in particular as many countries are working on the *Establishment of national trade facilitation committees*.

Likewise, the regional average level of implementation of "paperless trade" measures also stands close to 50%. However, implementation varies greatly depending on the individual measures considered. For example, while *Internet connections available to Customs and other trade control agencies at border-crossings* and *Electronic/automated Customs System* are partially or fully implemented in nearly all countries, facilities enabling the *Electronic application and Issuance of Preferential Certificate of Origin* have yet to be considered for implementation in many economies. Similarly, while many economies have developed legal frameworks to enable paperless trade, implementation of "cross-border paperless trade" has yet to begin in many developing countries.

WTO TFA Implementation

In December 2013, negotiations for the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) concluded in Bali, Indonesia, with the TFA containing provisions for expediting the movement, release and clearance of goods, including goods in transit. In relation to the WTO TFA – which is arguably now the baseline set of TF measures to be implemented – full implementation of the TFA would bring an economy to implementation levels of 55 to 60% within the context of this survey. As shown in **Figure 3**, 17 (of 31) TF measures included in the survey directly relate to the WTO TFA, including 15 *General TF measures*, along with *Electronic Single Window* and *E-Payment of Customs Duties and Fees*.

Figure 3: Implementation of WTO TFA-related measures in Asia-Pacific: 2015 (% of countries)



Source: ESCAP, UNRCs TF Survey 2015

Among these measures, 14 of 17 measures (more than 80%) have been at least partially implemented in more than half of all 44 Asia-Pacific countries surveyed, indicating that TFA implementation in the region is already significantly underway. This is reinforced by ESCAP's previous analysis of TFA Category A notifications in the region,² which indicates that on average, the 15 Asia-Pacific economies that have already submitted their Category A notifications to the WTO have fully notified nearly 70% of all substantive provisions in the TFA, indicating that they have either fully implemented – or have full intention to implement within a short time frame – these measures.

Focus and Challenges of TF Implementation

Anecdotal evidence on achievements and challenges faced in TF implementation over the past 12 months was collected during the Survey. It suggests that many countries across the Asia-Pacific region put the most emphasis over the past year on improving their (existing) *Automated customs systems* and related *Risk management* systems, while *Lack of coordination between government agencies* and *Limited human resource capacity* were put forward as the most serious challenges faced for the implementation of trade facilitation measures in 21 of 30 countries.

Conclusions & Way Forward

Based on an ambitious package of more than 30 trade facilitation measures included in the UNRC Survey 2015, regional average trade facilitation implementation is found to be nearing 50%, suggesting that significant room remains for progress in many Asia-Pacific economies. A large majority of countries in the region have been actively engaged in implementing measures to improve transparency, enhance inter-agency coordination and cooperation, and streamline fees and formalities associated with trade. Likewise, nearly 40% of all economies in the region are now initiating more advanced national multi-agency paperless systems such as national electronic single windows.

However, implementation of cross-border paperless trade systems remains mostly at the pilot stage. In that regard, given the large potential benefits associated with the implementation of these "next generation" trade facilitation measures, it is in the interest of countries from all groups to work together and develop the legal and technical protocols needed for the seamless exchange of regulatory & commercial data and documents along the international supply chain. Some work has already been done bilaterally as well as in several Asian sub-

⁷ 1 ROC - TF NEWSLETTER

² i.e. the list of substantive provisions they have either already implemented or are committed to implement by the time the TFA enters into force. See full article here: <u>http://www.unescap.org/sites/default/files/Trade%20Insights%20-%20Issue%20No.%2007-%20TFA%20Notifications%20-%20FINAL.pdf</u>

regions (e.g., the ASEAN Single Window). This work can be further leveraged at the regional level through adoption and implementation of the intergovernmental agreement for the facilitation of cross-border paperless trade currently under negotiation at ESCAP.³

Figure 4 shows that TF implementation should be viewed as a step-by step process, beginning with the setup of *Institutional arrangements* needed to prioritize and coordinate TF implementation; making trade processes more *Transparent* by sharing information on existing laws & regulations and consulting with stakeholders; streamlining trade *Formalities*; and finally re-engineering and transforming paper processes into *Paperless trade* systems. The ultimate step is to enable the electronic trade data and documents exchange by traders, government and service providers within national [single window] systems to become *cross-border paperless trade* systems. While East and South-East Asia are performing well above the Asia-Pacific average, there is much scope for improvement in the region as a whole, starting with institutional arrangements and further enhancing interagency cooperation.

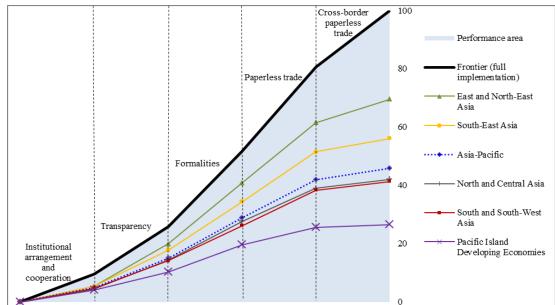


Figure 4: Moving up the trade facilitation ladder towards seamless international supply chains⁴

Source: ESCAP, UNRCs TF Survey 2015

In that context, the strong relationship between Asia-Pacific countries' international trade costs and their level of trade facilitation implementation highlights both the potential benefits and importance of further pursuing TF implementation. Based on this relationship, full implementation of the WTO TFA in all 44 Asia-Pacific economies considered in the Survey could reduce overall trade costs by 16 to 17% on average in Asia-Pacific developing economies.⁵ The cost reductions associated with TFA implementation will naturally be greatest and most significant in those countries that are lagging behind in implementation. However, for the many Asian developing countries that have already made substantial progress in trade facilitation, focus on the implementation of paperless and cross-border paperless trade measures beyond the basic requirements of the WTO TFA will be needed in order to significantly reduce trade costs and maintain trade competitiveness at the national and regional levels.

The full report of the UNRCs Trade Facilitation and Paperless Trade Implementation Survey 2015: Asia and the Pacific Report is available here: <u>http://www.unescap.org/resources/unrcs-trade-facilitation-and-paperless-trade-implementation-survey-2015-asia-and-pacific</u>

³Full implementation of cross-border paperless trade is expected to generate USD 257 billion of additional export potential annually for the Asia-Pacific region alone.

⁴This step-by-step process is inspired from and generally consistent with the UN/CEFACT step-by-step approach to trade facilitation towards a single window environment. The figure shows cumulative trade facilitation implementation scores of Asia-Pacific sub-regions for five groups of trade facilitation measures included in the survey. Full implementation of all measures = 100. ⁵ Full implementation of the all TFA-related measures in the Survey brings a country to a 54.8% TF implementation level.

RESOURCE IN FOCUS: Online Repository of National Trade Facilitation Bodies

National Trade Facilitation Bodies (NTFBs) are important platforms for institutional coordination and stakeholders' consultation with balanced private and public sector participation. They enable the planning and implementation of successful trade facilitation (TF) reforms, UNCTAD has participated activelv and supported the establishment of NTFBs in developing countries. In line with this long-standing commitment, in a joint effort lead by UNCTAD with the participation of ITC and UNECE a repository has been created containing case studies from countries that have set up NTFBs.

UNCTAD's new version of the online repository (<u>http://unctad.org/TFCommittees</u>) of national trade facilitation bodies (which was launched in autumn 2013), now offers a more interactive and user-friendly interface. The online repository presents information from trade facilitation platforms in over 80 countries and also assists UNCTAD Member States in creating or strengthening trade facilitation bodies through useful information about country

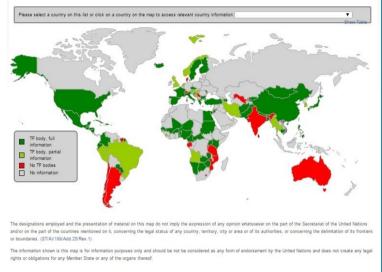
Trade Facilitation Bodies around the world

National Trade Facilitation Bodies (NTFBs) are important platforms for institutional coordination and stakeholders' consultation with balanced private and public sector participation. They enable the planning and implementation of successful trade facilitation (TF) reforms. UNCTAD has actively participated and supported the establishment of NTFBs in developing countries. In line with this long-standing commitment, in a joint effort lead by UNCTAD with the participation of ITC and UNECE a repository has been created containing case studies from countries that have set up NTFBs.

The data were collected through desk research and a detailed survey with national entities, providing information about different types of NTFBs. A total of 50 country cases includ in this repository have been analysed. The results of this analysis can be found here. Background information about NTFBs is available here.

If you would like to send or update your country's experience to this repository, please fill in the questionnaire bellow and send it to trade.logistics@unctad.org

Questionnaire - English version / Cuestionario - Versión en Español / Questionnaire - Version Française



cases from different geographical regions on the establishment and management of trade facilitation bodies.

If you would like to send or update your country's experience to this repository, please fill in the questionnaire found here: <u>http://unctad.org/TFCommittees</u>

ADB

Aid for Trade in Asia and the Pacific 2015, Published June 2015

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In Asia and the Pacific, firms are moving online, joining value chains, and going niche. Aid for Trade supports these efforts by building the physical infrastructure for trade, and increasingly, through trade facilitation spending. The 2015 report uses a review of Aid for Trade (AfT) as a springboard to explore some new ways of thinking; in particular, it considers how to build from established AfT spending on Information and communications technology (ICT) and infrastructure connectivity.

Available here: http://www.adb.org/publications/aid-trade-asia-pacific-2015

ADB Working Paper: WTO Agreement on Trade Facilitation - Assessing the Level of Ambition and Likely Impacts, Published September 2014



At the Ninth Ministerial Conference of the World Trade Organization (WTO) held in Bali on 3–6 December 2013, the ministers agreed upon the WTO Agreement on Trade Facilitation (ATF). This working paper assesses the level of ambition of the ATF from two angles. First, the use of softening language in each provision is examined. Second, the final agreement is compared against the draft text prepared before the Bali conference. Then, the paper considers the likely legal, economic, capacity-building, and reform-inducing impacts of the ATF.

Available here: <u>http://aric.adb.org/publications/workingpaperseries</u>

APEC

Key Trends and Developments Relating to Trade and Investment Measures and their Impact on the APEC Region, Published May 2015



This report was presented at the Ministers Responsible for Trade Meeting in Boracay, Philippines in May 2015. The theme section of the report briefly assessed the correlations between APEC members' FTAs and exports. The preliminary results indicate that despite FTAs being considered as second-best option, FTAs have significant effect on trade. The effect of FTAs, however, depends on the size, and importantly, on the quality of the trade agreement. **Available here:** http://publications.apec.org/publication-detail.php?pub_id=1631

ESCAP

UNNExT Brief 14: China E-Port – Towards a Single Window Trading Environment, Published July 2015



China E-Port functions as a national Single Window trading environment utilizing ICT for the modernization of the Chinese customs system towards an integrated information platform for clearance management and enforcement. This brief reviews the evolution of customs reform in China that has led to E-Port, and aims to share relevant insights into the Chinese Single Window experience for policymakers in other countries.

Available here: http://unnext.unescap.org/pub/brief14.pdf

UNRCs Trade Facilitation and Paperless Trade Implementation Survey 2015: Asia and the Pacific Report, Published June 2015



This regional report presents data on trade facilitation and paperless trade implementation from 44 economies in the Asia-Pacific region and covering 5 different sub-regions. Since 2012, ESCAP Secretariat has conducted an annual regional survey to systematically collect and analyze information on the implementation of trade facilitation measures in the region, in order to provide a basis for developing more relevant capacity building and technical assistance and to assist countries to design and prioritize their own trade facilitation implementation plans and strategies.

Available here: <u>http://www.unescap.org/resources/unrcs-trade-facilitation-and-paperless-trade-implementation-survey-2015-asia-and-pacific</u>

Value Added Trade Costs in Goods and Services, Published June 2015



This study introduces a new dataset of bilateral value added trade costs for the goods and services sectors, based on a measure derived from the micro-founded gravity model and using data from the OECD-WTO TiVA database. This is the first study to calculate value added trade costs for a set of developed and developing economies, both for the goods and services sectors. **Available here:** <u>http://www.unescap.org/resources/value-added-trade-costs-goods-and-services</u>

UNNExT Brief 13: ASEAN Single Window - A Regional Single Window for ASEAN Connectivity, Published May 2015



This UNNExT Brief provides an overview on the evolution of the ASEAN Single Window (ASW), including background, implementation history, features and functions, challenges and lessons learnt, as well as the author's perspective on the future of the ASW in terms of ASEAN connectivity and the realization of the ASEAN Economic Community (AEC). **Available here**: <u>http://unnext.unescap.org/pub/brief13.pdf</u>

Trade and Non-tariff Measures: Impacts in the Asia-Pacific Region, Published May 2015



This study brings together existing evidence on the occurrence and trade impacts of non-tariff measures (NTMs) in the Asia-Pacific region. It aims to contribute to an improved understanding on their trade impacts on developing countries. The report focuses on the consequences of NTMs for developing economies and South-South trade. The chapters include an overview of tariff and non-tariff measures, an evaluation of NTMs and trade, and an examination of Sanitary and Phytosanitary Measures and Technical Barriers to Trade. Finally, the study concludes by reviewing mechanisms for streamlining NTMs and promoting developing countries' trade,

particularly at the regional level. Available here: <u>http://www.unescap.org/resources/trade-and-non-tariff-measures-impacts-asia-pacific-region</u>

Implementation of the WTO Trade Facilitation Agreement in the Asia-Pacific Region: Analysis of Category A Submissions (Trade Insights: Issue No. 7), Published March 2015



This issue of the Trade Insights series provides analysis of notifications submitted as part of the preparation for the implementation under the WTO Trade Facilitation Agreement. Fifteen economies in the Asia-Pacific region have already submitted Category A notifications, i.e., the list of substantive provisions they have either already implemented or are committed to implement by the time the Agreement enters into force.

Available here: <u>http://www.unescap.org/resources/implementation-wto-trade-facilitation-agreement-asia-pacific-region-analysis-category</u>

OECD

Implementation of the WTO Trade Facilitation Agreement: The Potential Impact on Trade Costs, Published June 2015



The <u>OECD trade facilitation indicators</u> cover the full spectrum of border procedures, from advance rulings to transit guarantees, for 133 countries across income levels, geographical regions and development stages. Estimates based on the indicators provide a basis for governments to prioritise trade facilitation actions and mobilise technical assistance and capacity-building efforts for developing countries in a more targeted way. This latest policy brief provides analysis of the 2015 Trade Facilitation Indicators.

Available
here:
http://www.oecd.org/tad/tradedev/WTO-TF-Implementation-Policy

Brief_EN_2015_06.pdf
http://www.oecd.org/tad/tradedev/WTO-TF-Implementation-Policy

Contribution of Trade Facilitation Measures to the Operation of Supply Chains, Published May 2015



This report assesses how specific border procedures impact on the operation of supply chains and the resulting policy implications, using data from the OECD Trade Facilitation Indicators (TFIs) database and from the OECD-WTO database on trade-in-value-added. The assessment focuses on the impact of trade facilitation measures in three areas: on the amount of foreign value-added embodied in final domestic demand; on the amount of foreign value-added embodied in the gross exports of a reference country; and on the amount of domestic valueadded embodied in foreign final demand for agriculture and primary products, low tech industries, medium-low tech industries, and high and medium-high tech industries.

Available here: <u>http://www.oecd-ilibrary.org/trade/contribution-of-trade-facilitation-measures-to-the-operation-of-supply-chains_5js0bslh9m25-en</u>

Localisation Barriers to Trade, Published May 2015



Despite the predominately negative evidence of the impact of local content requirements on trade, they continue to play a significant role in trade policy. This has been particularly true since the financial crisis of 2008. The work presented here provides new evidence of the detrimental effects these policies have on the imposing country's own economy. Most empirical studies have focused on the long run inefficiencies associated with LCRs, notably in the effected sector. This paper highlights the costs to other sectors in the economy, the different impacts on intermediate versus

RESOURCES AND PUBLICATIONS

final demand, and the declines in trade in third-party economies, despite not engaging in direct trade with the imposing country. Economies imposing LCRs experience a decrease in exports in non-LCR effected sectors and a growing concentration of domestic activity in a few targeted sectors, undermining potential growth and innovation on a broader scale. The paper concludes by offering policy alternatives. **Available here:** <u>http://www.oecd-ilibrary.org/trade/emerging-policy-issues_5js1m6v5qd5j-en</u>

UNCTAD

Information Economy Report 2015: Unlocking the Potential of E-commerce for Developing Countries, Published March 2015



The 2015 edition of Information Economy Report examines electronic commerce, and shows in detail how information and communications technologies can be harnessed to support economic growth and sustainable development.

Available here: http://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=1146

UNCTAD Transport and Trade Facilitation Newsletter, Published Quarterly



The UNCTAD Transport and Trade Facilitation Newsletter is a quarterly publication on current topics and projects in the area of trade facilitation and international transport. Readers can stay abreast of recent developments on these fields and/or read previous issues of the UNCTAD Transport and Trade Facilitation Newsletter is **available here:** <u>http://unctad.org/transportnews</u>

National Trade Facilitation Bodies in the World, Published February 2015



This study on "*National Trade Facilitation Bodies in the World*" provides the first quantitative analysis of existing national trade facilitation bodies and a first-hand set of recommendations extracted from the experiences of participating stakeholders. The study provides policy-oriented conclusions aimed at assisting those countries that are looking to set up or strengthen their national trade facilitation working groups.

Available here: <u>http://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=1133</u>

WCO

WCO Guide To Customs Valuation And Transfer Pricing

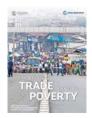


The WCO is launching a major new guide on the topic of Customs valuation and transfer pricing. A key message included in the guide is that customs and tax authorities should work together and exchange information and knowledge in this area. Meanwhile, businesses are encouraged to take into account customs authorities' needs when preparing documentation, such as transfer pricing studies and applications for advance pricing agreements.

Available here: <u>http://www.wcoomd.org/en/media/newsroom/2015/june/new-wco-guide-to-</u> customs-valuation-and-transfer-pricing.aspx

World Bank Group and WTO

The Role of Trade in Ending Poverty, Co-published by the World Bank and the WTO, 2015



The publication examines trade and poverty across four dimensions: rural poverty; the informal economy; the impact of fragility and conflict; and gender. The publication looks at how trade could make a greater contribution to ending poverty by increasing efforts to lower trade costs, improve the enabling environment, implement trade policy in conjunction with other areas of policy, better manage risks faced by the poor, and improve data used for policy-making.

Available here: https://www.wto.org/english/res e/publications e/worldbankandwto15 e.htm

WTO and OECD

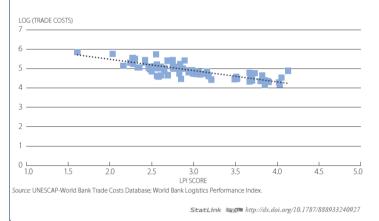


Aid for Trade at a Glance 2015: Reducing trade costs for inclusive, sustainable growth, Published July 2015

High trade costs inhibit the trade integration of numerous developing economies, slowing their economic growth and development prospects. Furthermore, these costs tend to weigh heaviest on the poorest economies, on the smallest firms and on trade in agricultural products. This publication calls for concerted action through the Aid for Trade Initiative to reduce these trade costs and contribute to achieving the emerging post-2015 development agenda. **Available here:** https://www.wto.org/english/res_e/publications_e/aid4trade15_e.htm

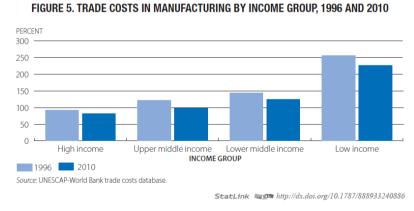
Excerpt from Aid for Trade at a Glance 2015: Reducing Trade Costs for Inclusive, Sustainable Growth – Pocket Edition. Chapter 2: Trends in trade costs (contributed by World Bank Group)

FIGURE 4. TRADE COSTS IN MANUFACTURING AND LOGISTICS PERFORMANCE



Trade costs – the difference between the producer price in the exporting country and the consumer price in the importing country - depend on factors such as geographical distance, language, or historical connections, but also factors that can be targeted by policy interventions, such as supply chain connectivity, or tariff and non-tariff barriers. Recent research that has estimated the relative importance of the various sources of trade costs found as expected, distance as a major source, but also that logistics performance and connectivity are at least as important, and more so than tariffs. This means that although policies cannot change geography, policies can indeed target the other major sources of trade costs that prevent integration of the poorest countries into the global economy (see Figure 4).

Indeed, the evidence shows that poorer countries are disproportionally impacted by trade costs by a factor of two to three. However there are wide disparities – more than is accounted for by differences in income levels between regions alone. Trade costs in East Asia and the Pacific in 2010 were on average 93% - only slightly higher than the high-income country average of 82%. By contrast, trade costs in sub-Saharan Africa were 50% higher than in East Asia and the Pacific, although they did decline in recent years. Also trade costs are higher for agriculture than for manufactured as



higher for agriculture than for manufactured goods (see Figure 5).

Substantially reducing high trade costs calls for focusing on policies with the highest impact. Developing countries will benefit the most from policies that make supply chains more efficient and enhance connectivity, including at the regional level. Going forward, it will be important for partner countries and donors to learn from successful examples of projects that have achieved substantive trade cost reductions. Many of these successful projects have lowered trade costs by combining soft and hard interventions along the three primary dimensions of logistics connectivity: development of trade-related infrastructure such as corridors, trade facilitation and integration of border procedures, improvement of the logistics sector through regulatory reforms, and enhancement of the business climate. There is also significant scope to undertake these policies more effectively on a multicountry or regional basis.

Source: OECD/WTO (2015), Aid for Trade at a Glance 2015: Reducing Trade Costs for Inclusive, Sustainable Growth, OECD Publishing, Paris,

UPCOMING EVENTS

REGIONAL EVENTS

Event	Date	Venue	Organizer
APEC Customs Business Dialogue	25 August 2015	Cebu, Philippines	APEC
Sub Committee on Customs Procedures (SCCP)	26 - 28 August 2015	Cebu, Philippines	APEC
47th ASEAN Economic Ministers' Meeting	August 2015 (tbc)	Kuala Lumpur, Malaysia	ASEAN
9th Regional Comprehensive Economic Partnership (RCEP) Trade Negotiating Committee (TNC) and Related Meetings	August 2015 (tbc)	Myanmar (tbc)	ASEAN
WCO Sub-regional Workshop on Customs Valuation for Afghanistan, Iran and Pakistan,	7-11 September 2015	Faridabad, India	WCO
Expert Group Meeting on Integrated Use of Single Windows for Trade Facilitation	8 September 2015	Bangkok, Thailand	ESCAP
First Meeting of Legal and Technical Working Groups of Interim Intergovernmental Stering group on Cross-border Paperless Trade Facilitation	9-11 September 2015	Bangkok, Thailand	ESCAP
2015 APEC E-Commerce Forum: New Paradigm for Cross- border E-Commerce and Online shopping	September 2015 (tbc)	tbc	APEC
CAREC Investment Forum	September 2015 (tbc)	tbc	ADB
GMS Regional TRS Workshop	September 2015 (tbc)	tbc	ADB
International Seminar on Trade Facilitation in North East Asia	2 September 2015	Changchun, China	ESCAP and GTI
23 rd Trade Policy Coordinating Committee (TPCC) Meeting	22 September 2015	Ulaanbaatar, Mongolia	ADB
CAREC Senior Official's Meeting	23-25 September 2015	Ulaanbaatar, Mongolia	ADB
14 th CAREC Ministerial Conference	23-25 September 2015	Ulaanbaatar, Mongolia	ADB
Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation, fourth session	14 – 16 October 2015	tbc	UNCTAD
ROC-TF Annual Meeting	19 October	Wuhan, China	ROC-TF
Asia Pacific Trade Facilitation Forum 2015	20-21 October 2015	Wuhan, China	ESCAP- ADB
APTFF Capacity Building Workshop on Implementing Trade Facilitation Measures of the WTO TFA	22 October 2015	Wuhan, China	ESCAP- ADB
APTFF Trade Facilitation Performance and Monitoring Workshop	22 October 2015	Wuhan, China	ESCAP- ADB
Workshop on Electronic Exchange of SPS Certificates	22 October 2015	Wuhan, China	ESCAP
Fourth Meeting of the SASEC Customs Subgroup	October 2015 (tbc)	Cebu, Philippines	ADB
Fourth Asia-Pacific Trade and Investment Week	2-6 November 2015	Bangkok, Thailand	ESCAP
Fourth Session of the Committee on Trade and Investment	4-6 November	Bangkok, Thailand	ESCAP
CAREC National Focal Points Meeting	24-25 August 2015	Ulaanbaatar, Mongolia	ADB
Joint Training on Coordinated Border Management	November 2015	(tbc)	ADB
SASEC Trade Facilitation and Transport Working Group Meeting	November 2015 (tbc)	(tbc)	ADB

UPCOMING EVENTS

NATIONAL EVENTS

National Workshop on the New Customs Act and Related Best Practices	17-20 August 2015	Dhaka, Bangladesh	ADB
RAMIS Technical Training on Automated Customs Module: Priority 2	3-17 August	Thimphu, Bhutan	ADB
Department of Customs National Workshop on Customs Valuation	19-21 August 2015	Kathmandu, Nepal	ADB
RAMIS Technical Training on Automated Customs Module: Priority 3	14-25 September 2015	Thimphu, Bhutan	ADB
Workshop on Risk Management and Risk Assessment for Bhutan Department of Revenue and Customs	21-25 September 2015	Mumbai, India	ADB
Regional Workshops on RAMIS Automated Customs Module	1-14 October 2015	Phuentsholig, paro, Samtse, Gelephu, Thimphu	ADB
Sri Lanka Customs Service: National Workshop on Customs Valuation	26-30 October 2015	Colombo, Sri Lanka	ADB
Revised Kyoto Convention Accession Workshop for Afghanistan	October 2015 (tbc)	Kabul, Afghanistan	ADB

GLOBAL

WTO launches dedicated website for new Trade Facilitation Agreement Facility, WTO, 27 May 2015 The WTO has launched a new website which will serve as a focal point for members, donors, and others seeking information on the new Trade Facilitation Agreement Facility (TFAF). The TFAF was created at the request of developing country and least-developed country (LDC) members to help ensure that they receive the assistance needed to reap the full benefits of the Trade Facilitation Agreement and to support the ultimate goal of full implementation of the new Agreement by all members. The TFAF will support these countries in assessing their specific needs and identifying possible development partners to help them meet those needs through a diverse number of activities. The Facility was formally launched on 22 July 2014 by WTO Director-General Roberto Azevêdo and became operational on 27 November 2014. The website can be accessed via http://www.tfafacility.org at present: https://www.wto.org/english/news_e/pres15_e/pr744_e. htm

WTO members reach landmark \$1.3 trillion IT trade deal , 23 July 2015

WTO members representing major exporters of information technology products agreed on 24 July to eliminate tariffs on more than 200 such product. Ministers from the participating 54 members will now work to conclude their implementation plans in time for the WTO's 10th Ministerial Conference which will be held in Nairobi this December. Under the terms of the agreement, the majority of tariffs will be eliminated on these products within three years, with reductions beginning in 2016. By the end of October 2015, each of the participating members will submit to the other participants a draft schedule which spells out how the terms of the agreement would be met. "This is the first major tariff-cutting deal at the WTO in 18 years. Coming so soon on the heels of the historic Bali Package which members agreed in 2013, it shows that the multilateral trading system can deliver. The WTO has now negotiated two deals in the space of two years which deliver real, economically significant results. I hope that this success will inspire members in other areas of our negotiations" said WTO Director-General. https://www.wto.org/english/news e/news15 e/ita 23ju l15_e.htm

Chair welcomes new notifications under the Trade Facilitation Agreement, WTO, 11 June 2015

Sixty-six developing country and least-developed country members have now submitted notifications to the WTO outlining which provisions of the new Trade Facilitation Agreement (TFA) they intend to implement upon entry into force of the pact. At the 11 June meeting of the WTO's Preparatory Committee on Trade Facilitation (PCTF), the chairman, Ambassador Esteban Conejos of the Philippines, said the number of "Category A" notifications received is an "encouraging sign of members' continued commitment" to the TFA. <u>https://www.wto.org/english/news_e/news15_e/fac_12j</u> <u>un15_e.htm</u>

Global trade costs could drop dramatically if countries implement WTO Trade Facilitation Agreement, OECD says, 4 June 2015

Implementing the WTO Trade Facilitation Agreement (TFA) could reduce worldwide trade costs by anywhere from 12.5% to 17.5%, according to new OECD analysis, with the greatest benefits accruing in developing countries. The 2015 OECD Trade Facilitation Indicators (TFIs) find that countries which implement the TFA in full will reduce their trade costs by anywhere from 1.4 to 3.9 percentage points more than those that only implement the minimum requirements. The greatest opportunities for reductions in trade costs are in low and lower middle income countries. The updated OECD Trade Facilitation Indicators (TFIs) provide the most current assessment of the impact of the WTO TFA. The OECD TFIs are designed to inform governments on potential measures to improve border procedures, reduce trade costs, boost trade flows and reap greater benefits from international trade. http://www.oecd.org/trade/globaltrade-costs-could-drop-dramatically-if-countriesimplement-wto-trade-facilitation-agreement.htm

Trade Facilitation Agreement Facility attracting "strong support", WTO, 1 June 2015

Director-General Roberto Azevêdo provided WTO members with a detailed update on the WTO's Trade Facilitation Agreement Facility at a meeting with Ambassadors on 1 June. He also welcomed recent announcements of new funding from the United Kingdom and Norway, in addition to that which has already been provided by Austria. It is expected that the Facility's funding will significantly exceed the amount which was available in recent years through the two WTO trade facilitation technical assistance programmes. However, while funding is a crucial element of the Facility, the Director-General also pointed out that its core purpose is to help members to support access the that they need. https://www.wto.org/english/news e/spra e/spra64 e. htm

ASIA PACIFIC

APEC

APEC Lifting Asia-Pacific Trade Barriers for Small Businesses, APEC Small and Medium Enterprise Working Group,15 Jun 2015

Senior commerce, trade and small business officials from the 21 APEC members are ramping up efforts to

make it easier and less costly for micro, small and medium enterprises to take advantage of new Asia-Pacific trade opportunities. "In the 21st century economy, the cost of every product made, moved, bought and sold is determined by how efficiently it moves through its supply chain," explained Bruce Andrews, Deputy Secretary of Commerce for the United States, in opening remarks. "Small and medium size businesses understand better than anyone else how strengthening global supply chains will foster the long-term competitiveness of economies across the Asia-Pacific region." Officials further mapped out complex non-tariff policy barriers to facilitate small business participation in Asia-Pacific trade. Steps were additionally taken to widen trade participation in sectors.http://www.apec.org/Press/Newsparticular Releases/2015/0615 SME.aspx

ASEAN

ASEAN focus on trade facilitation, liberalizing services, 2 March 2015

Discussion among Association of Southeast Asian Nation (ASEAN) member countries this year will focus on trade facilitation as the region prepares for an integrated regional economy at the end of 2015, economic ministers said in a statement. Economic ministers of ASEAN countries met from Feb. 28 to March 1 in Malaysia for a retreat to tackle key developments in trade and economic prospects for the region."The Ministers highlighted that the focus for this year would be on further simplification of Customs procedures, harmonization of standards, further liberalization of services, enhanced trade facilitation, and conclusion of the services and investments portion of the ASEAN-Japan Comprehensive Economic Partnership," the statement read. "Benefits are already flowing to ASEAN businesses and consumers, from significant tariff liberalization, progress in trade facilitation measures such as self-certification. simplification of customs procedures, and the Mutual Recognition Arrangements on the movement of skilled professionals in the region," the statement noted.

CHINA

The Grand Design of China's New Trade Routes, Stratford, 24 June 2015

China's economy is dependent on foreign trade, 90 percent of which travels by sea. The Belt and Road Initiative aims to mitigate the risk of maritime interdiction by constructing transit routes along six economic corridors: 1.The China-Mongolia-Russia corridor, 2.The New Eurasian Land Bridge, anchored by a set of railways running from central China (Wuhan, Chongqing and Chengdu) to Europe via Kazakhstan, Russia and Belarus, 3.The China-Central Asia-Western Asia Corridor, passing through Central Asia, Iran and Turkey to reach Europe, 4.The China-Pakistan Corridor,

and build highway and rail links all the way through Pakistan to the port of Gwadar, 5.The Indochina Peninsula Corridor, 6.The Bangladesh-China-India-Myanmar Corridor. Ultimately, the geographic scale of the Belt and Road strategy and the complex geopolitics involved mean that China's success in building the six Belt and Road corridors will be highly uneven.

https://www.stratfor.com/analysis/grand-design-chinasnew-trade-routes

KAZAKHSTAN

General Council approves Kazakhstan's membership terms, only ratification left, 27 July 2015

WTO members formally adopted Kazakhstan's WTO terms of entry at the General Council meeting on 27 July 2015, in the presence of Kazakhstan's President Nursultan Nazarbayev. Kazakhstan will have until 31 October 2015 to ratify the deal to formally become a WTO member 30 days after it notifies the ratification to the WTO Director-General. The negotiations on Kazakhstan's membership were finalised by the Working Party on 10 June. The 52 Working Party members adopted by consensus, ad referendum, Kazakhstan's WTO accession package on 22 June. http://www.bworldonline.com/content.php?section=Eco nomy&title=asean-focus-on-trade-facilitation-liberalizing-services&id=103625

LAOS and VIETNAM

Laos-Vietnam Border Trade Agreement Signed, ASEAN Briefing, 9 July 2015

A bilateral border trade agreement between Laos and Vietnam was signed on June 27, 2015. The 23-article agreement establishes the principle that all land border crossings between the two countries are open for bilateral trade. It covers procedures for payment in cross-border trade, including transportation of cash across land borders. In addition, it regulates entry and exit procedures for individuals and vehicles. It contains a commitment to reduce to zero import taxes on goods made in either Laos or Vietnam, and those on products made by Vietnamese investors in Laos. Under the agreement, the two countries will establish a Steering Committee on Border Trade and hold a biennial conference on the development of bilateral border trade relations.

http://www.aseanbriefing.com/news/2015/07/09/laosvietnam-border-trade-agreement-signed.html

MYANMAR

Myanmar Customs to Develop New Scheme For Faster Import, Export of Goods, ADB, 27 July 2015 Under ADB's Regional Technical Assistance project for Strengthening Trade Facilitation in the Greater Mekong Subregion Through Partnerships With the Private Sector, the Myanmar Customs Department is

supported in developing its Authorized Economic Operators (AEO) scheme, a new system that will simplify and expedite the release of imported and exported goods. "By taking this important step, Myanmar Customs is ensuring adherence to the ASEAN Economic Community Blueprint and the ASEAN Trade in Goods Agreement, as well as ensuring the country is in line with important World Customs Organization's international standards and the World Trade Organization's Trade Facilitation Agreement." Through the workshop, customs officials will identify accreditation criteria and appropriate trade facilitation measures for AEOs in Myanmar, identify the most appropriate customs management structure for the AEO scheme, and develop a work plan to pave the way for a detailed AEO implementation plan. http://www.adb.org/news/mvanmar-customs-developnew-scheme-faster-import-export-goods

PAKISTAN

Pakistan joins the United Nations TIR Convention Geneva, July 24, 2015

The International Road Transport Union (IRU) welcomes Pakistan's ratification of the United Nations TIR Convention. It will support the establishment of international economic cooperation corridors and effectively strengthen trade links with key regional trading partners and with the rest of the world. The United Nations Secretary General officially confirmed that the TIR Convention will enter into force for Pakistan in 6 months' time on 21 January 2016. Once TIR is operational, Pakistan will be better plugged into the global economy and well placed to promote regional development and integration, especially along the regional trade corridors. The TIR Transit System is the only global intermodal trade facilitation tool. It will underpin the growth of Pakistan's rapidly developing deep water ports and national road network. The IRU with the UNECE and the IRU Member association in Pakistan PNC-ICC are working closely with the government of Pakistan to enable Pakistan to become TIR operational in the nearest future.

https://www.iru.org/en_media_press_pr/code.1252/lang. en

SINGAPORE

Singapore exports 'to accelerate due to Asian rebound, Today Online, 30 May 2015

The Republic's exports are forecast to pick up steam in the next five years, boosted by the Asian economic recovery and the expected completion of several trade agreements. The biannual HSBC Trade Forecast predicted that from this year to 2020, Singapore's exports will grow by 3.9 per cent a year globally and 5 per cent a year within Asia excluding Japan. This is higher than the country's recent export growth of 1.1 per cent over 2013 and 2014. Singapore is also set to benefit from an increase in global trade activity following the imminent completion of the World Trade Organization's Trade Facilitation Agreement (TFA), the Trans-Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP). <u>http://www.todayonline.com/business/spore-exports-</u> accelerate-due-asian-rebound-trade-deals

TAIWAN

Taiwan accepts WTO Protocol on Trade Facilitation, Central News Agency, 19 May 2015

Taipei, May 19 (CNA) The Legislative Yuan accepted Tuesday a decision by the World Trade Organization (WTO) General Council on Nov. 27, 2014 to adopt the Protocol of Amendment to insert the Trade Facilitation Agreement (TFA) into the Annex 1A of the WTO agreement. In line with the decision adopted in Bali, WTO members adopted on 27 November 2014 a Protocol of Amendment to insert the new Agreement into Annex 1A of the WTO Agreement. The protocol provides provisions for improved and simplified transit procedures, reduced formalities and documentation requirements, and uniformity in the application of border procedures and customs cooperation among members.

http://focustaiwan.tw/news/aeco/201505190020.aspx

TAJIKISTAN

Tajikistan ratifies WTO agreement on trade facilitation, May 6, 2015

Tajikistan's lower house (Majlisi Namoyandagon) of parliament has ratified the World Trade Organization (WTO) Agreement on Trade Facilitation. Tajikistan applied for WTO membership on May 29, 2001 and the Working Party on the accession of Tajikistan was established by the General Council on 18 July 2001. Tajikistan's negotiations to join the WTO lasted for 11 years and Tajikistan concluded its membership negotiations on October 26 2012, when the Working Party adopted the accession package. As a result of the negotiations, Tajikistan has agreed to undertake a series of important commitments to further liberalize its trade regime and accelerate its integration in the world economy. The WTO paved the way for Tajikistan's membership by approving its accession package on December 10, 2012. The program of adaptation of Tajikistan's economy to the post WTO accession conditions was adopted on October 31, 2014. The main objective of this program is in creating favorable conditions for development of small and medium-size enterprises in the country, attraction of foreign investments, and expansion of bilateral and multilateral cooperation with the WTO member http://www.news.tj/en/news/tajikistannations. ratifies-wto-agreement-trade-facilitation