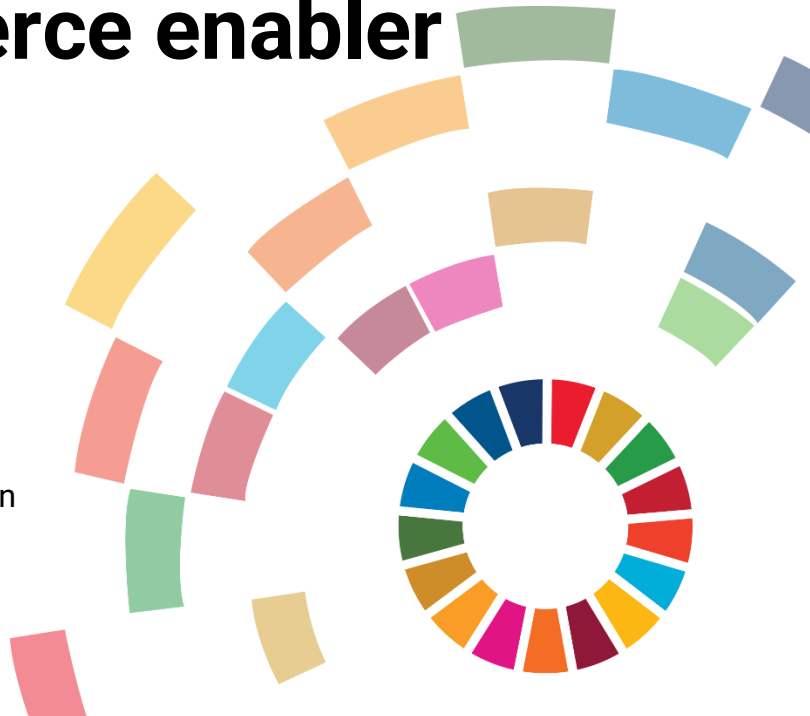


Paperless Trade: An e-commerce enabler

Ms. Soo Hyun Kim
Economic Affairs Officer
Trade Policy and Facilitation Section
Trade, Investment and Innovation Division



Presentation Overview

- E-commerce & Paperless Trade
- Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA)
- UN Global Survey on Digital and Sustainable Trade Facilitation (UNTF Survey)
- Readiness Assessment for Cross-border Paperless Trade



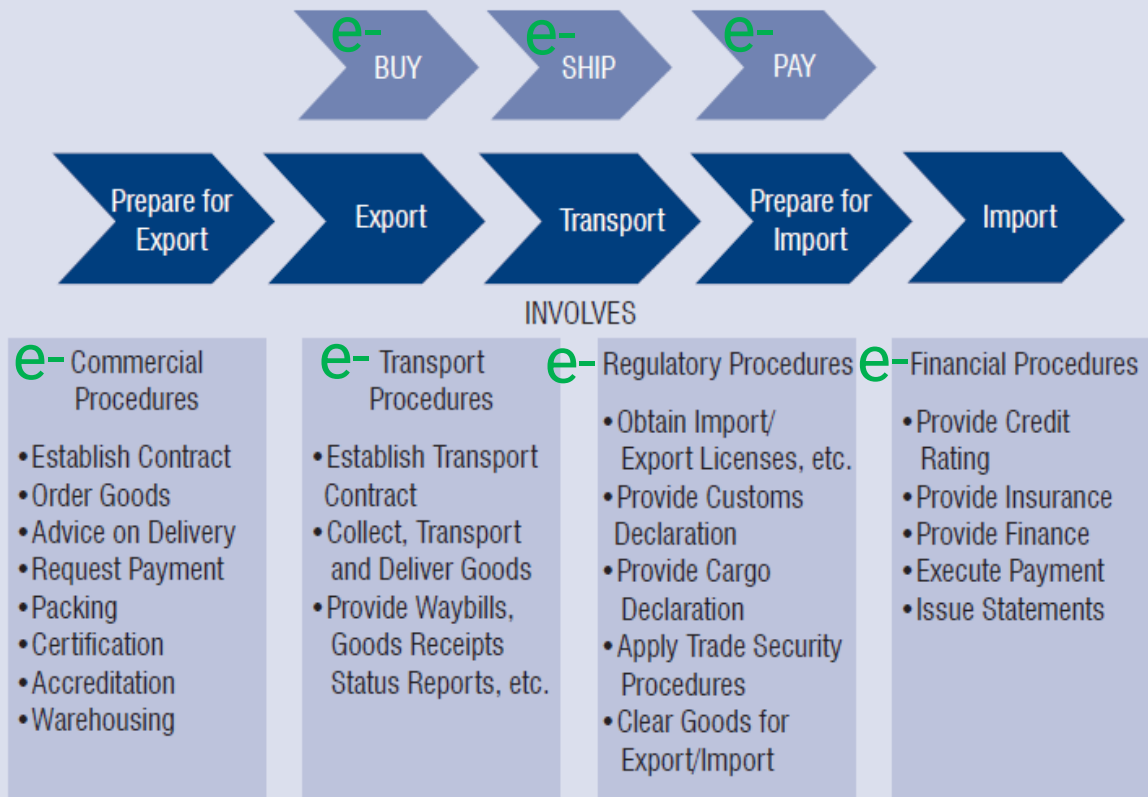
E-commerce & Paperless Trade

- ❖ E-market places brings buyers and sellers together, making contract/commercial procedures easier
- ❖ But goods still need to be transported to buyers, goods still need to be paid for,
- ❖ and **regulations still need to be complied with.**
- ❖ ... all of which typically involve a lot of **paperwork acting as a barrier to cross-border e-commerce development**



Trade Facilitation? → Making trade procedures more efficient

Paperless Trade? → Digital or e- Trade Facilitation



Benefits of cross-border paperless trade

(ESCAP research)

- Cut trade costs by 8-12% in Asia-Pacific
- More inclusive participation in trade (by SMEs)
- Enable CO₂e emission savings in Asia-Pacific of 13 million tons of CO₂e annually (400 million trees)
- Reduce tax revenue losses from illicit financial flows (trade misinvoicing) by at least \$119 billion per year (tbc.)



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

❑ A UN Treaty: enabling and action-oriented

- ✓ Open to interested (53) ESCAP member states (voluntary) to become parties

❑ Objective

- ✓ To facilitate cross-border paperless trade (data exchange) among willing ESCAP member states by providing a dedicated intergovernmental framework to develop legal and technical solutions
- ✓ Complementary to the WTO Trade Facilitation Agreement (TFA) as well as (sub)regional efforts

<https://www.unescap.org/kp/cpta>

Progress



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

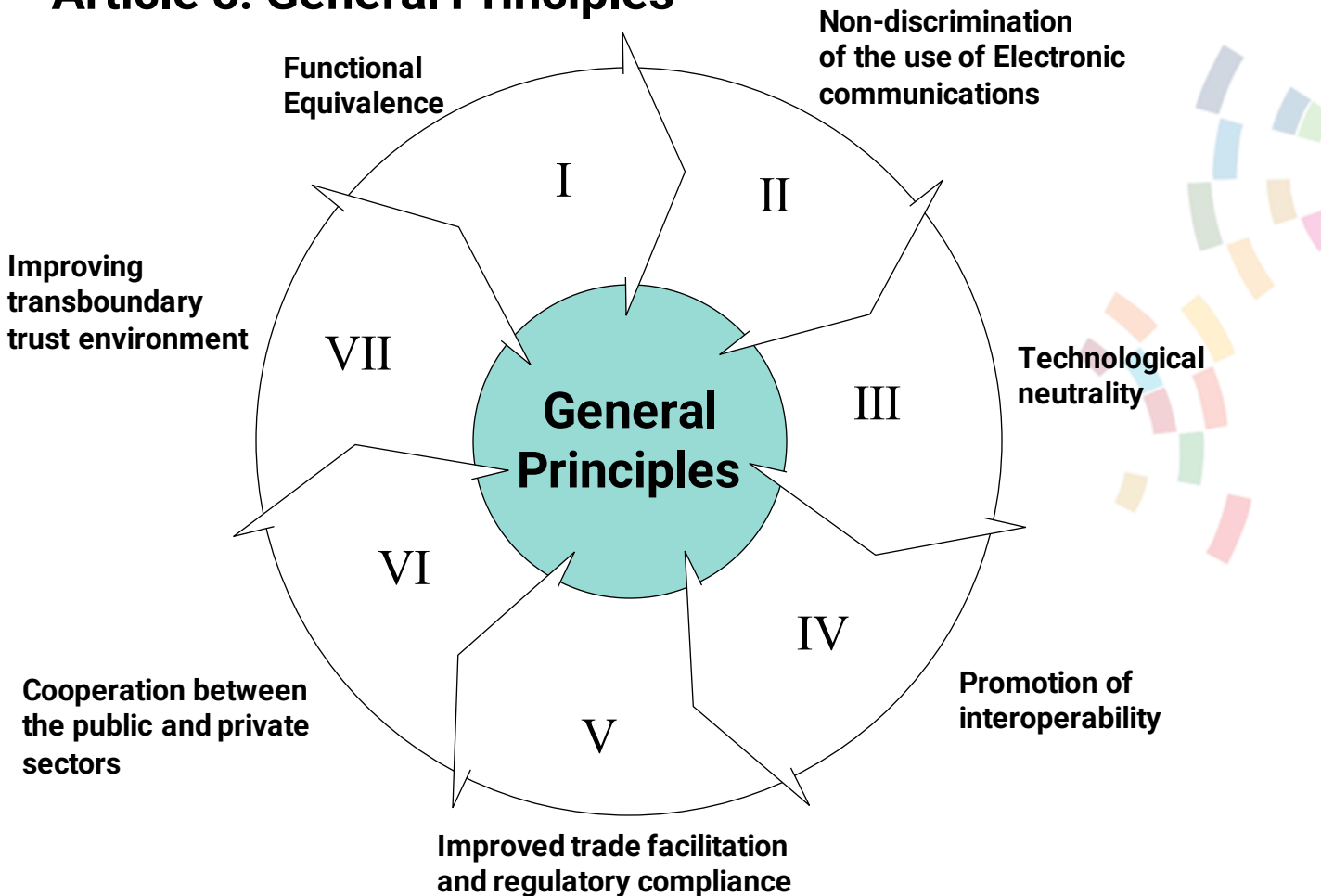
Article 11:
Institutional
Arrangement
s

Article 12:
Action Plan

Article 13:
Pilot
Projects and
Sharing of
Lessons
Learned

Article 14:
Capacity
Building

Article 5: General Principles



CPTA: General Benefits

☐ **Region-wide multilateral intergovernmental platform**

Builds upon existing bilateral/sub regional initiatives; Supports WTO TFA implementation; Forster harmonization and minimize necessity for numerous bilateral/sub regional intergovernmental approach;

☐ **Strong capacity building programme**

Inclusive initiative, open to Asia-Pacific countries at all levels of development; Strong emphasis on knowledge sharing and CB/TA among parties

☐ **Pilot projects**

Allow parties to adjust their systems before engaging in actual cross-border trade data exchange

☐ **Action Plan**

Allow parties with different implementation level to set actions based on their respective readiness

☐ **Mutual recognition**

Commit to the goal, while allowing flexibility in how to materialize the goal



CPTA: Contribution in the Context of WTO TFA Implementation

The CPTA complements WTO TFA and helps implementation of several provisions of the WTO TFA in an efficient and value-added manner with its ICT-based implementation approach (paperless trade).

WTO TFA Provisions supported by the CPTA

ARTICLE 1: PUBLICATION AND AVAILABILITY OF INFORMATION

ARTICLE 7: RELEASE AND CLEARANCE OF GOODS

ARTICLE 8: BORDER AGENCY COOPERATION

ARTICLE 10: FORMALITIES CONNECTED WITH IMPORTATION, EXPORTATION AND TRANSIT

ARTICLE 11: FREEDOM OF TRANSIT

ARTICLE 12: CUSTOMS COOPERATION



Support to join the CPTA

Accession/Ratification Accelerator Programme for the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

ANNOUNCEMENT

Bangkok - 18 Jan 2021

The Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific (CPTA) is a landmark agreement for the region, completing their domestic procedures for accession/ratification and joining the process of actual implementation. To maximize benefits and ensure that all interested parties be parties to it and participate in the process of actual implementation.

In that context, the ESCAP secretariat has launched an Accelerator Programme for the CPTA in 2022. As part of the Programme, the following technical assistance will be provided:

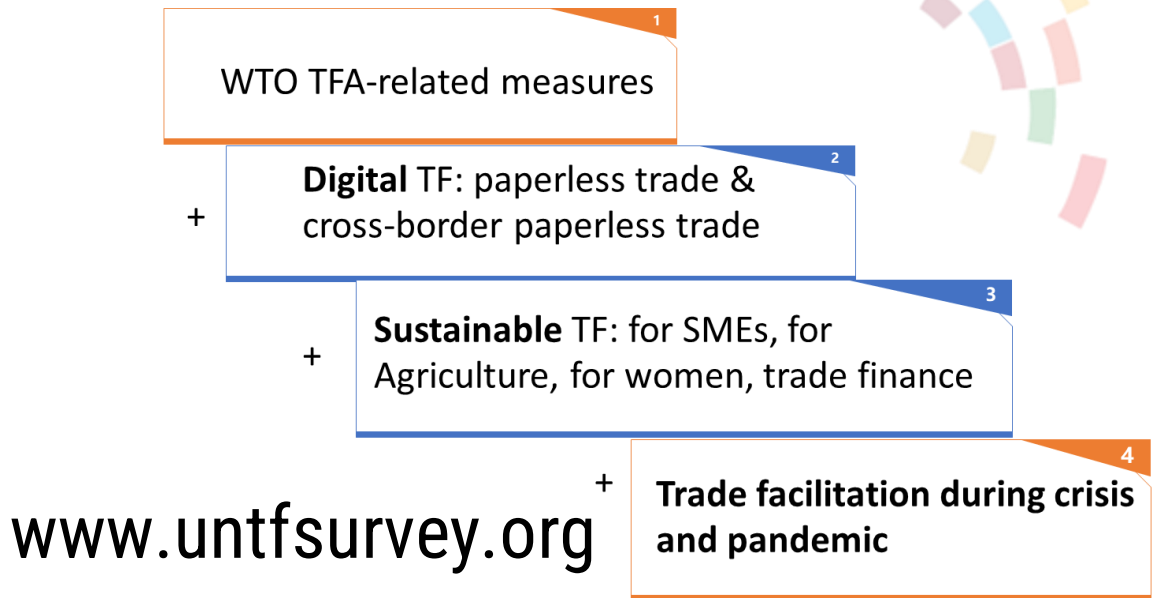
- Translation of the treaty text and other related support materials into local/national languages (as required in the process of domestic ratification/accession process).
- Provision of a local/national expert to accelerate domestic accession/ratification process, including for:
 1. Preparation of documents in local language for interagency consultations and government approval of ratification/accession
 2. Organizing inter-agency consultations, including logistical arrangement.
 3. Other administrative support needed by the focal ministry/agency in completing domestic ratification/accession procedure.

Accelerator programme available
More details:

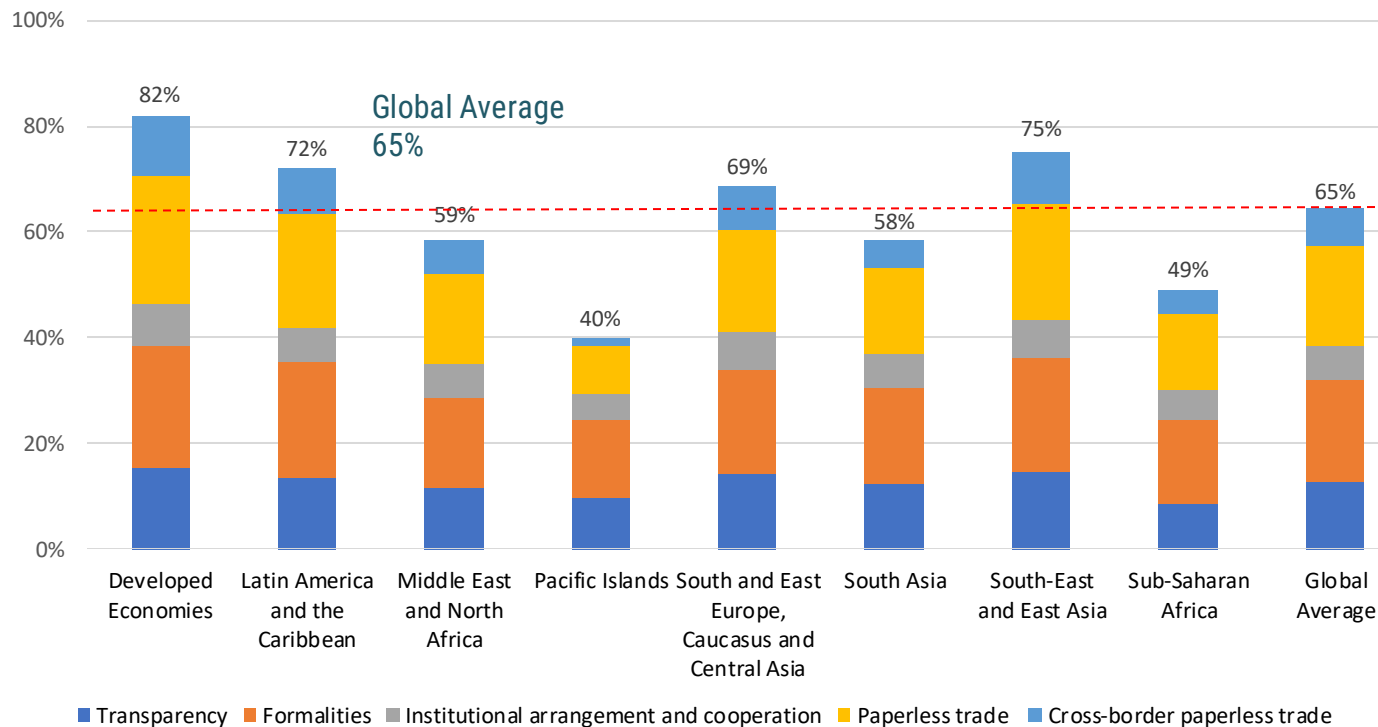
<https://www.unescap.org/kp/cpta>

UN Global Survey on Digital and Sustainable Trade Facilitation

- Reviews the progress of trade facilitation: 58 measures covering both binding and non-binding WTO TFA measures and measures beyond the scope of WTO TFA+



Implementation of Trade Facilitation

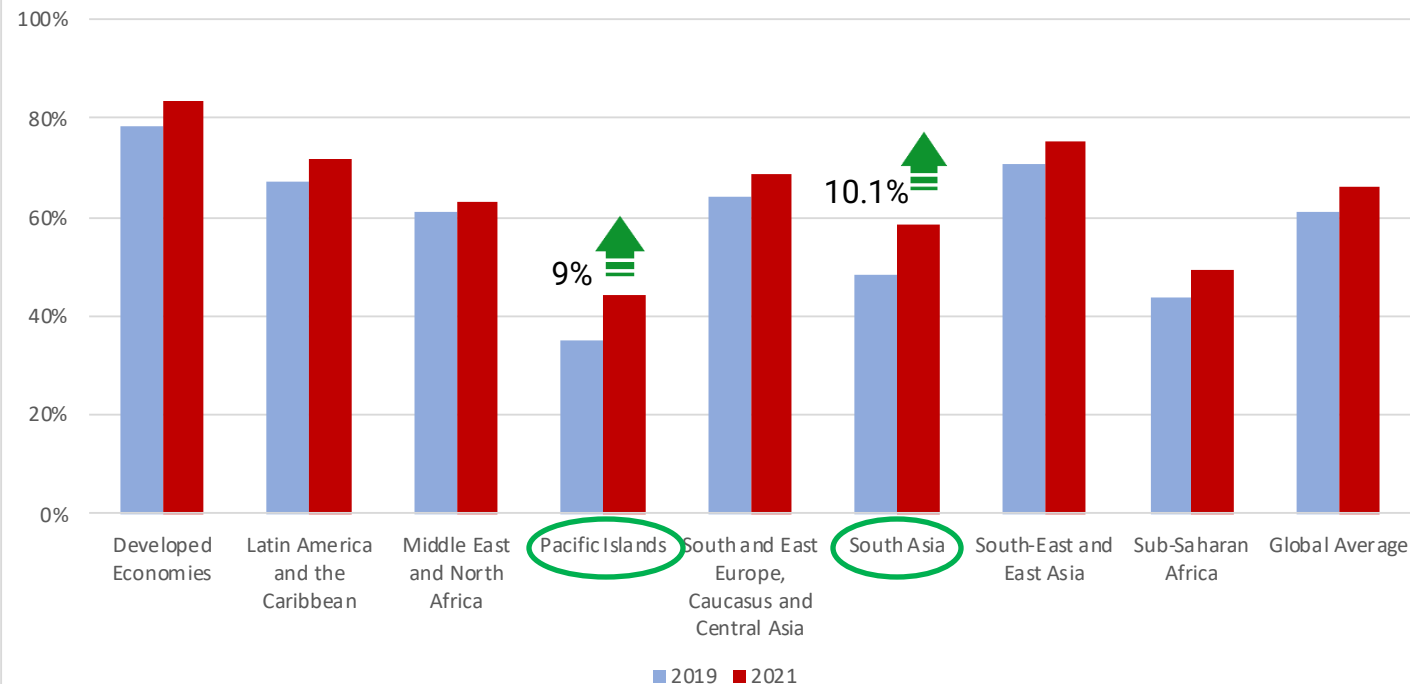


Source: UN Global Survey on Digital and Sustainable Trade Facilitation (2021)

Progress of Global Implementation

All regions has made progress since 2019

Most progress observed in South Asia and Pacific Islands



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

UNTF Survey interactive website

Search by region/economy/compare economies...

Example: PACER+

2021 Average trade facilitation score of 53.64%

Transparency: 71.85%; Formalities: 66.2%; Institutional Arrangement and Cooperation: 59.26%; Paperless Trade: 46.91%; Cross-Border Paperless Trade: 29.01%.



2019 Average trade facilitation score of 48.03%

Transparency: 65.19%; Formalities: 61.11%; Institutional Arrangement and Cooperation: 53.09%; Paperless Trade: 39.92%; Cross-Border Paperless Trade: 25.93%.



2017 Average trade facilitation score of 37.28%

Transparency: 48.15%; Formalities: 47.22%; Institutional Arrangement and Cooperation: 41.98%; Paperless Trade: 33.33%; Cross-Border Paperless Trade: 18.52%.



2015 Average trade facilitation score of 34.41%

Transparency: 48.15%; Formalities: 41.67%; Institutional Arrangement and Cooperation: 38.27%; Paperless Trade: 30.04%; Cross-Border Paperless Trade: 17.9%.





Trade Facilitation & Paperless Trade

Visualize and compare implementation of measures across regions and economies

GET STARTED



Interactive website:

www.untfsurvey.org

National workshop to update 2021
Survey and preparation for 2023 Survey

Readiness Assessment for Cross-border Paperless Trade



READINESS ASSESSMENT GUIDE FOR
CROSS-BORDER PAPERLESS TRADE

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GUIDES

RESOURCES

READINESS ASSESSMENT GUIDE FOR **CROSS-BORDER PAPERLESS TRADE**

Facilitating self-assessments of legal and technical readiness on cross-border paperless trade



DOWNLOAD THE CHECKLISTS

Technical and legal checklists
to be used for readiness
assessment



PLAN THE ASSESSMENT

Basic how-to-guide for self-
assessment



FOLLOW THE GUIDES

Legal and technical guide for
answering the Checklists



TAKE QUICK ASSESSMENT

Generate a set of
recommendations

<https://readiness.digitalizetrade.org/>

1. Download the checklists



READINESS ASSESSMENT GUIDE FOR
CROSS-BORDER PAPERLESS TRADE

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Spanish translations supported by [ECLAC](#)

DOWNLOAD

Checklists in PDF format

- Legal Readiness Checklist [\[English\]](#) [\[Spanish\]](#)
- Technical Readiness Checklist [\[English\]](#) [\[Spanish\]](#)

Checklists in DOC format

- Legal Readiness Checklist [\[English\]](#) [\[Spanish\]](#)
- Technical Readiness Checklist [\[English\]](#) [\[Spanish\]](#)

Assessment Guides

- Legal Readiness Assessment Guide [\[English\]](#) [\[Russian\]](#) [\[Spanish\]](#)
- Technical Readiness Assessment Guide [\[English\]](#) [\[Russian\]](#) [\[Spanish\]](#)

2. Plan the assessment



GENERAL GUIDE ON CONDUCTING SELF-ASSESSMENTS OF LEGAL AND TECHNICAL READINESS ON CROSS-BORDER PAPERLESS TRADE

1. DOWNLOAD THE CHECKLISTS

[Download](#) the Legal and Technical Readiness Checklists and study all questions in this checklist to be familiarized with the overall structure of the checklist and its questions.

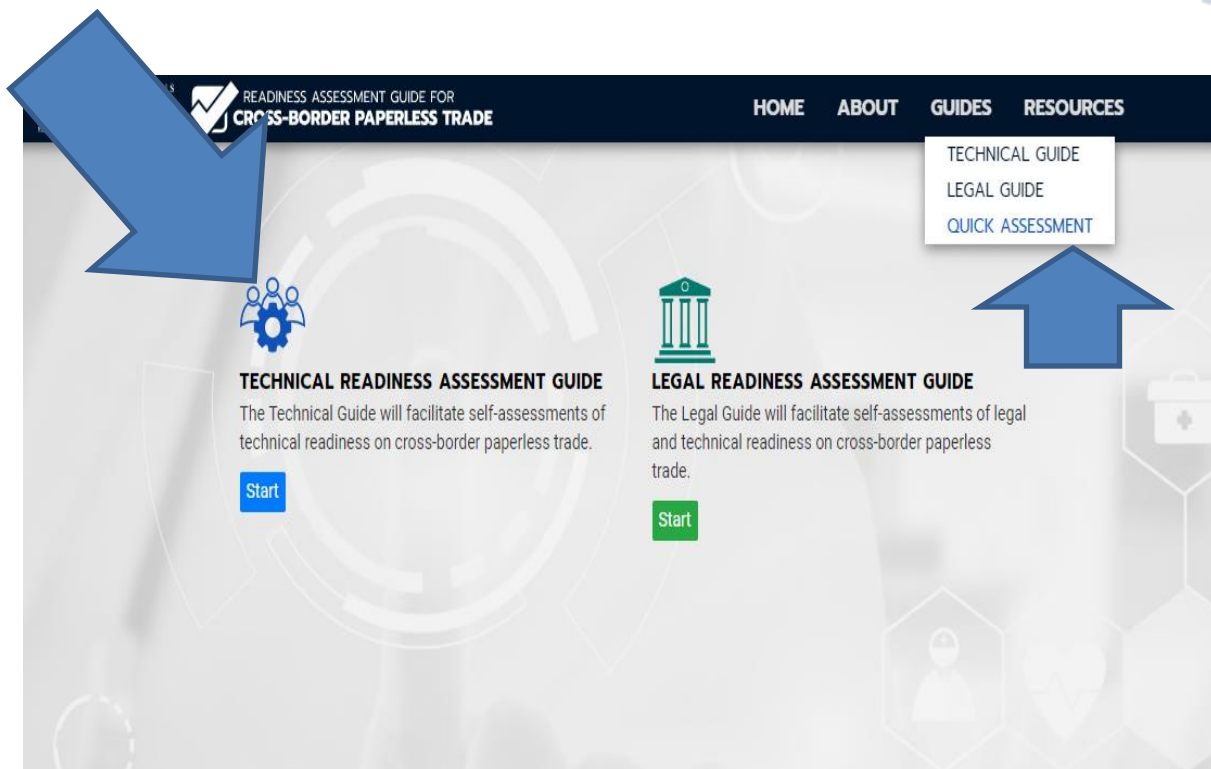
2. PLAN THE ASSESSMENT

To conduct self-assessments of legal and technical readiness on cross-border paperless trade of a country, it is recommended that the assessment team members to be comprised of :

- **Project Manager/Leader:** person in charge of planning, leading and managing the team members to work collaboratively, coordinating with all stakeholders, consolidating all the findings and recommendations from the self-assessment exercise, organizing national consultations and expert group meetings, and working with the assessor(s) to draft the findings, recommendations and action plans.
- **Technical Assessor:** person who is in charge of studying the questions, collecting data, and answering the questions of the technical readiness checklist. This assessor should be able to answer some if not all questions. He or she should be resourceful in contacting and collecting data from relevant agencies, experts and other stakeholders in order to answer the questions of the technical checklist.
- **Legal Assessor:** person who is in charge of studying, collecting data, and answering the questions of the legal readiness checklist. This assessor should be able to answer some if not all questions. He or she should be resourceful in contacting and collecting data from relevant agencies, experts and other stakeholders in order to answer the questions of the legal checklist.

3. FOLLOW THE GUIDE

3. Follow the guides



Navigating

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CROSS-BORDER PAPERLESS TRADE

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GUIDES

DOWNLOAD

Technical Guide



[Home](#) » [Guide to Technical Readiness Checklist](#)

On this page:

B2.1 Support of cross-border data exchange

B2.2 Function as the national single window

Explanatory notes,
good practices and
references for
each question

B2 SINGLE WINDOW SYSTEM

Open All

B2.1 If a single window mentioned in A2.2 has been implemented, does it support cross-border data exchange?

Background

A single window system is meant to connect systems of the stakeholders in the country via a single point of connectivity providing more efficient integration/interfacing. Likewise, a national single window is also meant to support cross-border data exchange. It acts as the national single point of connectivity which will ease integration/interfacing for cross-border data exchange with dialogue partners.

Good Practices

The single window system normally acts as the national single point of connectivity with all public and private stakeholders within the countries and also with dialogue partners. With the single point of connectivity, it eases integration and interfacing for cross-border data exchange. The country needs to engage with dialogue partners to discuss and agree on potential mutual benefits and challenges of cross-border electronic data exchange along value chains, namely information exchange between single windows. The challenges also focus on interoperability and suitable models between single windows to exchange and use information, in secure manner agreeing to a mutual recognition protocol, across borders without additional effort on the part of the users.

References and Case Studies

- Cross-border single window interoperability: a managerial guide (particularly on Chapter 4: D. Connectivity), <https://www.unescap.org/sites/default/files/CROSS-BORDER%20SINGLE%20WINDOW%20INTEROPERABILITY.pdf>
- UNECE Recommendation NO. 36: Single Window Interoperability, http://www.unecce.org/fileadmin/DAM/trade/Publications/ECE-TRADE-431E_Rec36.pdf
- Case Example: ASEAN Single Window Architecture, <https://asw.asean.org/index.php/faq>,

4. Take quick assessment

ESCAP United Nations
UNCITRAL

READINESS ASSESSMENT GUIDE FOR
CROSS-BORDER PAPERLESS TRADE

HOME ABOUT GUIDES DOWNLOAD

QUICK ASSESSMENT: A6 DATA HARMONIZATION AND STANDARDIZATION

A6.1 Has the data harmonization and standardization been conducted on the data elements for paperless trade:

A6.1.1 At the agency level? *

☐ Yes
☒ Partially Yes
☐ No
☐ To be confirmed

A6.1.2 At the national level? *

☐ Yes
☒ No
☐ To be confirmed

A6.1.3 (If A6.1.1 and/or A6.1.2 is yes) has a data model been adopted and is it based on international standards/guidelines such as UN rules for data exchange for Administration, Commerce and Transport; UN Codes for Trade and Transport Locations; Core Component Technical Specification; core component library; and/or World Customs Organization Data Model?

☐ Yes
☒ Partially Yes
☐ No
☐ To be confirmed

Take quick assessment for recommendations

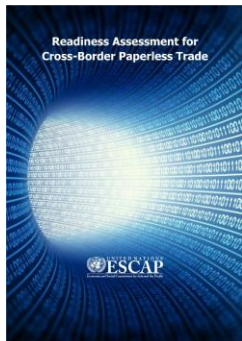
RECOMMENDATIONS: A6 DATA HARMONIZATION AND STANDARDIZATION

A6.1 Has the data harmonization and standardization been conducted on the data elements for paperless trade.

Recommendations

- Conduct data harmonization and standardization on the data elements at the agency level, especially for each agency responsible for cross-border regulatory trade transactions that has not conducted data harmonization and standardization yet.
- Consider conducting data harmonization and standardization on the data elements for paperless trade at the national level. All key stakeholders or their representatives of cross-border trade supply chain shall participate in the analysis, harmonization and standardization of all data elements required for cross-border trade supply chain transactions. The national harmonized data set should be the outcome of this exercise. This national harmonized data set is the basis for streamlining and implementing the paperless trade and single window systems of the country.
- Consider revising the national data set of the country by incorporating all key international standards/guidelines such as UN rules for data exchange for Administration, Commerce and Transport; UN Codes for Trade and Transport Locations; Core Component Technical Specification; Core Component Library; and WCO Data Model.

Readiness Assessment- Support



Technical and legal readiness assessments on cross-border paperless trade

Recommendations, and individual action plans for countries to move forward towards cross-border paperless trade

<https://www.unescap.org/our-work/trade-investment-innovation/trade-facilitation-digital-trade/paperless-trade>

Can request for supporting the national readiness assessment study – any ESCAP member States

Related tools and resources



Cross-border Paperless Trade Database
<https://www.digitalizetrade.org/>

Asia-Pacific Research and Training
Network on Trade
<https://artnet.unescap.org/>



United Nations Network of Experts for
Paperless Trade and Transport in Asia
and the Pacific (UNNExT)
<https://unnex.unescap.org/>

E-learning courses on trade policy, negotiation and facilitation

Series of **free + self-paced** online courses on trade negotiation, trade policy and facilitation, including testing and certification system.

Trade Policy Courses

- Negotiation of Comprehensive Economic Partnership Agreements ([available now](#))
- Negotiating RTAs for trade in times of crisis and pandemic ([available now](#))
- Non-Tariff Measures and Sustainable Development ([available now](#))
- Trade and Sustainable Development Goals (forthcoming)
- ESCAP Online Training on Using R for Trade Analysis ([available now](#))
- Machine Learning and Text Mining for Trade Policy Analysis with R (forthcoming)
- Online Course on using R for mapping provisions in trade agreements (forthcoming)
- Sustainable Development Provisions in Free Trade Agreements ([available now](#))
- Analysing Value Chains and Trade Flows (forthcoming)

Trade Facilitation Courses

- Business Process Analysis for Trade Facilitation ([available now](#))
- Enhancing Trade Information Portals ([available now](#))
- Next Generation Trade Facilitation ([forthcoming](#))

<https://www.unescap.org/kp/2021/e-learning-courses-trade-policy-negotiation-and-facilitation>

E-learning courses on trade policy, negotiation and facilitation

Video
lectures

Quizzes/
Exercises

Certificates



RTAs give the possibility to WTO Members to derogate from:

- ☐ the MFN principle
- ☐ the National Treatment principle
- ☐ their tariff binding commitments
- ☐ all WTO obligations

WTO-X provisions in RTAs include those relating to *

- ☐ trade in services
- ☐ trade-related intellectual property rights
- ☐ competition
- ☐ government procurement



THANK YOU

kim51@un.org

<https://www.unescap.org/our-work/trade-investment-innovation>

