Presentation Outline

• **Trade Facilitation?**
  – Definitions & scope; importance
  – Afghanistan performance

• Latest developments
  – WTO Trade Facilitation Agreement
  – Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific

• ESCAP’s Support for Trade Facilitation & Paperless Trade
  – United Nations Network of Experts for Paperless Trade in Asia and the Pacific (UNNExT)
  – Trade & Transport Facilitation Monitoring Mechanism (TTFMM)

• Concluding remarks

• Annex: Regional State of play in trade facilitation & paperless trade
## Box 1.1: Various Definitions of Trade Facilitation

**World Trade Organization (WTO):** The simplification and harmonization of international trade procedures, where trade procedures are the activities, practices, and formalities involved in collecting, presenting, communicating, and processing data and other information required for the movement of goods in international trade.

**World Customs Organization (WCO):** The avoidance of unnecessary trade restrictiveness. This can be achieved by applying modern techniques and technologies, while improving the quality of controls in an internationally harmonized manner.

**United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT):** The simplification, standardization, and harmonization of procedures and associated information flows required to move goods from seller to buyer and to make payments.

**International Chamber of Commerce (ICC):** Improve the efficiency of the processes associated with trading in goods across national borders.

**Organisation for Economic Co-operation and Development (OECD):** The simplification and standardization of procedures and associated information flows required to move goods internationally from seller to buyer and to pass payments in the other direction.

**Asia–Pacific Economic Cooperation (APEC):** The simplification and rationalization of customs and other administrative procedures that delay or increase the cost of moving goods across international borders.
Trade Facilitation (TF)? - Definition

• “The plumbing of international trade” (Staples, 1998)

• “The simplification and harmonization of international trade procedures.”, where trade procedures are the “activities, practices and formalities involved in collecting, presenting, communicating and processing data and other information required for the movement of goods in international trade.” (WTO documents)

• “Any measure, or set of measures, that aims to increase the cost-effectiveness of international trade transactions”.  
http://www.gfptt.org/
Trade Facilitation? ➔ Definition

INVolVES

BUy

SHiP

PAY

PREPARE FOR EXPORT

EXPORT

TRANSPORT

PREPARE FOR IMPORT

IMPORT

Commercial Procedures
- Establish Contract
- Order Goods
- Advice on Delivery
- Request Payment
- Packing
- Certification
- Accreditation
- Warehousing

Transport Procedures
- Establish Transport Contract
- Collect, Transport and Deliver Goods
- Provide Waybills, Goods Receipts Status Reports, etc.

Regulatory Procedures
- Obtain Import/Export Licenses, etc.
- Provide Customs Declaration
- Provide Cargo Declaration
- Apply Trade Security Procedures
- Clear Goods for Export/Import

Financial Procedures
- Provide Credit Rating
- Provide Insurance
- Provide Finance
- Execute Payment
- Issue Statements

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Process</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Buy</td>
<td>2.50</td>
</tr>
<tr>
<td>2</td>
<td>Obtain permission for raw materials release</td>
<td>1.00</td>
</tr>
<tr>
<td>3</td>
<td>Obtain export permit</td>
<td>5.50</td>
</tr>
<tr>
<td>4</td>
<td>Arrange transport</td>
<td>4.50</td>
</tr>
<tr>
<td>5</td>
<td>Arrange inspection</td>
<td>1.00</td>
</tr>
<tr>
<td>6</td>
<td>Prepare customs declaration</td>
<td>1.00</td>
</tr>
<tr>
<td>7</td>
<td>Collect empty containers from yard</td>
<td>1.00</td>
</tr>
<tr>
<td>8</td>
<td>Stuff a container</td>
<td>1.00</td>
</tr>
<tr>
<td>9</td>
<td>Transfer to port of departure</td>
<td>1.00</td>
</tr>
<tr>
<td>10</td>
<td>Clear goods through customs</td>
<td>1.00</td>
</tr>
<tr>
<td>11</td>
<td>Handle containers and stow on vessel</td>
<td>1.00</td>
</tr>
<tr>
<td>12</td>
<td>Obtain cargo insurance</td>
<td>0.50</td>
</tr>
<tr>
<td>13</td>
<td>Prepare documents for payment</td>
<td>0.50</td>
</tr>
<tr>
<td>14</td>
<td>Ocean shipping</td>
<td>5.50</td>
</tr>
<tr>
<td>15</td>
<td>Request for vessel berthing</td>
<td>0.75</td>
</tr>
<tr>
<td>16</td>
<td>Unload goods from vessel</td>
<td>0.25</td>
</tr>
<tr>
<td>17</td>
<td>Declare goods to Customs</td>
<td>1.00</td>
</tr>
<tr>
<td>18</td>
<td>Arrange goods for inspection</td>
<td>0.50</td>
</tr>
<tr>
<td>19</td>
<td>Inspect and release goods</td>
<td>0.50</td>
</tr>
<tr>
<td>20</td>
<td>Pay</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>23.50</strong></td>
</tr>
</tbody>
</table>

Source: ARTNeT Working Papers 88 and 103.
Paperless Trade (e-trade)?

- **Paperless Trade**
  Conduct of trade activities on the basis of electronic rather than paper documents *e.g. electronic Customs declaration, electronic cert. of origin* (application of e-commerce to international trade domain)

- **Paperless Trade Systems**
  Legal/regulatory and technical frameworks in which paperless trade transactions take place *e.g. electronic Single Window facility, e-port management systems, Framework Act on Electronic Transaction (in RoK)*
Benefits of Trade Facilitation & Paperless Trade

**Government**
- Effective & Efficient Deployment of Resources
- Correct Revenue Yield
- Improved Trader Compliance
- Enhanced Security
- Increased Integrity & Transparency

**Traders**
- Cutting Costs through Reducing Delays
- Faster Clearance & Release
- Predictable Application and Explanation of Rules
- Effective & Efficient Deployment of Resources
- Increased Transparency
Expected gains from trade facilitation

• Direct and indirect costs associated with trade documentation and cumbersome trade procedures: **1-15% of value of goods traded**
  ➢ $350 billion annually for Asia and the Pacific

• **One day of delay** prior to shipment reduces trade by **1%**

• **A 5% reduction in direct export costs** result in a **4% increase in exports**
Why are trade facilitation & paperless trade increasingly important?

• Tariffs are (often) already low and getting lower

• Trade flows increasingly associated with regional/global production networks
  – Predictability / timeliness is essential
  – High import content of exports

• Supply chain security initiatives are making electronic submission of information a must for developing countries
Trading Across Borders - Afghanistan*

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Afghanistan</th>
<th>South Asia</th>
<th>OECD high income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time to export: Border compliance (hours)</td>
<td>48</td>
<td>61</td>
<td>15</td>
</tr>
<tr>
<td>Cost to export: Border compliance (USD)</td>
<td>511</td>
<td>376</td>
<td>160</td>
</tr>
<tr>
<td>Time to export: Documentary compliance (hours)</td>
<td>243</td>
<td>80</td>
<td>5</td>
</tr>
<tr>
<td>Cost to export: Documentary compliance (USD)</td>
<td>344</td>
<td>184</td>
<td>36</td>
</tr>
<tr>
<td>Time to import: Border compliance (hours)</td>
<td>96</td>
<td>114</td>
<td>9</td>
</tr>
<tr>
<td>Cost to import: Border compliance (USD)</td>
<td>850</td>
<td>653</td>
<td>123</td>
</tr>
<tr>
<td>Time to import: Documentary compliance (hours)</td>
<td>336</td>
<td>108</td>
<td>4</td>
</tr>
<tr>
<td>Cost to import: Documentary compliance (USD)</td>
<td>900</td>
<td>340</td>
<td>25</td>
</tr>
</tbody>
</table>

**Characteristics**

<table>
<thead>
<tr>
<th>Trade partner</th>
<th>Export Product</th>
<th>Import Product</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HS 08 : Edible fruit and nuts: peel of citrus fruit or melons</td>
<td>HS 8708: Parts and accessories of motor vehicles</td>
</tr>
<tr>
<td>Trade partner</td>
<td>India</td>
<td>Japan</td>
</tr>
<tr>
<td>Border</td>
<td>Torkham border crossing</td>
<td>Torkham border crossing</td>
</tr>
<tr>
<td>Distance (km)</td>
<td>235</td>
<td>235</td>
</tr>
<tr>
<td>Domestic transport time (hours)</td>
<td>14</td>
<td>24</td>
</tr>
<tr>
<td>Domestic transport cost (USD)</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>Domestic transport cost (USD)</td>
<td>16.3</td>
<td>9.8</td>
</tr>
</tbody>
</table>
Logistics Performance (LPI 2016)*

Global Rankings 2016

Map created by bluedranda
Logistics Performance (LPI 2010-2016)*

http://lpi.worldbank.org

Radar Chart for Afghanistan 2016

- Timeliness
- Customs
- Tracking & tracing
- Infrastructure
- Logistics competence
- International shipments

Legend:
- Afghanistan 2016
- Afghanistan 2010
- Afghanistan 2012
- Region: East Asia & Pacific 2016
United Nations Regional Commissions
Global Survey on Trade Facilitation and Paperless Trade Implementation
TF and Paperless Trade Implementation in Asia-Pacific: 2015 UNRC Survey Highlights

Implementation very heterogeneous across the region

Source: unnext.unescap.org/UNTFSurvey2015.asp
Detailed UNRC Survey results for Afghanistan available online

http://unnext.unescap.org/survey/Afghanistan.pdf
Afghanistan Comprehensive International Trade Costs with Selected Partners*

Source: ESCAP-World Bank International Trade Cost Database; [http://artnet.unescap.org/databases.html#first](http://artnet.unescap.org/databases.html#first)
Key factors in lowering trade costs – Asia-Pacific Perspective

Contribution of natural barriers, behind-the border facilitation and trade-related practice to trade costs

- Tariff Trade Costs
  - 0-10%*
  - 60-90%*
  - 1%
- Policy-Related Non-Tariff Trade Costs
  - 10-30%*
  - 6-7%
  - 16-18%
  - 52-57%
- Natural Trade Costs (Geographical and Cultural Factors)
  - 10-30%*
  - 1%

**Direct Behind- & At-the border Trade Costs**
- Availability/use of ICT Services
- Business (Regulatory) Environment
- Maritime Connectivity/Services
- Other Trade Costs
  - Indirect cost of trade procedure
  - Currency fluctuation
  - Other non-tariff barriers

* Illustrative based on casual observation of the data only. Natural trade costs for landlocked countries may be outside the range shown for natural trade costs.
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Focus of WTO TF negotiations

- Art. V: Freedom of Transit
- Art. VIII: Fees & Formalities connected with Importation & Exportation
- Art. X: Publication and Administration of Trade Regulations

- The 3 articles lack clarity and precision
- Difficult (often impossible?) to enforce
- Not effective in ensuring/improving transparency and predictability
- Absence of requirements for cooperation among various stakeholders
Ministerial Decision of 7 December 2013 - Bali Ministerial Conference

• Concluded the negotiations of the Trade Facilitation Agreement

• Established a Preparatory Committee (TFPC)

• The Agreement will enter into force once 2/3 of the WTO Members ratify it

Source: Raúl Torres
Number of WTO members who ratified the TFA as of 15/07/2016

86 Instruments of Acceptance deposited
Structure of the TFA

• Preamble
• Section I:
  - TF disciplines (Articles 1-11)
  - Customs Cooperation (Article 12)
  - Institutional Arrangements (Article 13)
• Section II:
  - Special and Differential Treatment
• Final Provisions
• Annex 1 – Donor TA notification format

Source: Raúl Torres
Examples of TF provisions
(in TFA section 1)

• **Expedited Shipments:** procedures to expedite the release of air cargo

• **Use of Int. Standards:** Harmonization of trade practices and rules

• **Single Window:** submission of documentation for import/export to a single electronic point.

• **Authorized operators:** lower documentation and inspections, rapid release, deferred payments, etc.

• **Customs Cooperation:** Multilateral customs cooperation and exchange of relevant information.

Source: Raúl Torres
Examples of TF provisions (in TFA section 1)

- **Publication**: publish a wide range of info related to procedures for clearing of goods for import/export.
- **Advance rulings**: binding decisions by Customs, on request, on classification/origin
- **Appeal**: provides for the right of appeal or review on a decision made by Customs
- **Risk Management**: focus on high-risk consignments to expedite release and clearance of low-risk goods

Source: Raúl Torres
Examples of TF provisions (in TFA section 1)

• **Border Agency Cooperation:** ensure cooperation and coordination between authorities and agencies responsible for border controls to facilitate trade

• **Suggests the following for cooperation with other Members:**
  - Alignment of working days/hours and procedures/formalities;
  - Joint controls and sharing of common facilities
  - Establishment of one stop border post control

• **Freedom of Transit:** strengthening of GATT Article V. Any transit regulations and formalities shall not:
  a. Be maintained if circumstances/objectives no longer exist.
  b. Constitute a disguised restriction on trade

Source: Raúl Torres
Implementation of WTO TFA-related measures in Asia–Pacific

Figure 4: Implementation of WTO TFA-related measures in Asia-Pacific: 2015 (% of countries)

Source: ESCAP, UNRC TF Survey 2015

Special & Differential Treatment (TFA Section II) - General Principles

- Section I will be implemented by developing and LDCs in accordance with Section II
- TA and CB should be provided to help implementation
- The extent and the timing of implementation will be related to the implementation capacities.
- Implementation will not be required until capacity has been acquired
- LDC Members will only be required to undertake commitments to the extent consistent with their individual development, financial and trade needs
Categories of Provisions

• **Cat. A**: Implement upon entry into force (developing countries) or within one year after entry into force (LDCs)

• **Cat. B**: Implementation after a *transitional* period of time

• **Cat. C**: Provisions requiring the acquisition of implementation capacity through **TACB**
Notification and Implementation of Category A

- **Developing countries:** implement *upon* entry into force. Category A commitments will then be made an integral part of the Agreement.

- **LDCs:** Notify to the Committee up to one year after entry into force and thereby be made an integral part of the Agreement.

*Source: Raúl Torres*
Category B 
Notification and Implementation

Notify the Committee the provisions and indicative dates for implementation

Notify definitive dates for implementation
Member may request an extension of the notification period

Confirm designations of provisions and notify its dates for implementation.
Member may request an extension

Developing Countries

LDCs

Entry into Force

1 year

2 years

3 years


Source: Modified from Raúl Torres

Entry into Force

1 year

2 years

3 years


Source: Modified from Raúl Torres
Category C
Notification and Implementation

Notify Committee provisions and indicative dates

Member and donor inform TACB arrangements

Inform on progress in TACB and notify definitive dates

Entry into force
1 year
2 years
2.5 years
4 years
5.5 years

Notify Committee Category C provisions

Notify information on TACB required in order to implement

Inform TACB arrangements and indicative dates

Inform on progress in TACB and notify definitive dates

LDCs


Source: Modified from Raúl Torres
WTO TFA for LDCs – in a nutshell

• Transparency measures, Customs facilitation measures, Strengthening of Freedom of Transit

• Extensive flexibility and support for implementation

• In which categories should LDCs schedule the different measures?
  – Factors to consider: status/readiness of implementation; priority/expected benefit of a measure vs. implementation cost; need for capacity building
Figure 1.2: Relative Cost, Benefits, and Time Needed for Implementing Selected Trade Facilitation Measures

NTFC = national trade facilitation committee, SNFP = single national focal point.
Note: Alignment refers to alignment of trade documents according to the UN Layout Key.
Source: Duval. 2006.
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  Legal/regulatory and technical frameworks in which paperless trade transactions take place *e.g.* electronic Single Window facility, e-port management systems, Framework Act on Electronic Transaction *(in RoK)*
Towards Cross-border paperless trade
(including to enable cross-border e-commerce)

Need to facilitate cross-border trade data exchange in the region and beyond

...Legal and technical barriers in information exchange (across borders)

Increased implementation of (national) Single Windows and paperless trade systems, but...

Rise of regional and global production networks
Rise of cross-border e-commerce
Benefits of Cross-Border Paperless Trade

Annual regional export gains:
$36 bn (for partial implementation) to $257 bn (full implementation)

Export time reduction: 24% to 44%

Export cost reduction: 17% to 31%

Total direct cost savings across all trade: $1bn to $7bn annually

Source: http://www.unescap.org/resources/estimating-benefits-cross-border-paperless-trade
Challenges to moving forward on cross-border paperless trade

- Adoption of common International Standards
- Harmonization of legal frameworks
- Capacity gaps among the parties (infrastructure & HR)
- Cooperation between public and private sectors
- Lack of intergovernmental coordination mechanism
TF and Paperless Trade Implementation in Asia-Pacific: 2015 Survey Highlights

Transparency measures most implemented; Cross-border paperless trade measures least implemented

Note: Blue dots show regional average implementation level of individual measures within each group. Red line shows average regional implementation level by groups of measures.

Source: unnext.unescap.org/UNTFSurvey2015.asp
Figure 12: State of implementation of “paperless trade” measures in Asia-Pacific economies (in %)

- Internet connection available to Customs and other trade control...
- Electronic/automated Customs System
- Electronic submission of Customs declarations
- E-Payment of Customs Duties and Fees
- Electronic Submission of Air Cargo Manifests
- Electronic Single Window System
- Electronic Application and Issuance of Trade Licenses
- Electronic Application for Customs Refunds
- Electronic Application and Issuance of Preferential Certificate...

Source: unnext.unescap.org/UNTFSurvey2015.asp
Figure 14: State of implementation of “cross-border paperless trade” measures in Asia-Pacific economies (in %)

- Laws and regulations for electronic transactions
- Recognised certification authority
- Engagement in trade-related cross-border electronic data exchange
- Electronic exchange of Certificate of Origin
- Electronic exchange of Sanitary & Phyto-Sanitary Certificate
- Banks and insurers retrieving letters of credit electronically without lodging paper-based documents

Source: unnext.unescap.org/UNTFSurvey2015.asp
Towards “Next Generation” TF [and cross-border e-commerce] in Asia-Pacific

Figure 20: Moving up the trade facilitation ladder towards seamless international supply chains

Implementation of TF as a step-by-step process...

Note: 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.

unnext.unescap.org/UNTFSurvey2015.asp
Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific

- A new UN Treaty
  - Open to interested (53) ESCAP member states (voluntary) to become parties
  - Opening for signature set to 1 October 2016 at UN Headquarters, New York

- 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 as well as (sub)regional efforts

- 4 year step-by-step development process (ESCAP resolutions 68/3,70/6,72/4)

- Over 30 countries directly involved in finalizing the treaty text in March 2016
Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific

Key features

- **Enabling framework**: The focus is on promotion and facilitation of cross-border paperless trade (i.e., exchange of electronic trade data between the Parties not mandatory)

- A set of general principles: To facilitate interoperability between paperless trade systems and to ensure that solutions developed under the Agreement lead **both to higher levels of trade facilitation and regulatory compliance**

- **UN treaty with a multi-layered institutional arrangement and ESCAP as Secretariat**: Provides a strong dedicated platform for collaboration

- A comprehensive action plan: To develop standardized solutions and protocols for cross-border electronic exchange and recognition of trade-related data and documents, including pilot projects

- **Capacity building provision**

  [Entry into force after 5 ESCAP Member States ratify]
Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific

For full text and more information, see dedicated page at: http://www.unescap.org/resources/framework-agreement-facilitation-cross-border-paperless-trade-asia-and-pacific
- Full text
- Draft explanatory note
- FAQ
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ESCAP’s Support in Trade Facilitation

**Research and Analysis**
- ESCAP-World Bank Trade Cost Database,
- International Supply Chain Connectivity Index
- Trade and Transport Facilitation Monitoring Mechanism (TTFMM)

**Capacity Building**
- Trainings: UNNExT Master Class on Single Window Development, SW MasterPlan Development and Implementation, Business Process Analysis (BPA), Data Harmonization, Legal Framework for Paperless Trade
- Guides: SW Implementation Toolkit on all of the above topics
- National/Subregional Advisory Services – Trade/Transit Process Analysis, Trade and Transport Monitoring Mechanism etc.

**Regional Cooperation**
- ESCAP Committee on Trade and Investment
- ESCAP Resolution 68/3 – Cross-border paperless trade implementation
- Annual Asia-Pacific Trade Facilitation Forum (2014 Forum in Bangkok)
CAPACITY BUILDING - United Nations Network of Experts for Paperless Trade in Asia and the Pacific

“an ongoing community of knowledge and practice to facilitate the implementation of single window and paperless trade in the Asia-Pacific region”

- Tools and guides development activities
- Advocacy and Technical Training Workshops
- Knowledge sharing and peer-to-peer support

www.unnext.unescap.org
CAPACITY BUILDING – UNNExT Single Window Implementation Toolkit for Trade Facilitation
ESCAP’s Initiative on Business Process Analysis (BPA) for Trade Facilitation

• Part of ESCAP’s support to paperless trade
  – United Nations Network of Experts for Paperless Trade in Asia and the Pacific (UNNExT)
    • [www.unescap.org/unnext/](http://www.unescap.org/unnext/)


**BPA?** Analysis, including mapping, timing and costing of a process (e.g., moving goods from factory to deck of ship)

**Why?** Necessary first step to improving a process
Output of a UNNExT Business Process Analysis (1)
Output of a UNNExT Business Process Analysis (2)

The time-procedure chart*

1. Conclude sales contract and trade terms
2. Have product sampled and technically examined
3. Arrange transport
4. Prepare export permit
5. Apply for cargo insurance
6. Prepare and submit customs declaration
7. Stuff container and transfer it to port of departure
8. Clear goods through customs
9. Handle container at terminal and stow it on vessel
10. Prepare documents required by importer as listed in L/C
11. Claim payment of goods

*Frozen shrimp exports; Data collected by Institute for IT Innovation, Kasetsart University (2007)

Cost of documentation handling activities ranges from 2,500 to 4,000 Baht.
On-going work on BPA of Trade Procedures

• Since 2013, working closely with ADB on the conduct of BPA of trade procedures along South Asian Subregional Economic Cooperation (SASEC) trade/transport corridors

• Collaboration now extended to Pacific islands
Available since March 2016

E-Learning Series on Business Process Analysis for Trade Facilitation

The Business Process Analysis (BPA) online training course has been developed by the ESCAP Trade, Investment and Innovation Division based on the UNNExT BPA Guide to Simplify Trade Procedures. BPA is considered the first necessary step to simplifying trade procedures. The course consists of seven modules and introduces a step-by-step approach to conducting BPA. It is aimed at government officials and other stakeholders responsible for trade facilitation. For more information, testing and certification please contact: escap-tid@un.org

The course is divided as follows:

- Module 1: BPA for Trade Facilitation - An Introduction
- Module 2: Unified Modeling Language
- Module 3: Project and Scope Setting
- Module 4: Project Planning
- Module 5: Data Collection and Process Documentation
- Module 6: Process Analysis and Recommendations Development
- Module 7: From BPA to Trade and Transport Facilitation Monitoring Mechanism

For guidance on how to study this course download the Study Guide.

http://www.unescap.org/our-work/trade-investment-innovation/trade-facilitation/bpa-course
Selected findings from BPA for TF studies

- Document preparation takes most time, followed by transport/handling issues
- Some procedures/regulations driven by industry associations to prevent entry by new/small players
- Procedures between private parties are a big part of the overall trade process
- Importance of port logistics confirmed
- Benefits from partial computerization/automation limited
- Large variations in time and cost across products (or product usage), transport routes, destination, firm size,...
  - Data collected needs to be carefully validated (e.g., through multi-stakeholder meetings)
  - May be useful to develop SECTORAL trade facilitation strategies/plans
- Need for more regular and detailed monitoring and performance measurement mechanisms to design effective trade facilitation reforms
Integrated Methodology: BPA

Baseline study (BPA+ study)

Formulate, update and prioritize recommendations for advancing trade facilitation

Trade facilitation reform Implementation

Measure, monitor and assess progress in trade facilitation

Institutional arrangement
(The executive body such as NTTFC)

National Human Capacity

Integrated Methodology: BPA+
[BPA+WCO Time Release Study+TCD]
Launch of ESCAP-ADB Publication: "Towards a National Integrated and Sustainable Trade and Transport Facilitation Monitoring Mechanism"

Assessing the progress and prioritizing reform in the context of trade facilitation is important but difficult for many developing countries worldwide. Despite the efforts made by many developing countries to facilitate trade and transport, few have effective monitoring mechanisms in place to assess the effectiveness of their trade and transport facilitation reforms, or to identify the trade and transport process and procedures that should be prioritized for simplification or streamlining. One-time monitoring exercises are often costly with little buy-in from local stakeholders. Furthermore, cross-country trade facilitation indicators do not provide sufficiently detailed - or reliable - information to guide reform efforts.

Concluding remarks

• Trade facilitation essential to trade competitiveness and enabling participation in production networks
  – A lot of room for improvement in Asia-Pacific LDCs

• WTO TFA implementation provides a great opportunity to engage in TF reform

• Need for a “whole of supply chain” approach to TF
  – Comprehensive assessment/analysis of import-export procedures needed + monitoring

• Moving from paper to electronic exchange of documents will not be an option for much longer, so plan accordingly

• Participation in regional/subregional initiatives can make a difference
THANK YOU FOR YOUR ATTENTION

• For more information
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