



Digital and Sustainable Trade Facilitation in South and South West Asia

SUB-REGIONAL REPORT 2019

Based on the United Nations Global Survey on Digital and Sustainable Trade Facilitation

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EXECUTIVE SUMMARY

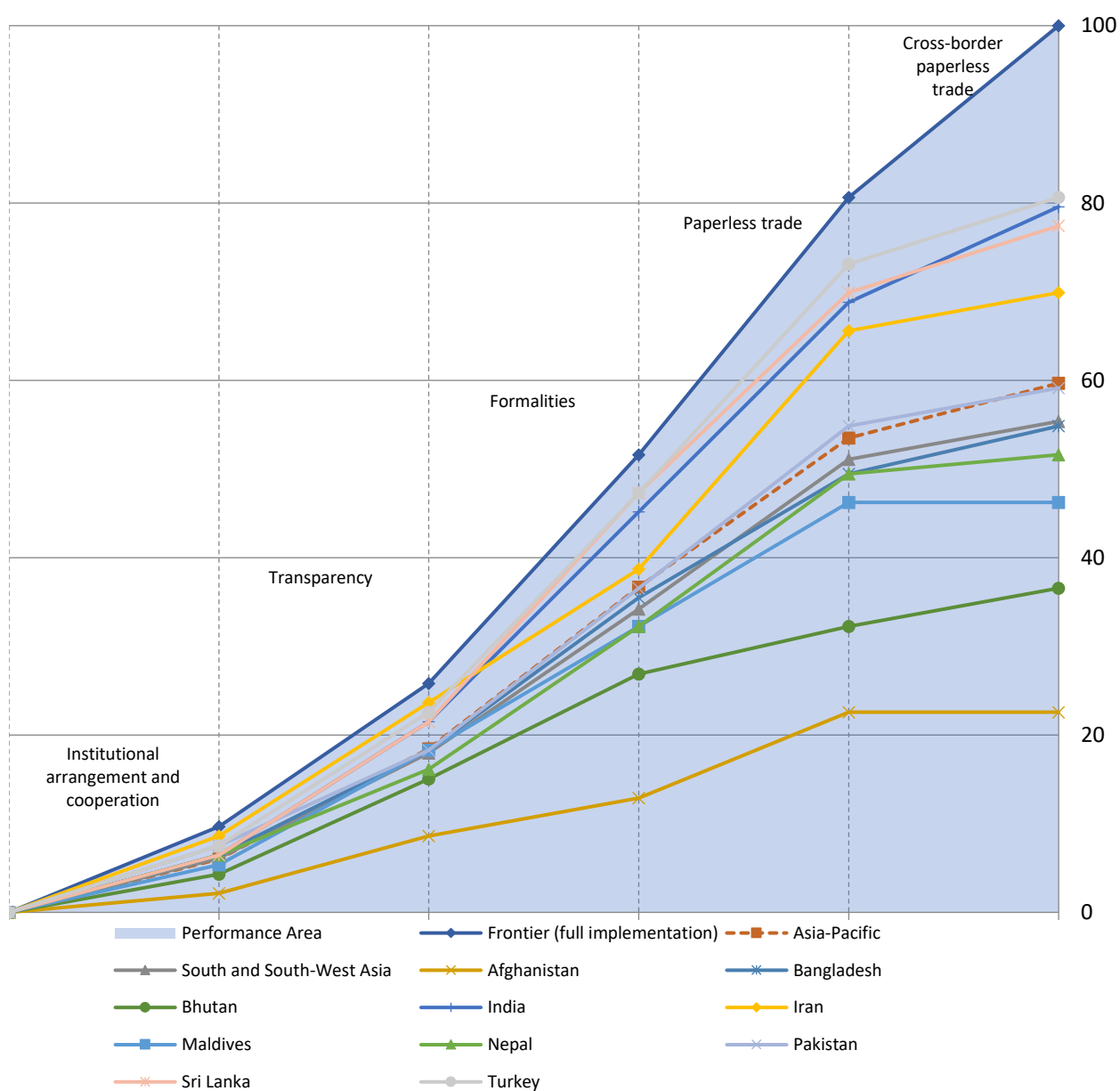
Reducing trade costs is essential for developing economies to effectively use trade as an engine of growth and sustainable development. Trade facilitation and digitalization have taken increasing importance as evidenced by the WTO Trade Facilitation Agreement (TFA), as well as the growing number of regional and sub-regional initiatives for facilitating the electronic exchange of information along international supply chains, including the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific.

This report presents an analysis of the results of the United Nations Global Survey on Digital and Sustainable Trade Facilitation for 10 South and South West Asian countries. The WTO TFA+ Survey was conducted during the first half of 2019 and covered 53 trade facilitation measures categorized under four groups: “General Trade Facilitation”, “Digital Trade Facilitation”, “Sustainable Trade Facilitation” and “Trade Finance”. The report reveals that:

- SSWA implementation rate of the measures stands at 55.4%, slightly below the Asia-Pacific regional average (59.7%). Moreover, Pacific Islands has the lowest average level of implementation in the region, much lesser than AUS-NZL (93%) and is only ahead of Pacific Island Developing Economies (35.5%).
- Implementation in SSWA varies widely, which can be explained by the wide development gap between the countries in the sub-region with more developed nations like Turkey (80.65%) and India (79.57%) scoring higher, while less developed nations like Bhutan (36.56%) and Afghanistan (22.58%) trailing behind.
- Implementation level of Trade Facilitation measures by SSWA saw a somewhat small increase of approximately 11 percentage points from 43% in 2017 to 54% 2019. While, Bangladesh, Nepal and Turkey, made huge leaps of around 20, 18 and 16 percentage points respectively, other SSWA countries made modest increase in their implementation level over the past two years, with Maldives making the least progress with an increase of about 1 percentage point.
- SSWA countries have already implemented some of the WTO TFA related measures, in particular ‘Transparency’ measures. However, implementation levels of ‘Cross-Border Paperless Trade’ measures remain extremely low with an average implementation of about 22%.
- Measures under the “Sustainable Trade Facilitation” category have low implementation levels, particularly those targeted at women and SMEs. These measures are typically not specified in multilateral and/or regional agreements but need to be further emphasized to ensure trade facilitation benefits a wider range of stakeholders.
- Data on implementation of “trade finance” facilitation measures were collected for the first time this year and does not provide a complete picture. It suggests, however, a serious lack of awareness about the importance of these measures and how they could be integrated in trade facilitation strategies.

The report finds that achieving basic SSWA-wide compliance with the WTO TFA may reduce trade costs of the group by only about 12-14% going forward. In contrast, a more ambitious strategy involving digital trade facilitation and cross-border paperless trade could reduce trade costs by close to 22%.

Moving up the trade facilitation ladder towards seamless international supply chains



Note: the figure shows cumulative trade facilitation implementation scores of Asia-Pacific sub-regions for 31 common trade facilitation measures included in the survey. Full implementation of all measures =100.

Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

ACKNOWLEDGEMENTS

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Akhmad Bayhaqi from the Asia-Pacific Economic Cooperation (APEC) Policy Support Unit, Cuong Ba Tran and Anki Agustrin from the Association of Southeast Asian Nations (ASEAN) Secretariat, Roy Lagolago and Kalei Billings-Dugu of the Oceania Customs Organization (OCO), Patrick Goettner from United Nations Conference on Trade and Development (UNCTAD), and Maria-Theresa Pisani and Salehin Khan of the United Nations Economic and Commission for Europe (ECE), as well as Yuhua Zhang and Sangwon Lim from ESCAP also contributed to the survey efforts, in particular by facilitating data collection from relevant experts as well as data validation in several countries. The active participation of the participants to the Asia-Pacific Forum on Trade Digitalization for Sustainable Regional Integration and the interim Intergovernmental Steering Group on Cross-Border Paperless Trade Facilitation, held on 12-15 March 2019, in the initial data collection effort is gratefully acknowledged. The United Nations Network of Experts for Paperless Trade and Transport in Asia and the Pacific (UNNExT), a knowledge community supported by ESCAP and ECE, also greatly facilitated data collection.

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ABBREVIATIONS

| | |
|-----------|--|
| ADB | Asian Development Bank |
| AEO | Authorized economic operator |
| ASEAN | Association of Southeast Asian Nations |
| ECA | United Nations Economic Commission for Africa |
| ECE | United Nations Economic Commission for Europe |
| ECLAC | United Nations Economic Commission for Latin America and the Caribbean |
| ENEA | East and North-East Asia |
| ESCAP | United Nations Economic and Social Commission for Asia and the Pacific |
| ESCWA | United Nations Economic and Social Commission for Western Asia |
| ICT | Information and communications technology |
| ITC | International Trade Centre |
| LDC | Least developed country |
| LLDC | Landlocked developing country |
| NCA | North and Central Asia |
| NTFC | National trade facilitation committee |
| OCO | Oceania Customs Organization |
| OECD | Organization for Economic Co-operation and Development |
| PIDE | Pacific Island Developing Economies |
| SAARC | South Asian Association for Regional Cooperation |
| SEA | South-East Asia |
| SELA | Latin American and Caribbean Economic System |
| SIDS | Small island developing states |
| SSWA | South and South-West Asia |
| TFA | Trade Facilitation Agreement |
| UN/CEFACT | United Nations Centre for Trade Facilitation and Electronic Business |
| UNCTAD | United Nations Conference on Trade and Development |
| UNNExT | United Nations Network of Experts for Paperless Trade and Transport for Asia and the Pacific |
| UNRC | United Nations Regional Commission |
| WTO | World Trade Organization |

1. INTRODUCTION

1.1 BACKGROUND AND OBJECTIVE

It is well understood that reducing trade costs is essential in enabling economies to effectively participate in regional and global value chains and continue to use trade as a main engine of growth and sustainable development. As shown in Table 1, comprehensive non-tariff trade costs between the SAARC-4: Bangladesh, India, Pakistan and Sri Lanka (121.3% tariff-equivalent) are still significantly higher than the costs of trading goods among the three largest European Union economies (42.1% tariff-equivalent), between Australia and New Zealand (55.5% tariff-equivalent) and most other groups in Asia-Pacific.

Table 1: Intra- and extra-regional comprehensive trade costs in the Asia-Pacific region (excluding tariff costs)

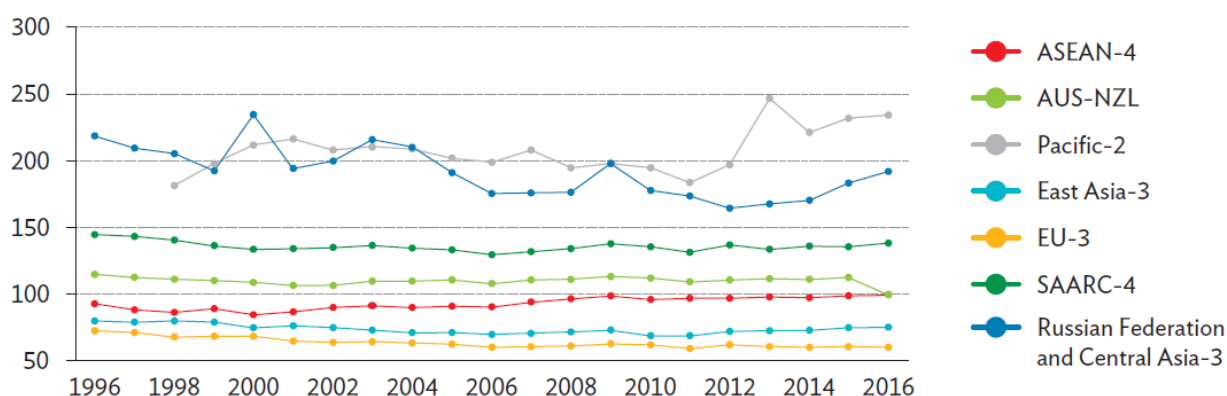
| Region | ASEAN-4 | East Asia-3 | North and Central Asia-4 | Pacific Islands-2 | SAARC-4 | AUS-NZL | EU-3 |
|--------------------------|-------------------|-------------------|--------------------------|--------------------|-------------------|-------------------|------------------|
| ASEAN-4 | 76.1% (1.3%) | | | | | | |
| East Asia-3 | 78.3% (6.0%) | 55.0% (7.6%) | | | | | |
| North and Central Asia-4 | 334.1% (-7.8%) | 168.6% (-4.5%) | 113.1% (-7.3%) | | | | |
| Pacific Islands-2 | 168.5% (-7.9%) | 162.6% (-6.6%) | 378.2% (21.5%) | 133.3% (-0.5%) | | | |
| SAARC-4 | 132.8% (5.1%) | 124.2% (0.6%) | 304.9% (7.0%) | 253.2% (-19.4%) | 121.3% (10.3%) | | |
| AUS-NZL | 102.6% (3.6%) | 87.8% (-2.2%) | 373.0% (5.5%) | 88.6% (4.2%) | 137.2% (-4.5%) | 55.5% (3.0%) | |
| EU-3 | 104.5% (-4.1%) | 85.6% (0.8%) | 149.9% (-3.8%) | 197.2% (-7.3%) | 114.3% (0.2%) | 107.5% (-2.0%) | 42.1% (-5.6%) |
| USA | 87.6% (6.7%) | 65.2% (5.6%) | 181.2% (0.8%) | 164.0% (-0.6%) | 114.7% (7.1%) | 101.1% (2.0%) | 67.5% (2.3%) |

Note: Trade costs may be interpreted as tariff equivalents and are calculated based on the 4 most recent years for which data is available (i.e., 2014-2017). Numbers in parenthesis are changes in trade costs between 2011-14 and 2014-2017. ASEAN-4: Indonesia, Malaysia, Philippines, Thailand; EastAsia-3: China, Japan, Republic of Korea; North and Central Asia-4: Georgia, Kazakhstan, Kyrgyzstan, Russian Federation; Pacific Island Developing: Fiji, Papua New Guinea; SAARC-4: Bangladesh, India, Pakistan, Sri Lanka; AUS-NZL: Australia, New-Zealand; EU-3: Germany, France, United Kingdom; USA: the United States of America.

Source: ESCAP-World Bank Trade Cost Database (July 2019 update). <https://artnet.unescap.org/databases>

As shown in Figure 1, trade costs of SAARC-4 with large developed economies have, on average, not decreased significantly over time since 1994, and remained just below 150% tariff-equivalent.

Figure 1: Trade costs of Asia-Pacific subregions with large developed economies, 1996-2016



ASEAN-4: Indonesia, Malaysia, Philippines and Thailand; AUS-NZL: Australia and New Zealand; Pacific-2: Fiji and Papua New Guinea; East Asia-3: the People's Republic of China, Japan and the Republic of Korea; Central Asia-3: Georgia, Kazakhstan and the Kyrgyz Republic; EU-3: Germany, France and the United Kingdom; and SAARC-4: Bangladesh, India, Pakistan and Sri Lanka.

Note: Trade costs shown are tariff equivalents, calculated as trade-weighted average trade costs of countries in each subregion with the three largest developed economies (Germany, Japan and the United States).

Source: ESCAP-World Bank Trade Cost Database, <https://artnet.unescap.org/databases#tradedcost>, and <https://www.unescap.org/resources/escap-world-bank-trade-cost-database> (accessed July 2019)

Recent studies suggest that much of the trade cost reductions achieved over the past decade have been through elimination or lowering of tariffs. Further trade cost reduction will have to come from tackling non-tariff sources of trade costs, such as inefficient transport and logistics, infrastructure and services, as well as cumbersome regulatory procedures and documentation. In this context, this report provides an overview of the results for Pacific Islands of the 2019 United Nations Global Survey on Digital and Sustainable Trade Facilitation, conducted between January and July 2019.

1.2 SURVEY INSTRUMENT AND METHODOLOGY

The survey instrument was prepared according to the final list of commitments included in the WTO Trade Facilitation Agreement and the regional UN treaty on cross-border paperless trade facilitation in Asia and the Pacific¹. The survey covers 53 main trade facilitation measures which are categorized into four main categories, namely: "General Trade Facilitation", "Digital Trade Facilitation", "Sustainable Trade Facilitation" and 'Trade Finance Facilitation' measures².

The first category, "General Trade Facilitation" measures includes many of the WTO TFA measures under 4 groups: 'Transparency', 'Formalities', 'Institutional Cooperation and Arrangement' and 'Transit Facilitation'. The second category, "Digital Trade Facilitation" measures includes 2 groups: 'Paperless Trade', and 'Cross-Border Paperless Trade'. The third category, "Sustainable Trade Facilitation" measures includes 3 groups: 'Trade Facilitation for SMEs', 'Agricultural Trade Facilitation' and 'Women in Trade Facilitation'. The fourth category, 'Trade Finance Facilitation' has been added in the 2019 Survey and was developed in cooperation with the International Chamber of Commerce (ICC) Banking Commission.

Based on the data collected, each of the trade facilitation measures included in the survey was rated as "fully implemented", "partially implemented", "on a pilot basis", or "not implemented"³. A score (weight) of 3, 2, 1 and 0 was assigned to each of the 4 implementation stages to calculate implementation scores for individual measures across countries, regions or sub-regions.

¹ <http://www.unescap.org/resources/framework-agreement-facilitation-cross-border-paperless-trade-asia-and-pacific>

² Complete list of measures is available in the appendix.

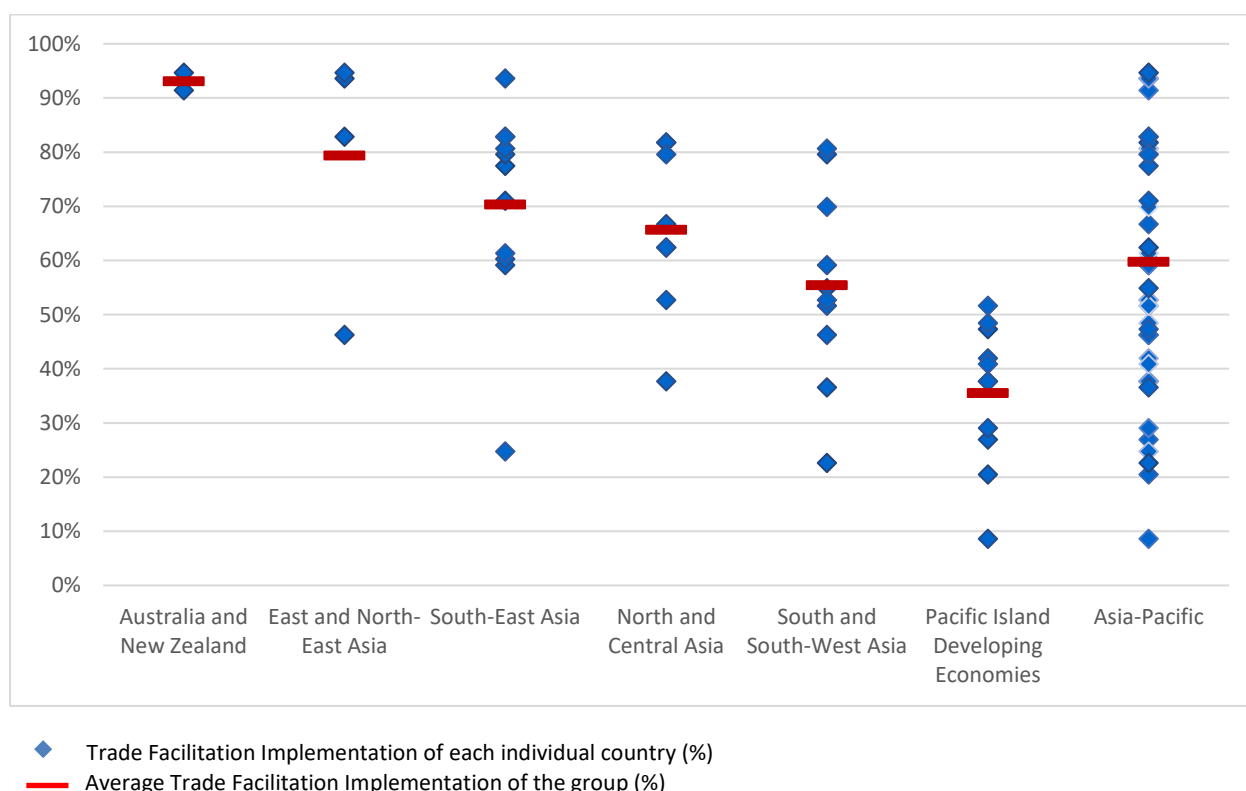
³ Definitions for each stage are provided in the appendix.

2. TRADE FACILITATION IMPLEMENTATION IN SSWA: OVERVIEW

The UN Global Survey on Digital and Sustainable Trade Facilitation 2019 reveals that the average implementation of a common set of 31 Digital and Sustainable Trade Facilitation measures by SSWA countries stand at 55.4% slightly lower than the Asia-Pacific regional average of 59.7% (see Figure 2). Moreover, SSWA members have one of the lowest average level of implementation in the region, much lesser than AUS-NZL (93%) and is only ahead of Pacific Island Developing Economies (35.5%) that is largely made up of small island economies. In general, more advanced or larger economies are at a higher level of trade facilitation than many other countries in the region, while small or less developed countries, such as LDCs or small Pacific countries, lag in the implementation of trade facilitation measures, particularly paperless and cross-border paperless trade measures.

Although trade facilitation implementation varies widely within each sub-regional grouping, differences in trade facilitation implementation levels in South and South-West Asia ranks second behind South-East Asia (see Figure 2). This can be explained by the wide development gap between the countries in the sub-region with more developed nations like Turkey (80.65%) and India (79.57%) scoring higher, while less developed nations like Bhutan (36.56%) and Afghanistan (22.58%) trailing behind. Countries with special needs in the Asia-Pacific region face challenges in implementation of 'Paperless Trade' and 'Cross-Border Paperless Trade' measures, likewise SSWA nations exhibit low levels of implementation for 'Cross-Border Paperless Trade' measures too.

Figure 2: Trade facilitation implementation in Asia-Pacific sub-regions

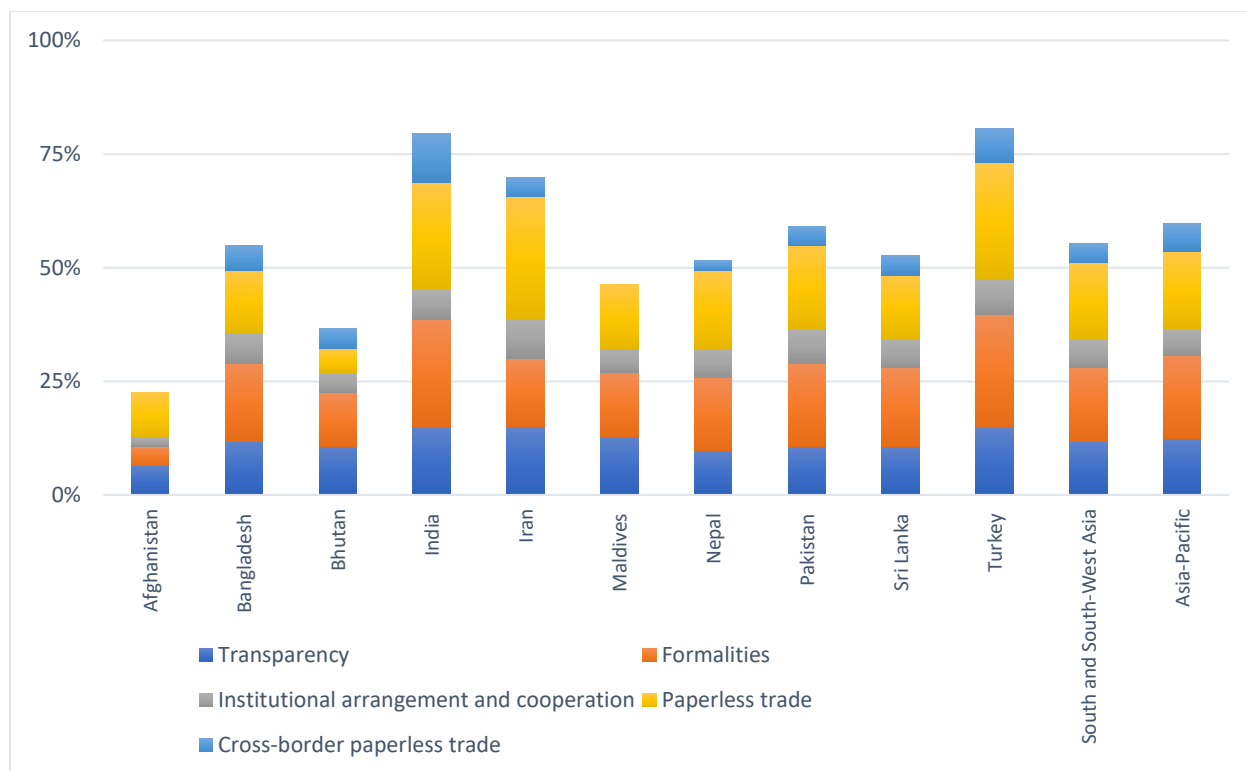


Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

Figure 3 shows the overall implementation levels of 10 SSWA members. Turkey, India and Iran lead the sub-region with over 60% implementation levels. Other than Afghanistan, Bhutan and Maldives, all SSWA members have achieved at least 50% implementation level. Afghanistan, which has the lowest implementation level within the sub-region is the only country with a total implementation level below 35%. All countries within the sub-region have, to some level,

implemented the 'Transparency', 'Formalities', 'Institutional Arrangement and Cooperation' and 'Paperless Trade' measures. Only two countries, Afghanistan and Maldives, have yet to start working on 'Cross-Border Paperless Trade' measures.

Figure 3: Overall implementation of trade facilitation measures in South and South-West Asia

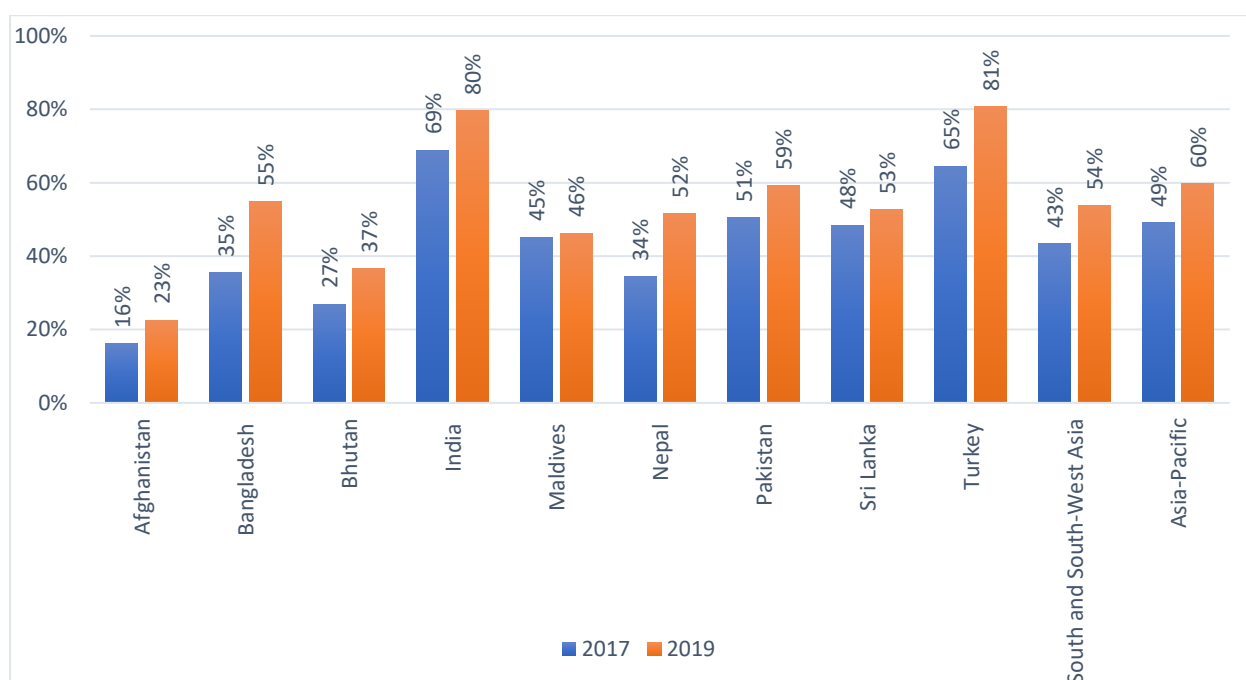


Source: UN Global Survey on Digital and Sustainable Trade Facilitation, [untdc.org](https://untdc.org/untdc-survey), 2019

2.1 PROGRESS IN IMPLEMENTATION IN SOUTH AND SOUTH-WEST ASIA BETWEEN 2017 AND 2019

There has been a somewhat small progress in trade facilitation implementation in SSWA between 2017 and 2019. Average implementation increased by approximately 11 percentage points from 43% in 2017 to 54% in 2019. The highest progress is recorded in Bangladesh, whose implementation rate increased by approximately 20 percentage points (from 35% in 2017 to 55% in 2019), followed by Nepal (from 34% in 2017 to 52% in 2019) and Turkey (from 65% in 2017 to 81% in 2019). On the other hand, Maldives, Sri Lanka and Afghanistan made the smallest progress with an increase of 1, 5 and 7 percentage points respectively (see Figure 4).

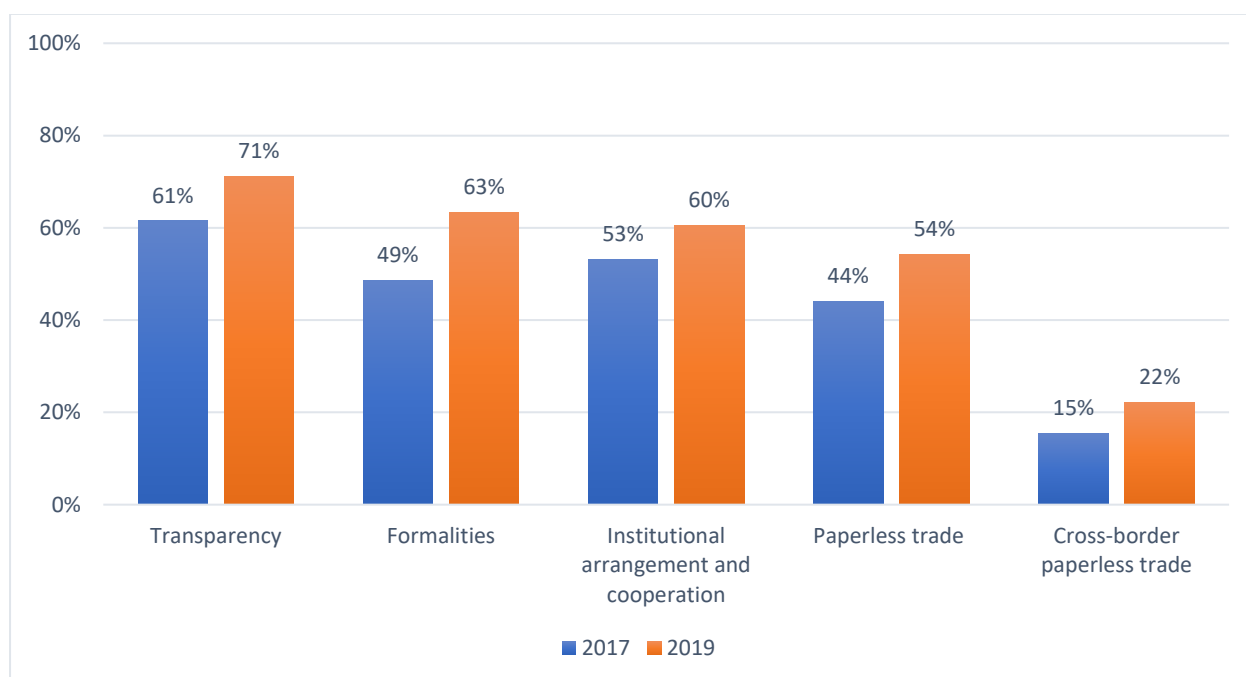
Figure 4: Trade facilitation implementation by SSWA nations between 2017 and 2019



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

South and South-West Asian countries made the most progress in implementing the 'Formalities' measures between 2017 and 2019, implementation rate rose by approximately 14 percentage points (from 49% in 2017 to 63% in 2019). Implementation rate of the 'Transparency' and 'Paperless Trade' measures also increased by 10 percentage points each between 2017 and 2019. On the other hand, both 'Institutional Arrangement and Cooperation' and 'Cross-Border Paperless Trade' saw a more modest growth of 7 percentage points each. (see Figure 5).

Figure 5: Average implementation of different groups of trade facilitation measures by SSWA nations between 2017 and 2019



Note: Iran is excluded from the average as the implementation levels for 2017 is unavailable.

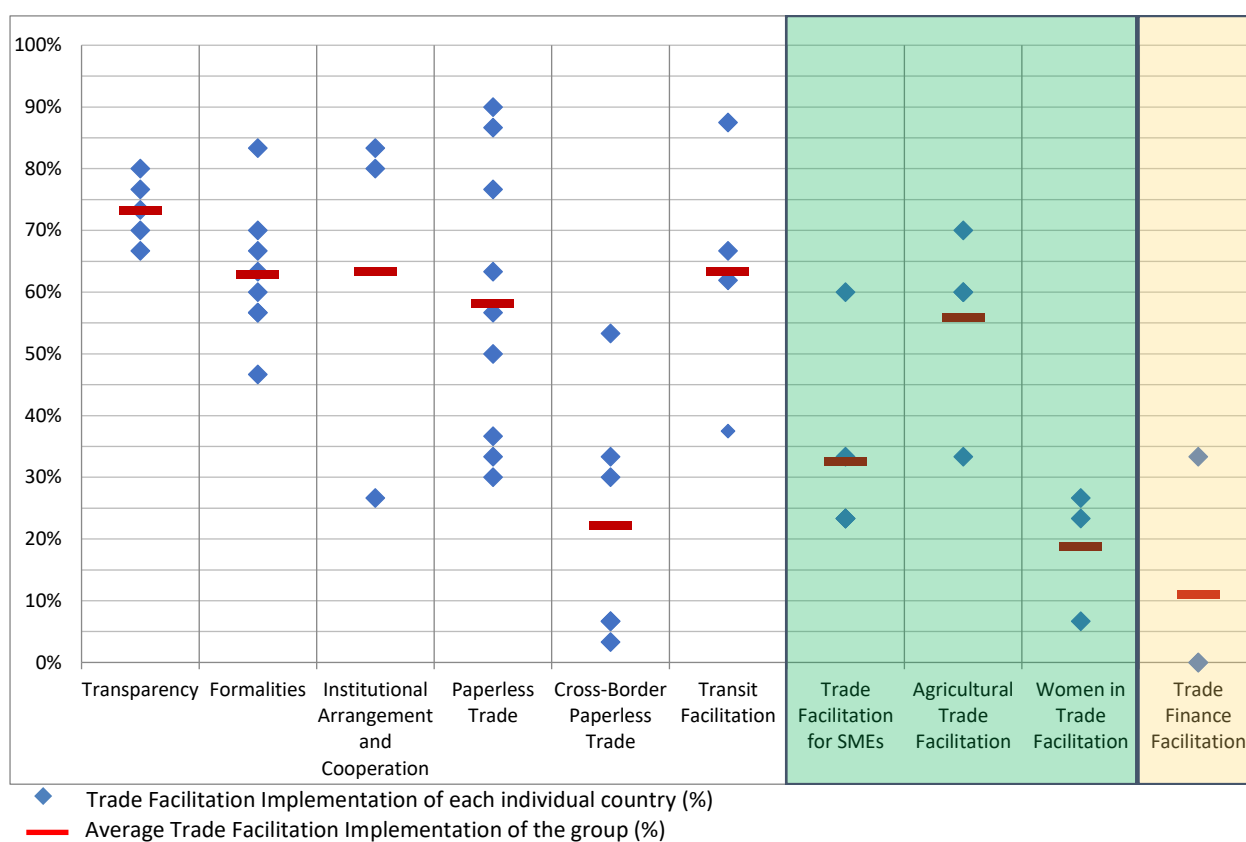
Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

2.2 MOST AND LEAST IMPLEMENTED TRADE FACILITATION MEASURES BY SOUTH AND SOUTH-WEST ASIA

In SSWA, trade facilitation measures related to ‘Transparency’, ‘Formalities’, ‘Institutional Arrangement and Cooperation’ and ‘Paperless Trade’ are all over 50%. Implementation rate of ‘Cross-Border Paperless Trade’⁴ remains below 25% (see Figure 6).

In the context of 2030 Agenda for sustainable development, challenges also remain for SSWA to make trade facilitation better serve SMEs, agricultural sector and women. While implementation of ‘Agricultural Trade Facilitation’ measures is relatively high at 55.8%, implementation of the ‘Trade Facilitation for SMEs’ and ‘Women in Trade Facilitation’ measures are quite low, at 32.7% and 18.9% respectively, indicating ample room for improvement in these areas. (see Figure 6)

Figure 6: Implementation of different groups of trade facilitation measures: SSWA average



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

Table 2 shows the most and least implemented measures for each of the groups of measures. Using ‘Formalities’ measures as an example, *Separation of Release from final determination of customs duties, taxes, fees and charges* is the most implemented measures in SSWA with an implementation level⁵ of 100% and has been fully implemented by 50% of SSWA countries. On the other hand, *Trade facilitation measures for authorized operators* is the least implemented measure with an implementation level of 70% and has been fully implemented by 20% of SSWA countries.

⁴ Cross-border paperless trade means trade in goods, including their import, export, transit and related services, taking place on the basis of electronic communications, including exchange of trade-related data and documents in electronic form.

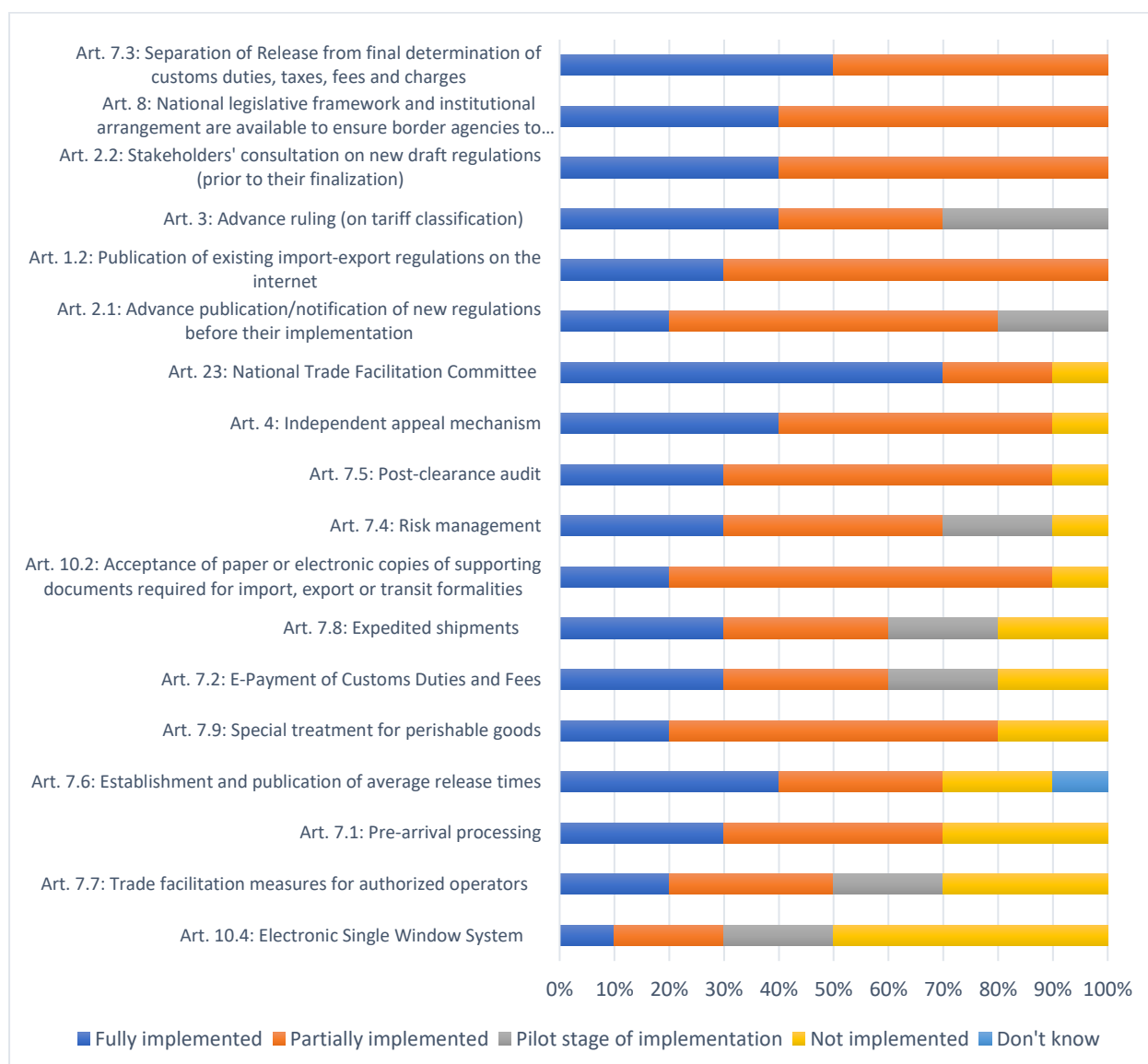
⁵ Implementation level combines scores for full implementation, partial implementation and pilot stage of implementation.

Table 2: Most and least implemented measures in SSWA (within each group of trade facilitation measures)

| Category | Most implemented (% of countries) | | Least implemented (% of countries) | |
|---|--|--|---|--|
| | Measure | Implemented fully, partially or on a pilot basis (%) / Full implementation (%) | Measure | Implemented fully, partially or on a pilot basis (%) / Full implementation (%) |
| Transparency | Stakeholders' consultation on new draft regulations (prior to their finalization) | 100.0 / 40.0 | Independent appeal mechanism | 90.0 / 40.0 |
| Formalities | Separation of Release from final determination of customs duties, taxes, fees and charges | 100.0 / 50.0 | Trade facilitation measures for authorized operators | 70.0 / 20.0 |
| Institutional arrangement and cooperation | National legislative framework and/or institutional arrangements for border agencies cooperation | 100.0 / 40.0 | Government agencies delegating controls to Customs authorities | 40.0 / 10.0 |
| Paperless trade | Internet connection available to Customs and other trade control agencies | 100.0 / 70.0 | Electronic Application for Customs Refunds | 40.0 / 30.0 |
| Cross-border paperless trade | Laws and regulations for electronic transactions | 80.0 / 10.0 | Paperless collection of payment from a documentary letter of credit | 10.0 / 0.0 |
| Transit facilitation | Customs Authorities limit the physical inspections of transit goods and use risk assessment | 80.0 / 50.0 | Supporting pre-arrival processing for transit facilitation | 40.0 / 20.0 |
| Trade facilitation in SME policy framework | Trade facilitation measures targeting SMEs | 90.0 / 10.0 | SMEs in AEO scheme | 30.0 / 20.0 |
| Trade facilitation and agriculture trade | National standards and accreditation bodies to facilitate compliance with SPS | 90.0 / 30.0 | Electronic application and issuance of SPS certificates | 60.0 / 0.0 |
| Women in trade facilitation | Trade facilitation measures aimed at female traders | 50.0 / 0.0 | Female membership in the National Trade Facilitation Committee | 10.0 / 0.0 |
| Trade finance for trade facilitation | Variety of trade finance services available | 70.0 / 0.0 | Banks allow electronic exchange of data between trading partners | 0.0 / 0.0 |

Figure 7 shows the level of implementation of the WTO-TFA articles. The most implemented measures in SSWA is *Separation of Release from final determination of customs duties, taxes, fees and charges* (Art. 7.4), which has been fully implemented by 50% and partially implemented by another 50% of the countries in the sub-region. *Stakeholders' consultation on new draft regulations (prior to their finalization)* (Art. 2.2) and *National legislative framework and institutional arrangement are available to ensure border agencies to cooperate with each other* (Art. 8) follow closely with full implementation in 40% and partial implementation in another 60% of the countries. The least implemented measure is *Electronic single window system* (Article 10.4), which is fully implemented in 10% of the countries, partially implemented in 20% and in the pilot stage of implementation in 20% of the countries.

Figure 7: Level of implementation of WTO-TFA related measures (excluding transit measures) by South and South-West Asia



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

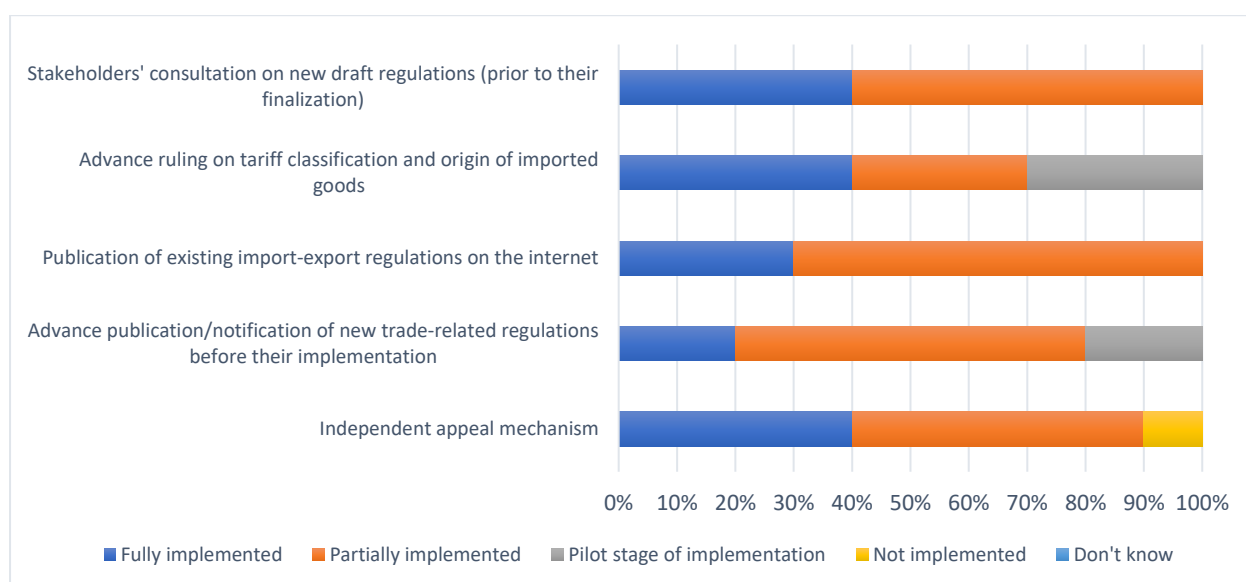
3. IMPLEMENTATION OF TRADE FACILITATION MEASURES: A CLOSER LOOK

3.1 'TRANSPARENCY' MEASURES

Five of the “General Trade Facilitation” measures included in the survey are grouped as ‘Transparency’ measures which are related to the Articles 1-5 of the WTO TFA and GATT Article X on Publication and Administration of Trade Regulations. All ‘Transparency’ measures are at least on a pilot stage of implementation in 90% of the SSWA countries.

Implementation of ‘Transparency’ measures is quite high, with an average implementation level of approximately 73% (see Figure 6). Figure 8 shows that all ‘Transparency’ measures have been fully or partially implemented by SSWA countries. *Stakeholders' consultation on new draft regulations (prior to their finalization)* has the highest implementation level, with full implementation in 40% of SSWA countries and partial implementation in the remaining 60%. On the other hand, *Independent appeal mechanism*, the least implemented measure, is not being implemented in 10% of SSWA countries.

Figure 8: State of implementation of ‘Transparency’ measures in SSWA



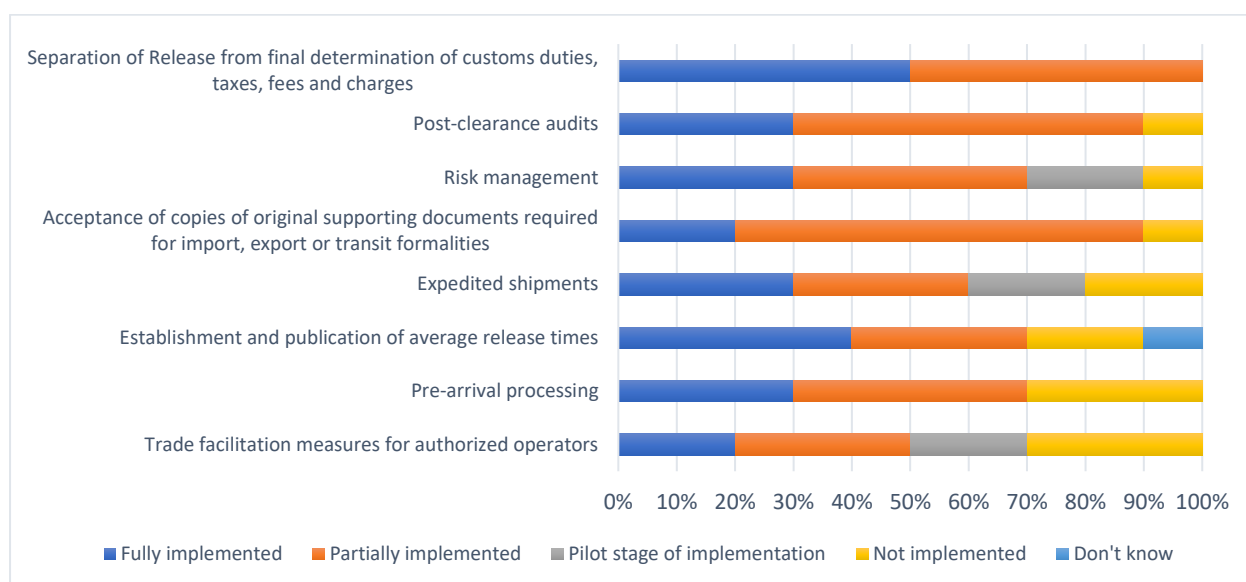
Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untds.org, 2019

3.2 'FORMALITIES' MEASURES

Eight trade facilitation measures featured in the survey are grouped as 'Formalities' measures which are related to streamlining and/or expediting regulatory trade procedures. They are related to Articles 6-10 of the WTO TFA and GATT Article VIII on "Fees and Formalities connected with Importation and Exportation". All 'Formalities' measures are at least on a pilot stage of implementation in 70% of the SSWA countries.

Implementation of 'Formalities' measures is moderately high, with an average implementation level of approximately 63% (see Figure 6), leaving some room for improvements. Figure 9 shows the level of implementation of 'Formalities' measures among SSWA countries. *Separation of Release from final determination of customs duties, taxes, fees and charges* has been fully implemented by over 50% of SSWA and partially implemented by the remaining 50%, highest of all the 'Formalities' measures. While *Post-clearance audits* is implemented by 90% of SSWA countries, but only 30% have fully implemented this measure. On the other hand, *Trade facilitation measures for authorized operators*, the least implemented measure, is in a pilot stage of implementation in 20% of SSWA, partially implemented by 30% and fully implemented by 20% of SSWA countries.

Figure 9: State of implementation of 'Formalities' measures in SSWA



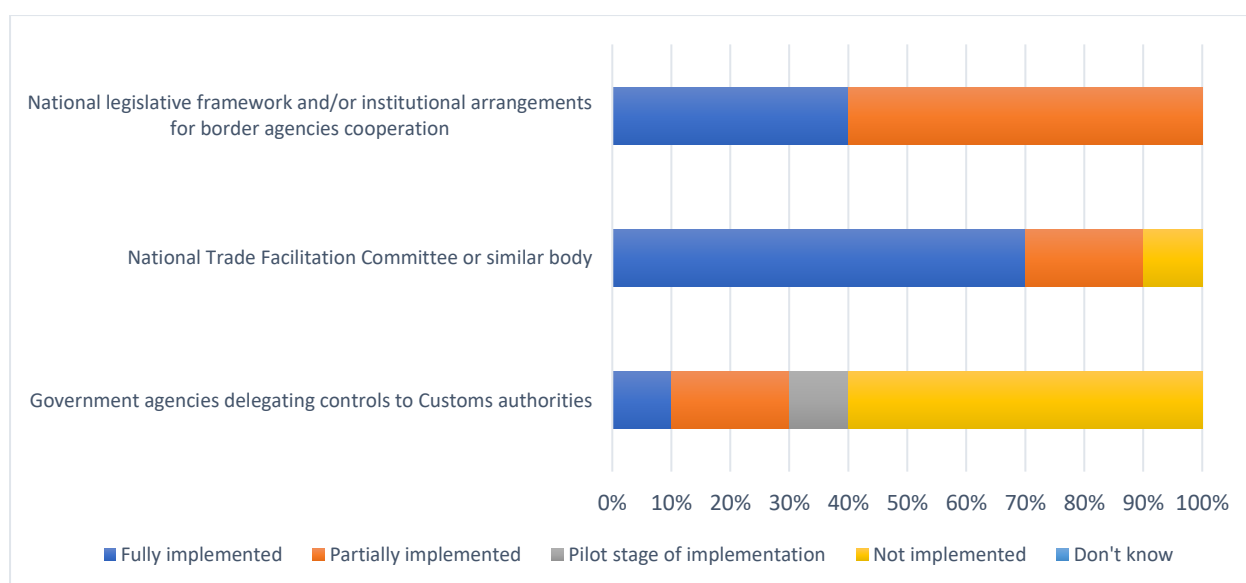
Source: UN Global Survey on Digital and Sustainable Trade Facilitation, unfssurvey.org, 2019

3.3 'INSTITUTIONAL ARRANGEMENT AND COOPERATION' MEASURES

Three trade facilitation measures featured in the survey are grouped as 'Institutional Arrangement and Cooperation' measures. They are related to the long-standing recommendation that a national trade facilitation body and other measures be implemented to ensure coordination and cooperation among the various government agencies and other stakeholders involved in facilitating trade⁶. All three measures are also specified in various Articles of the WTO TFA. All 'Institutional Arrangement and Cooperation' measures are at least on a pilot stage of implementation in 40% of the SSWA countries.

Implementation of 'Institutional Arrangement and Cooperation' measures is moderately high, with an average implementation level of approximately 63% (see Figure 6), leaving some room for improvements. Figure 10 shows the level of implementation of 'Institutional Arrangement and Cooperation' measures among SSWA countries. *National legislative framework and/or institutional arrangements for board agencies cooperation*, is the most implemented measure with full implementation in 40% and partial implementation in the other 60% of SSWA countries. While *National Trade Facilitation Committee of similar body* has been fully implemented in 70% of countries and partially implemented in another 20% of the countries, 10% of the countries have yet to start implementing it. On the other hand, *Government agencies delegating control to Customs authorities* has been fully implemented by only 10% of SSWA countries and 60% of them have yet to start implementing this measure.

Figure 10: State of implementation of 'Institutional Arrangement and Cooperation' measures in SSWA



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

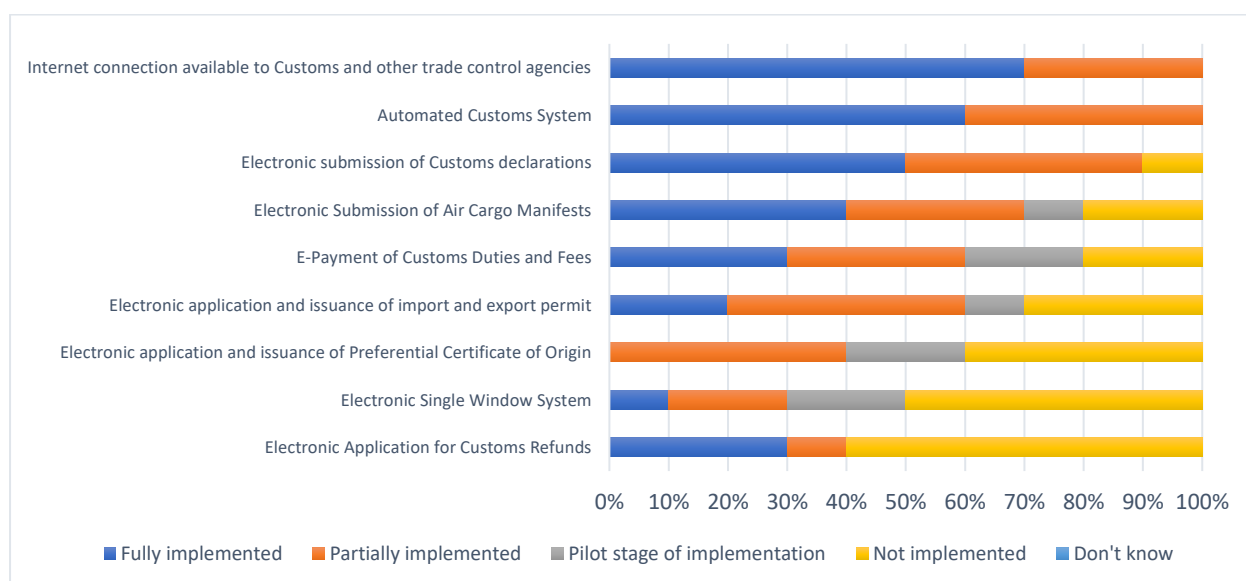
⁶ See, for example, UN/CEFACT Recommendation No. 4 on establishment of national trade facilitation bodies, first issued in 1974.

3.4 'PAPERLESS TRADE' MEASURES

Nine of the “Digital Trade Facilitation” measures included in the survey are grouped as ‘Paperless Trade’ measures. All these measures involve the use and application of modern information and communications technologies (ICT) to trade formalities, starting from the availability of internet connections at border-crossings and customs automation to full-fledged electronic single window facilities. Many of the measures featured here are closely related to those specified in the WTO TFA, although the new WTO agreement typically only encourages economies to work towards implementation of such measures, rather than make them a requirement⁷. All ‘Paperless Trade’ measures are at least on a pilot stage of implementation in 40% of the SSWA countries.

Implementation of ‘Paperless Trade’ measures is moderate, with an average implementation level of approximately 58% (see Figure 6), leaving room for improvements. Figure 11 shows that the implementation levels of ‘Paperless Trade’ measures in SSWA vary widely, ranging from 40% to 100% of the countries. *Internet connection available to Customs and other trade control agencies* is the most implemented measure with full implementation in 70% and partial implementation in another 30% of SSWA countries. While other measures like, *Electronic submission of Customs declarations*, *Electronic Submission of Air Cargo Manifests*, and *E-Payment of Customs Duties and Fees* have high implementation levels, there are some countries that have yet to start working on them. On the other hand, *Electronic Application for Customs Refund* has not been implemented in 60% of SSWA countries, and *Electronic application and issuance of Preferential Certificate of Origin* has not been fully implemented in any country.

Figure 11: State of implementation of ‘Paperless Trade’ measures in SSWA



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

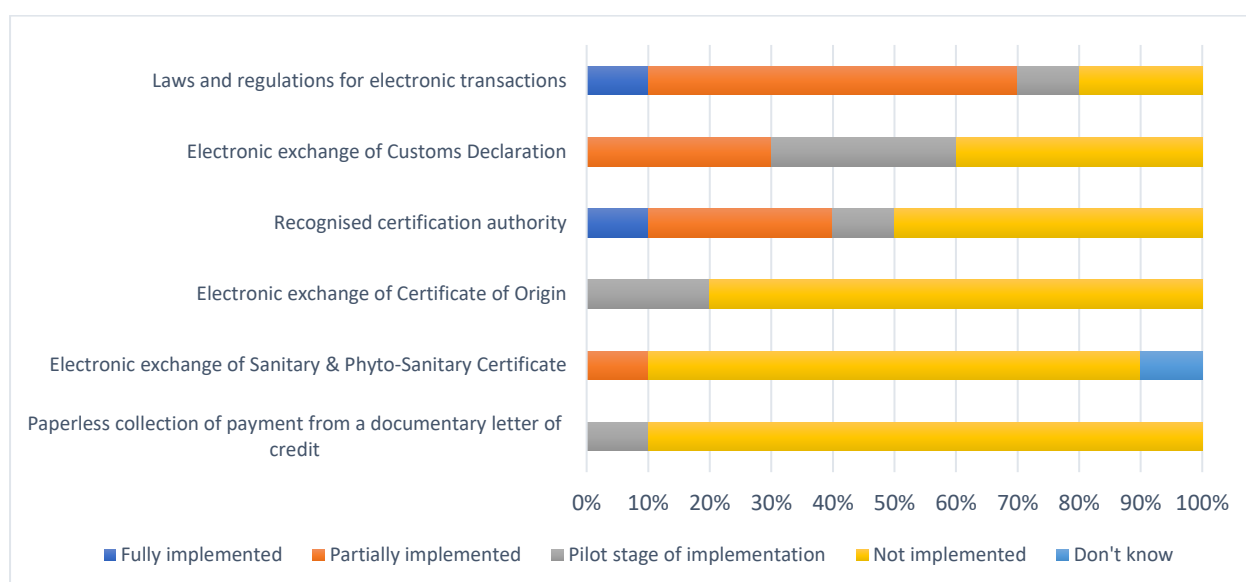
⁷ An example of this is the WTO TFA Article 10.3 on Single Window, which reads as follows: “Members shall endeavor to establish or maintain a single window, enabling traders to submit documentation and/or data requirements for importation, exportation, or transit of goods through a single entry point to the participating authorities or agencies... Members shall, to the extent possible and practicable, use information technology to support the single window.”

3.5 'CROSS-BORDER PAPERLESS TRADE' MEASURES

Six of the trade facilitation measures included in the survey are grouped as 'Cross-Border Paperless Trade' measures, as shown in Figure 12. Two measures, *Laws and regulations for electronic transactions* and *Recognized certification authority*, are basic building blocks towards enabling the exchange and legal recognition of trade-related data and documents not only among stakeholders within a country, but ultimately also between stakeholders along the entire international supply chain. The other four measures relate to the implementation of systems enabling the actual exchange of trade-related data and documents across borders to remove the need for sending paper documents.

Implementation of 'Cross-Border Paperless Trade' measures is very low, with an average implementation level of merely 22% (see Figure 6), leaving ample amount of room for improvements. Figure 12 reveals that only two 'Cross-Border Paperless Trade' measures are being implemented in more than 50% of the SSWA countries. *Laws and regulations for electronic transactions*, the most implemented measure, is fully implemented by 10%, partially implemented in 60% and in a pilot stage of implementation in 10% of SSWA countries. *Electronic exchanged of Customs Declaration*, and *Electronic exchange of Sanitary and Phyto-Sanitary Certificate* are only partially implemented. On the other hand, *Electronic exchange of Certificate of Origin*, and *Paperless collection of payment from a documentary letter of credit* are only in a pilot stage of implementation, that too my only 20% and 10% of SSWA countries, respectively.

Figure 12: State of implementation of 'Cross-Border Paperless Trade' measures in SSWA



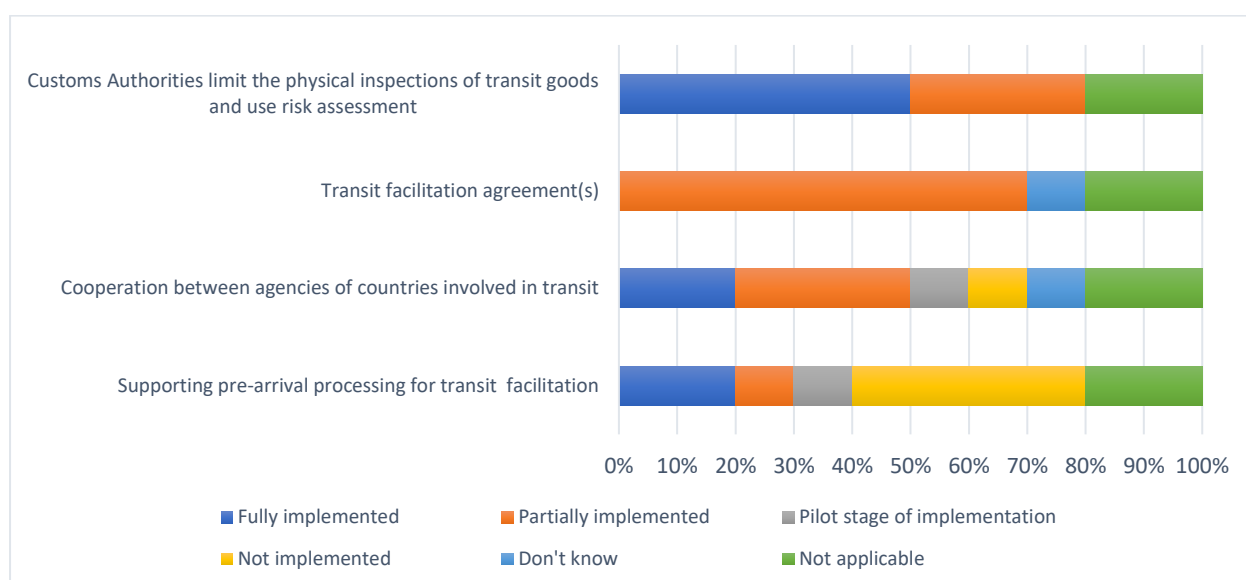
Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

3.6 'TRANSIT FACILITATION' MEASURES

Three trade facilitation measures included in the survey relate specifically to 'Transit Facilitation' and WTO TFA Article 11 on Freedom of Transit. The intent of these measures is to simplify, as much as possible, the formalities associated with traffic in transit, allowing goods to be seamlessly transported through one or more transit countries. These measures are particularly important to landlocked developing countries whereas goods typically need to go through a neighboring country's territory for transit. 'Transit Facilitation' measures are not applicable in Maldives and Sri Lanka as they do not have any neighboring country with land border.

Implementation of 'Transit Facilitation' measures is moderately high, with an average implementation level of 63% (see Figure 6), leaving some room for improvements. Figure 13 shows that the implementation levels of 'Transit Facilitation' measures in SSWA vary widely, ranging from 40% to 80% of the countries. *Customs Authorities limit the physical inspections of transit goods and use risk assessment*, the most implemented measure, is fully implemented in 50% of SSWA countries and partially implemented in another 30% of the countries. While *Transit facilitation agreement(s)* is implemented in 70% of SSWA, the implementation is only partial. On the other hand, *Support pre-arrival processing for transit facilitation* is fully implemented in only 20% of the countries with partial implementation and implementation at a pilot stage, each, in other 10% of SSWA countries.

Figure 13: State of implementation of 'Transit Facilitation' measures in SSWA

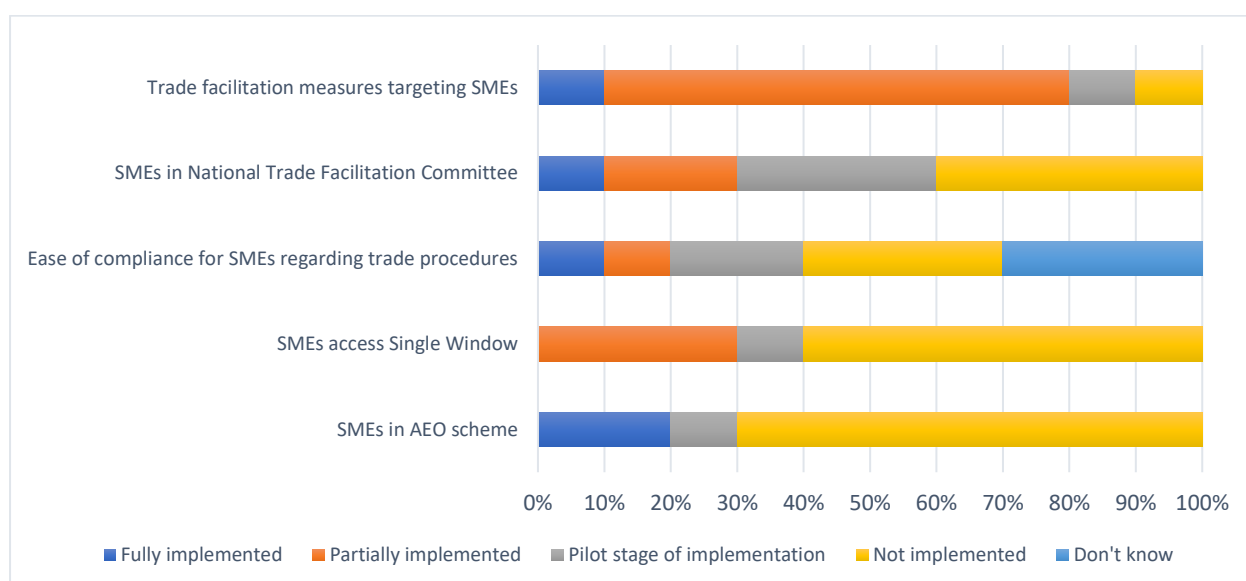


Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

3.7 'TRADE FACILITATION FOR SMES' MEASURES

Implementation of 'Trade Facilitation for SMEs' measures is quite low, with an average implementation level of approximately 33% (see Figure 6), leaving plenty of room for improvements. Figure 14 reveals that only two measures have been implemented by more than 50% of SSWA countries. *Trade facilitation measures targeting SMEs*, the most implemented measure, has only been fully implemented in 10% of the SSWA countries, similar to *SMEs in National Trade Facilitation Committee*, and *Ease of compliance for SMEs regarding trade procedures*, who have lower proportions of partial and pilot stage implementations. While SMEs access Single Window has been implemented in 40% of SSWA countries, 30% is partial implementation and 10% is in a pilot stage of implementation. On the other hand, SMEs in AEO scheme, the least implemented measure, has been fully implemented in 20% of the countries, highest of all 'Transit Facilitation' measures.

Figure 14: State of implementation of 'Trade Facilitation for SMEs' measures in SSWA

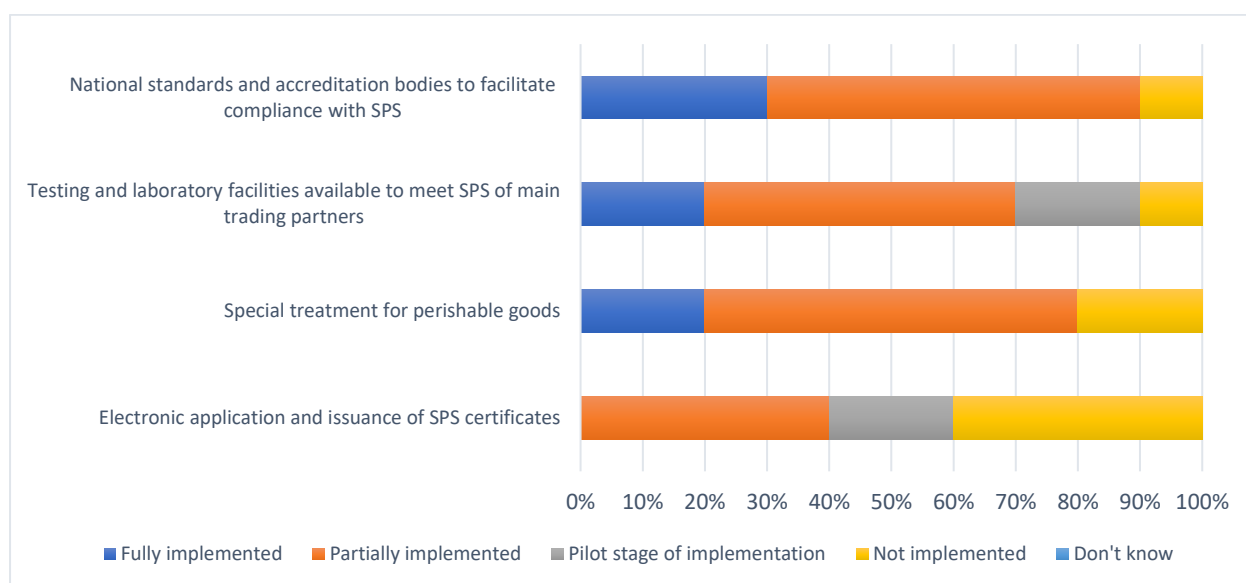


Source: UN Global Survey on Digital and Sustainable Trade Facilitation, [untdc-survey.org](https://untdc.org/untdc-survey), 2019

3.8 'AGRICULTURAL TRADE FACILITATION' MEASURES

Implementation of 'Agricultural Trade Facilitation' measures is moderate, with an average implementation level of 56% (see Figure 6), leaving room for improvements. All 'Agricultural Trade Facilitation' measures are at least on a pilot stage of implementation in 60% of the SSWA countries. Figure 15 shows the level of implementation of 'Agricultural Trade Facilitation' measures among SSWA countries. *National standards and accreditation bodies to facilitate compliance with SPS*, the most implemented measure, has been fully implemented in 30% of SSWA countries and partially implemented in another 60% of the countries. On the other hand, *Electronic application and issuance of SPS certificates*, the least implemented measure, is partially implemented in 40% and in a pilot stage of implementation in 20% of SSWA countries.

Figure 15: State of implementation of 'Agricultural Trade Facilitation' measures in SSWA



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

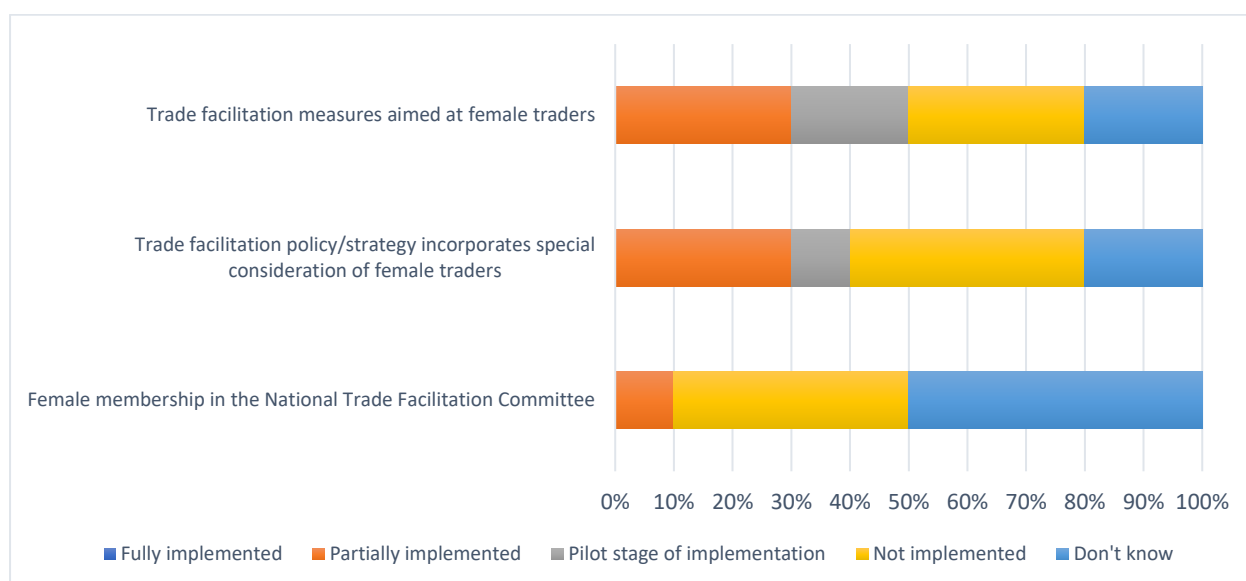
3.9 'WOMEN IN TRADE FACILITATION' MEASURES

The implementation level of 'Women in Trade Facilitation' measures is very low, standing at around 19%, leaving plenty of room for improvements. These measures may range from having a gender focal point in the Ministry of Trade and/or in Customs, supporting the establishment of an association or network of female traders, or training programmes or standards in place to ensure equal access to trade and related job opportunities⁸.

This could be explained by the fact that despite gender equality being mainstreamed in many policy initiatives, specific gender concerns for female traders remain limited and do not extend to trade facilitation. Given that gender equality and the empowerment of women are important elements of the Sustainable Development Agenda - and the typically limited participation of women in trade and trade facilitation - more countries may consider measures to enhance gender balance in national trade facilitation committees.

Figure 16 shows that both *Trade facilitation measures aimed at female trader*, and *Trade facilitation policy/strategy incorporates special consideration of female trader* are partially implemented in 30% of SSWA countries, however, the former is in a pilot stage of implementation in another 20% of the members, while the latter is only piloted in another 10% of the countries. On the other hand, *membership in National Trade Facilitation Committee*, the least implemented measure, is only partially implemented by 10% of the countries. It is also important to point out that a some countries do not have any information on these measures so actual data may be somewhat different.

Figure 16: State of implementation of 'Women in Trade Facilitation' measures in SSWA



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

⁸ See sub-questions to Question No. 48 in the Survey instrument, available at: <https://unnex.unescap.org/content/un-global-survey-digital-and-sustainable-trade-facilitation-2019>

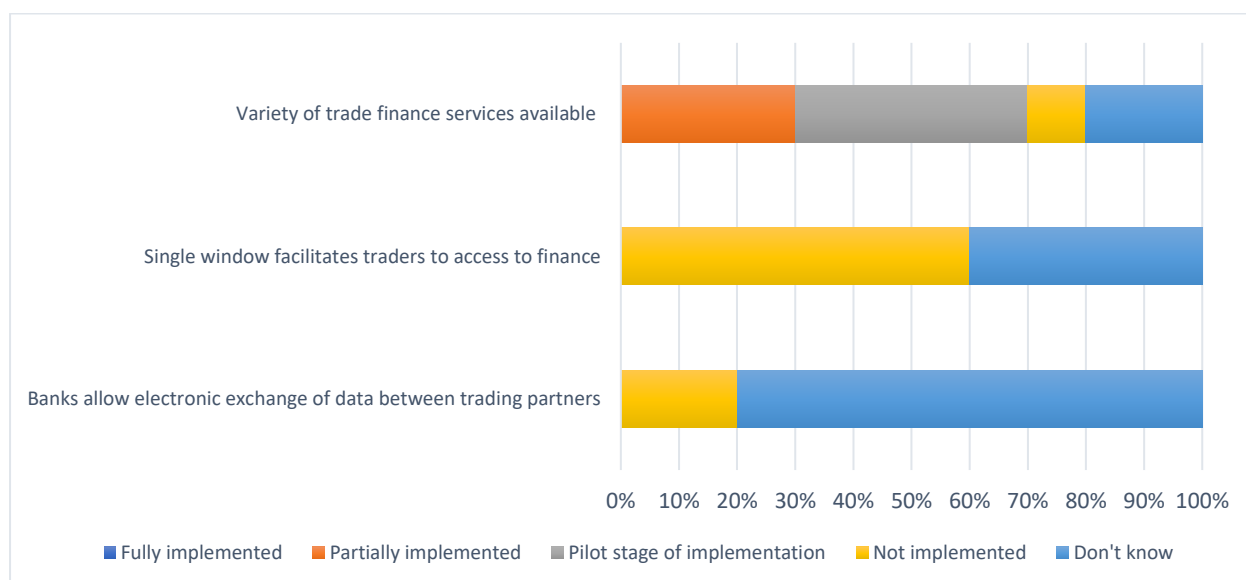
3.10 'TRADE FINANCE FACILITATION' MEASURES

The 2019 UN Global Survey incorporated the 'Trade Finance Facilitation' measures on a pilot basis, given their importance as an enabler of international trade transactions. Results show that the implementation levels of these measures are extremely low, standing at 11%, leaving plenty of room for improvements.

However, data on this topic was found to be very difficult to collect as part of the Survey. More than half of the respondents from PIDEs did not have information for any of the three measures.

Figure 17 reveals that *Variety of trade finance services available* is the only measure that is being implemented in South and South West Asia, it is partially implemented in 30% of the countries and in a pilot stage of implementation in another 40% of the countries. On the other hand, 60% and 20% of the countries confirmed that the *Single window facilitates traders to access finance*, and *Banks allow electronic exchange of data between trading partners*, respectively, while the remaining countries did not have any information on the measures.

Figure 17: State of implementation of 'Trade Finance Facilitation' measures in SSWA



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

4. ASSESSING THE IMPACT OF TRADE FACILITATION

In order to assess the potential impact of implementation of trade facilitation measures in South and South West Asia (SSWA), we estimate a trade cost model as a function of trade facilitation implementation rates based on the UN survey data presented above, in addition to other traditional trade cost factors such as natural geographic factors (distance, “landlockedness”, and contiguity), cultural and historical distance (e.g., common official language, former colonial relationships), the presence of regional trade agreements and maritime connectivity. The model based on ADB/ESCAP (2019) by capturing the changes in trade costs resulting from each countries’ own implementation of trade facilitation measures. The overall trade cost reductions that can be expected in PIDEs from implementation of three sets of trade facilitation measures are shown in Table 3.⁹ The first set of trade facilitation measures are limited to implementation of WTO TFA binding measures only. The second set of measures include all binding and non-binding WTO TFA measures included in the UN Survey. The final and most ambitious set is a WTO TFA+ set of measures, including digital implementation of TFA measures and cross-border paperless trade. For each set of measures, average changes in trade cost achieved if all PIDEs at least partially implement all measures, or if they all fully implement all measures, are calculated.

Table 3: Changes in trade costs in SSWA resulting from implementation of trade facilitation and paperless trade

| Trade costs reduction for TF improvement: SSWA | WTO TFA (binding only) | | WTO TFA (binding + non-binding) | | WTO TFA+ (binding + non-binding + other paperless and cross- border paperless trade) | |
|---|--------------------------|----------------------|---------------------------------|----------------------|--|----------------------|
| | Partially implemented | Fully implemented | Partially implemented | Fully implemented | Partially implemented | Fully implemented |
| Model 1 | | | | | | |
| Overall TFI | -4.07% | -7.87% | -6.84% | -12.85% | -14.08% | -21.45% |
| Model 2 | | | | | | |
| General TFI | -2.31% | -4.28% | -3.12% | -6.05% | -3.62% | -6.62% |
| Paperless and Cross-Border Paperless | - | - | -1.44% | -2.74% | -9.06% | -12.95% |

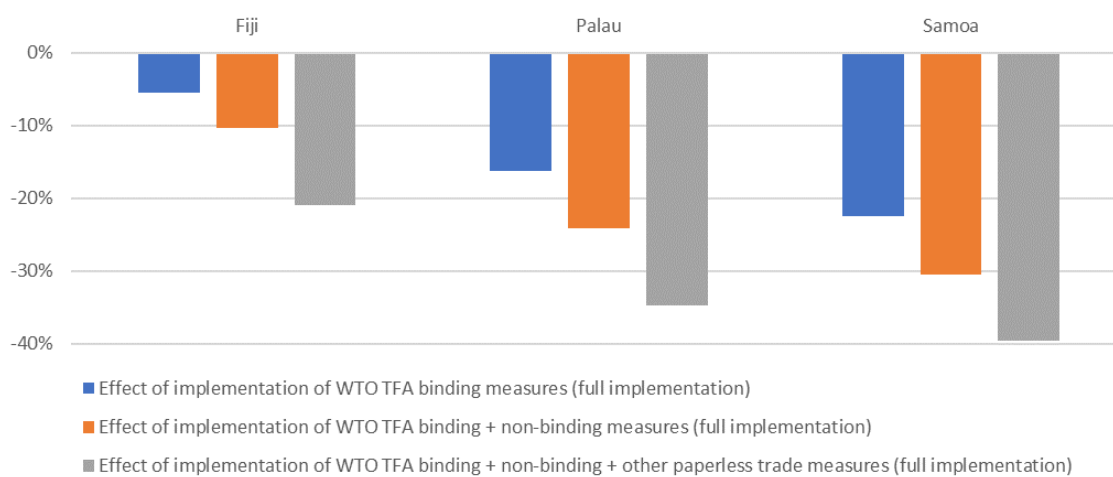
Source: UN Global Survey on Digital and Sustainable Trade Facilitation, unftsurvey.org, 2019

Two main findings emerge from this impact analysis. First, achieving basic compliance with WTO TFA by implementing only binding measures results in only modest trade cost reductions. Full implementation of binding measures results in a decrease of trade costs of about 4-8%, while full implementation of all measures results in a 9-13% reduction. Second, the paperless implementation of the TFA measures together with enabling the seamless electronic exchange of trade data and documents across borders results in much larger trade costs reductions, averaging nearly 7-21% for SSWA as a whole.

All SSWA countries stand to make significant gains from accelerating trade facilitation implementation. As shown in Figure 17, the full implementation of the three different sets of trade facilitation measures in all economies results in trade costs reductions for all economies. As expected, the trade costs reductions are much larger when cross-border paperless trade is achieved.

⁹ The list of binding and non-binding WTO TFA measures is available in the Appendix of ADB/ESCAP (2019)

Figure 18: Impact of trade facilitation implementation on trade costs of PIDEs



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, [untfsurvey.org](https://untdc.org/), 2019

5. MOVING UP THE TRADE FACILITATION LADDER TOWARDS SEAMLESS INTERNATIONAL SUPPLY CHAINS

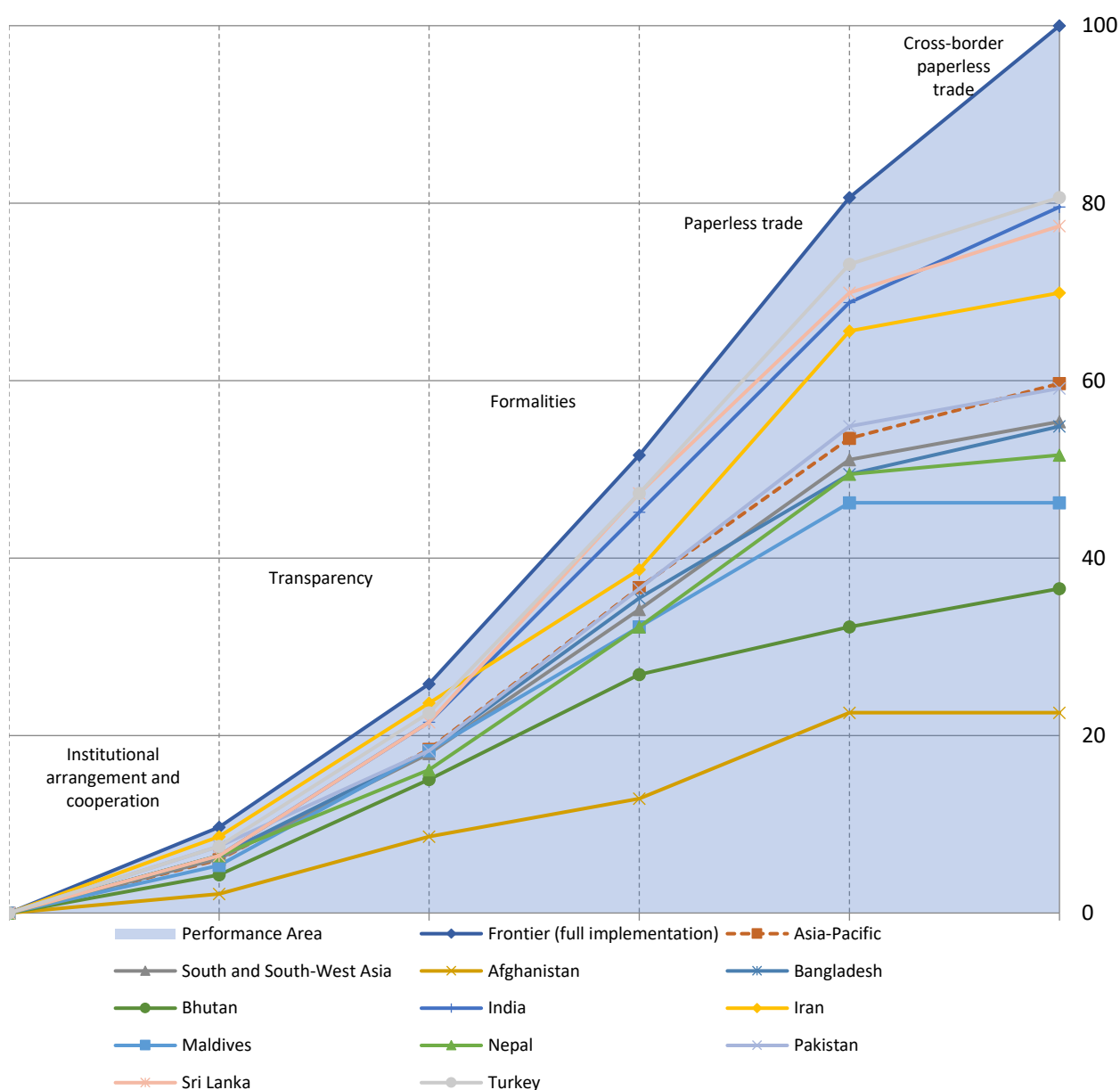
This report presented data on digital and sustainable trade facilitation implementation collected from all South and South West Asian countries and other economies across the Asia-Pacific region. The survey covered not only implementation of general trade facilitation measures, including most of those featured in the WTO TFA, but also more advanced ICT-based trade facilitation measure, as well as measures targeted at the agricultural sector, SMEs, women traders and trade finance.

Based on an ambitious package of more than 31 trade facilitation measures included in the survey, the average trade facilitation implementation in SSWA is found to be 55.4%, suggesting that there is a lot of room for improvement in the sub-region. The assessment confirms that while some countries in SSWA have been actively engaged in implementing measures to improve transparency, enhance inter-agency coordination and cooperation, and streamline fees and formalities associated with trade, many still struggle with implementing measures related to paperless and cross-border paperless trade. Electronic transactions for Customs procedures towards paperless trade, as well as recognition of electronic certificates in cross-border paperless trade transactions are areas that require more focus and improvement.

Implementation of most trade facilitation systems remain at the pilot stage with very low levels of implementation, although some countries such as Turkey, India and Iran lead the rest in terms of overall initiatives. Some of the challenges mentioned by SSWA, such as lack of coordination between government agencies; lack of political will; lack of a clearly designated lead agency; and lack of human and financial resources have possibly contributed to the slow implementation of some of these advanced trade facilitation measures.

Figure 18 shows implementation of trade facilitation as a step-by step process, based on the five core groups of measures included in this survey. It also shows the cumulative implementation level of trade facilitation measures in each SSWA country included in the survey. The graph reveals similarities in implementation patterns across countries, suggesting that most countries have more or less emphasized the implementation of similar measures. Paperless and cross-border paperless trade facilitation are the least implemented of all groups of measures, and countries have significant room to make progress in all areas of trade facilitation, starting with institutional arrangements and enhancing inter-agency cooperation.

Figure 19: Moving up the trade facilitation ladder towards seamless international supply chains



Note: the figure shows cumulative trade facilitation implementation scores of Asia-Pacific sub-regions for 31 common trade facilitation measures included in the survey. Full implementation of all measures =100.

Source: UN Global Survey on Digital and Sustainable Trade Facilitation, untfsurvey.org, 2019

When it comes to “Sustainable Trade Facilitation”, the implementation of “inclusive” measures to promote SMEs and the participation of women in trade remains low. SMEs are key players in the global economy and have important roles to play in digitalized trade, yet trade facilitation measures tailored to SMEs are insufficient. As noted in the *World Trade Report 2016*, SMEs are still facing disproportionate barriers to trade, and they should be better included in the international trade frameworks.¹⁰ Recommendation 33 of UN/CEFACT recognizes the significance of the single window

¹⁰ WTO (2016). World Trade Report 2016 Levelling the Trading Field for SMEs.
https://www.wto.org/english/res_e/publications_e/wtr16_e.htm

for trade generally and SMEs specifically.¹¹ Facilitation for AEOs is also one of the two TFA measures that specifically mentions SMEs.¹² Therefore, building the capacity of SMEs and taking them into account in trade facilitation policies are of critical importance in achieving sustainable trade facilitation. Similarly, there is a lack of awareness on the importance of gender mainstreaming in trade facilitation. Guiding women in understanding trade procedures, setting guidelines for standards bodies to ensure a more balanced representation of the interests of women and men, and promote the participation and decision-making of women in trade facilitation and standards related activities, could have a significant impact on increasing exports and enabling women to achieve higher income opportunities.¹³

‘Trade Finance Facilitation’ is the new group of measures that has, for the first time, been considered in the Global Survey. The role of trade finance in international trade is important, and the availability and adequate provision of finance is essential for a healthy trading system. This is particularly true for developing economies, that includes SSWA countries, and SMEs seeking to benefit from trade opportunities. Financing and payment are essential parts of the overall international trade transaction process. Awareness of trade finance processes appear to be limited among trade policy and facilitation specialists. Trade finance today is still a very paper-based business across the sub-region.¹⁴ Therefore, trade facilitation policymakers and enforcers need to work together with stakeholders in the financial sectors to see how trade finance can be facilitated and integrated into trade facilitation implementation strategies, including single window development plans.

¹¹ See UN/CEFACT ‘Recommendation and Guidelines on establishing a Single Window to enhance the efficient exchange of information between trade and government’

¹² Article 7.2 (b) provides that to the extent possible, specific criteria to qualify as an authorized operator shall not restrict the participation of small and medium-sized enterprises. The other TFA measure that mentions SMEs concerns advance rulings.

¹³ UNECE (2017), Briefing note on the contribution of UN/CEFACT to UN Sustainable Development Goal 5, Executive Committee, Centre for Trade Facilitation and Electronic Business, Twenty-third session.

¹⁴ This is with reference to traditional trade finance products covered in the Survey (e.g., documentary credits). Supply chain finance and open account transactions are not covered in the Survey and involve much less paper flows.

APPENDICES

Table 4: Grouping of trade facilitation measures included in the questionnaire

| Grouping | | Question # | | Trade facilitation measure in the questionnaire | TFA Articles |
|---------------------|---|------------|------|---|--------------|
| | | 2017 | 2019 | | |
| General TF Measures | Transparency (5 measures) | 2 | 2 | Publication of existing import-export regulations on the Internet | 1.2 |
| | | 3 | 3 | Stakeholder consultation on new draft regulations (prior to their finalization) | 2.2 |
| | | 4 | 4 | Advance publication/notification of new regulations before their implementation (e.g. 30 days prior) | 2.1 |
| | | 5 | 5 | Advance ruling (on tariff classification) | 3 |
| | | 9 | 9 | Independent appeal mechanism (for traders to appeal customs rulings and the rulings of other relevant trade control agencies) | 4 |
| | Formalities (8 measures) | 6 | 6 | Risk management (as a basis for deciding whether a shipment will be physically inspected or not) | 7.4 |
| | | 7 | 7 | Pre-arrival processing | 7.1 |
| | | 8 | 8 | Post-clearance audit | 7.5 |
| | | 10 | 10 | Separation of Release from final determination of customs duties, taxes, fees and charges | 7.3 |
| | | 11 | 11 | Establishment and publication of average release times | 7.6 |
| | | 12 | 12 | Trade facilitation measures for authorized operators | 7.7 |
| | | 13 | 13 | Expedited shipments | 7.8 |
| | | 14 | 14 | Acceptance of paper or electronic copies of supporting documents required for import, export or transit formalities | 10.2.1 |
| | Institutional arrangement and cooperation (5 measures) | 1 | 1 | Establishment of a national trade facilitation committee or similar body | 23 |
| | | 31 | 31 | Cooperation between agencies on the ground at the national level | 8 |
| | | 32 | 32 | Government agencies delegating controls to customs authorities | |
| | | 33 | 33 | Alignment of working days and hours with neighboring countries at border crossings | 8.2(a) |
| | | 34 | 34 | Alignment of formalities and procedures with neighboring countries at border crossings | 8.2(b) |
| | Transit facilitation (4 measures) | 35 | 35 | Transit facilitation agreement(s) with neighboring country(ies) | |
| | | 36 | 36 | Customs Authorities limit the physical inspection of transit goods and use risk assessment | 10.5 |
| | | 37 | 37 | Supporting pre-arrival processing for transit facilitation | 11.9 |
| | | 38 | 38 | Cooperation between agencies of countries involved in transit | 11.16 |

| Grouping | | Question # | | Trade facilitation measure in the questionnaire | TFA Articles |
|---------------------|---|------------|------|--|--------------|
| | | 2017 | 2019 | | |
| Digital TF Measures | Paperless trade (10 measures) | 15 | 15 | Electronic/automated Customs System established (e.g. ASYCUDA) | |
| | | 16 | 16 | Internet connection available to customs and other trade control agencies at border-crossings | |
| | | 17 | 17 | Electronic Single Window System | 10.4 |
| | | 18 | 18 | Electronic submission of Customs Declarations | |
| | | 19 | 19 | Electronic application and issuance of Import and Export Permit | |
| | | 20 | 20 | Electronic submission of Sea Cargo Manifests | |
| | | 21 | 21 | Electronic submission of Air Cargo Manifests | |
| | | 22 | 22 | Electronic application and issuance of Preferential Certificate of Origin | |
| | | 23 | 23 | E-Payment of customs duties and fees | 7.2 |
| | | 24 | 24 | Electronic application for customs refunds | |
| | Cross-border paperless trade (6 measures) | 25 | 25 | Laws and regulations for electronic transactions are in place (e.g. e-commerce law, e-transaction law) | |
| | | 26 | 26 | Recognized certification authority issuing digital certificates to traders to conduct electronic transactions | |
| | | 27 | 27 | Customs declaration electronically exchanged between your country and other countries | |
| | | 28 | 28 | Certificate of Origin electronically exchanged between your country and other countries | |
| | | 29 | 29 | Sanitary & Phytosanitary Certificate electronically exchanged between your country and other countries | |
| | | 30 | 30 | Banks and insurers in your country retrieving letters of credit electronically without lodging paper-based documents | |
| | Trade facilitation for SMEs (5 measures) | 39 | 39 | Trade-related information measures for SMEs | |
| | | 40 | 40 | Government has developed specific measures that enable SMEs to more easily benefit from the AEO scheme | |
| | | 41 | 41 | Government has taken actions to make single windows more easily accessible to SMEs (e.g. by providing technical consultation and training services to SMEs on registering and using the facility.) | |
| | | 42 | 42 | Government has taken actions to ensure that SMEs are well represented and made key members of National Trade Facilitation Committees (NTFCs) | |
| | | | 43 | Other special measures for SMEs | |
| | Agricultural trade facilitation (4 measures) | 43 | 44 | Testing and laboratory facilities are equipped for compliance with sanitary and phytosanitary (SPS) standards in your main trading partners | |
| | | 44 | 45 | National standards and accreditation bodies are established for the purpose of compliance with SPS standards | |

| Grouping | | Question # | | Trade facilitation measure in the questionnaire | TFA Articles |
|--|---|------------|------|---|--------------|
| | | 2017 | 2019 | | |
| | | 45 | 46 | Application, verification and issuance of SPS certificates is automated | 7.9 |
| | | | 47 | Special treatment given to perishable goods at border-crossings | |
| | Women in trade facilitation (3 measures) | 46 | 48 | The existing trade facilitation policy/strategy incorporates special consideration of women involved in trade | |
| | | 47 | 49 | Government has introduced trade facilitation measures aimed at women involved in trade | |
| | | | 50 | Female membership in the National Trade Facilitation Committee | |
| Trade Finance Facilitation (3 measures) | | | 51 | Single window facilitates traders with access to finance | |
| | | | 52 | Banks allow electronic exchange of data between trading partners or with banks in other countries to reduce dependence on paper documentation and advance digital trade | |
| | | | 53 | A variety of trade finance services available | |

Table 5: A three-step approach for data collection and validation

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|--|--|
| Data submission by experts: | The survey instrument was sent by the ESCAP Secretariat to trade facilitation experts (in governments, the private sector and academia) in Asia-Pacific countries to gather preliminary information. The questionnaire was also made publicly available online and disseminated with the support of the Asia-Pacific Economic Cooperation (APEC) Policy Support Unit, the United Nations Conference on Trade and Development (UNCTAD) Secretariat and the United Nations Network of Experts for Paperless Trade and Transport for Asia and the Pacific (UNNExT). In some cases, the questionnaire was also sent to relevant national trade facilitation authorities or agencies and regional trade facilitation partners or organizations, such as OCO and ASEAN. This first step took place essentially between January and April 2019. |
| Data verification by the UNRCs Secretariat: | The ESCAP Secretariat cross-checked the data collected in Step 1. Desk research and data sharing among UNRCs and survey partners were carried out to further check the accuracy of data. Face-to-face or telephone interviews with key informants were arranged to gather additional information when needed. The outcome of Step 2 was a consistent set of responses per country. Step 2 took place between January and April 2019. |
| Data validation by national governments | The ESCAP Secretariat sent the completed questionnaire to each national government to ensure that the country had the opportunity to review the dataset and provide any additional information. The feedback from national governments were incorporated in order to finalize the dataset. Step 3 took place between April and May 2019. |

Table 6: Definition of each Stage of implementation

| Stage of implementation | Coding/Scoring |
|--|----------------|
| <p>Full Implementation: the trade facilitation measure implemented is in full compliance with commonly-accepted international standards, recommendations and conventions such as the Revised Kyoto Convention, UN/CEFACT Recommendations, or the WTO Trade Facilitation Agreement (TFA); it is implemented in law and in practice; it is available to essentially all relevant stakeholders nationwide, and supported by adequate legal and institutional frameworks, as well as adequate infrastructure and financial and human resources. A TFA provision included in the commitments given under Notifications of Category A may generally be considered as a measure which is fully implemented by the country, with a caveat that the provision will be implemented by a Least-Developed Country (LDC) member within one year of the TFA agreement coming into force. If a country registers positive response for all sub-questions concerning a given trade facilitation measure, that measure should be considered fully implemented.</p> | 3 |
| <p>Partial Implementation: a measure is considered to be partially implemented if at least one of the following is true: (1) the trade facilitation measure is in partial - but not in full - compliance with commonly-accepted international standards, recommendations and conventions; (2) the country is still in the process of rolling out the implementation of the measure; (3) the measure is being used but on an unsustainable, short-term or ad-hoc basis; (4) the measure is implemented in some - but not all - targeted locations (such as key border crossing stations); or (5) some - but not all - targeted stakeholders are fully involved.</p> | 2 |
| <p>Pilot Stage of Implementation: a measure is considered to be at the pilot stage of implementation if, in addition to meeting the general attributes of partial implementation, it is available only to a very small portion of the intended stakeholder group (or at certain location) and/or is being implemented on a trial basis. When a new trade facilitation measure is at the pilot stage of implementation, the old measure is often continuously used in parallel to ensure that the service is still provided even when there has been a disruption with the new measure. This stage of implementation also includes relevant rehearsals and preparation for the full implementation.</p> | 1 |
| <p>Not implemented: a measure has not been implemented at this stage. However, this stage may still include initiatives or efforts towards implementation of the measure. For example, under this stage, (pre)feasibility studies or planning for the implementation can be carried out; and consultation with stakeholders on the implementation may be arranged.</p> | 0 |