

Digital and Sustainable Trade Facilitation

in the Association of Southeast Asian Nations (ASEAN) 2023

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



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FOREWORD

The lingering aftermath of the COVID-19 crisis continues to impede global trade; this challenge is exacerbated by geopolitical conflicts that cause supply chain disruptions and heightened inflation, increasing trade costs and uncertainties. The findings of this report highlight the efforts made by the ASEAN Member States (AMS) in simplifying and digitalizing trade procedures, acknowledging the crucial role played by trade facilitation in reducing vulnerabilities in global supply chains and mitigating overall trade costs.

The outcomes of the latest United Nations Global Survey on Digital and Sustainable Trade Facilitation of the Association of Southeast Asian Nations (ASEAN) Member States reveal substantial and ongoing advancements in the adoption of an extensive array of trade facilitation measures that surpass the requirements set by the World Trade Organization Trade Facilitation Agreement. Notably, the survey encompasses numerous advanced measures pioneered by ASEAN as part of its commitment to implement the ASEAN Single Window Agreement (ASW).

As the ASEAN digital transformation agenda progresses into its next phase, expediting the digitalization of trade processes remains an utmost priority. This report underscores the fact that the implementation of digital trade facilitation measures by the AMS has enabled them to surpass regional averages in Asia and the Pacific. This success can be attributed to collective efforts through initiatives like the ASW, which reflect continuous advancements. With such progress, the AMS that have not joined the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific may explore the possibility of accession and subsequently leverage the UN treaty to promote its digital solutions to other Asian and Pacific countries and address capacity gaps within the bloc.

In the pursuit of strengthening competitiveness in global trade, the AMS should prioritize the enhancement of sustainable practices for small and medium-sized enterprises and other vulnerable groups and sectors. Furthermore, the acknowledgment by the AMS of the need to become a leading digital community underscores the importance of fostering the adoption of emerging technologies and innovation in international trade procedures through enhanced regional cooperation.

We hope the insights provided in this report and the interactive database available at untfsurvey.org will prove useful in this regard, paving the way for further simplified, cost-effective, resilient, and sustainable trade practices.



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The report was jointly prepared by ESCAP and the ASEAN Secretariat. Silvère Dernouh, Matthieu Levasseur and Chorthip Utoktham, under the guidance of Soo Hyun Kim and the overall supervision of Yann Duval, all from the Trade, Investment and Innovation Division (TIID) of ESCAP, provided the data analysis for ASEAN Member States, collected as part of the United Nations Global Survey on Digital and Sustainable Trade Facilitation 2023. Cuong Ba Tran of the Trade Facilitation Division of the ASEAN Secretariat provided an analysis of recent ASEAN Customs Integration, ASEAN Customs Transit System (ACTS), ASEAN Single Window (ASW), and Trade Facilitation initiatives, which have been initiated and implemented during the time of conducting the survey, to further enrich and strengthen the report. He also contributed to, and reviewed the report. Garlan Ayoga Irawan from the ASEAN Secretariat provided factual validation for ASEAN countries. Assistance provided by Lauren Shykora in finalizing the report is appreciated. Tony Oliver informally edited the final draft of the report.

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, greatly facilitated data collection. Comments and suggestions received from participants of the ASEAN Trade Facilitation Joint Consultative Committee (ATF-JCC) are gratefully acknowledged.

The financial support from the Republic of Korea under the project “Capacity Building on Trade Facilitation and the Asia-Pacific Trade Agreement (APTA) Promotion to Strengthen Intra-regional Cooperation (Phase IV)” is gratefully acknowledged.



EXECUTIVE SUMMARY

The reduction of trade costs is crucial for enabling economies to effectively participate in regional and global value chains, and promote growth and sustainable development. However, the aftermath of the COVID-19 crisis continues to impede international trade, with geopolitical conflicts creating new supply chain disruptions and high inflation, increasing trade costs and uncertainties. This has added further pressure to already high trade costs in Asia and the Pacific. Given this situation, trade facilitation assumes a pivotal role, facilitating more efficient and transparent trade procedures, thus reducing the vulnerability of global supply chains and overall trade costs. Consequently, the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA) and regional initiatives have focused on trade digitalization, such as the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, offering guidance on measures that should be considered for implementation.

The present report unveils the findings of the 2023 United Nations Global Survey on Digital and Sustainable Trade Facilitation, focusing on the progress made in trade facilitation across the 10 ASEAN countries. The report offers a comprehensive analysis of 60 trade facilitation measures, categorized into four groups – “General Trade Facilitation”, “Digital Trade Facilitation”, “Sustainable Trade Facilitation” and “Other Trade Facilitation.” Furthermore, these groups of measures encompass 11 subgroups, including both binding and non-binding measures of the WTO TFA. They also include measures related to digital and sustainable trade. The report brings to light the following key findings:

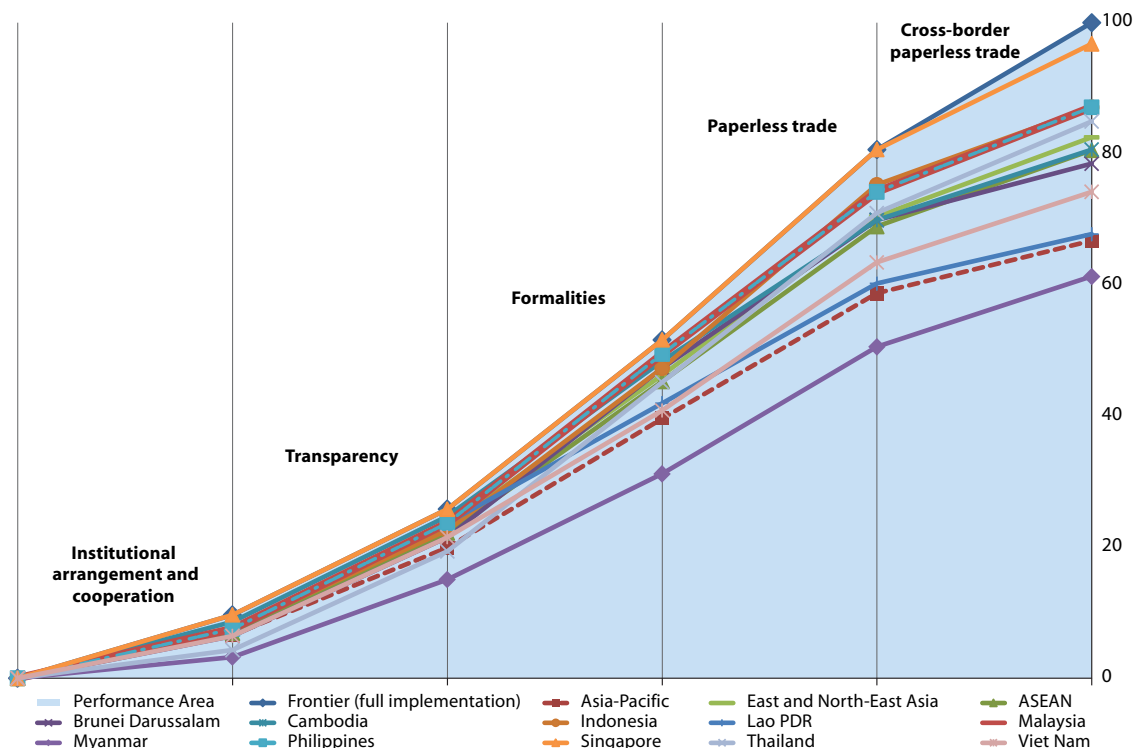
- Based on an initial set of 31 general trade facilitation measures, the survey uncovers that ASEAN achieved an impressive subregional implementation rate of 81% (compared with 79% in 2021), which significantly surpassed the Asia-Pacific region's average implementation rate of 67%;
- When expanding the scope to include a broader range of 40 trade facilitation measures, which encompasses the group “Sustainable Trade Facilitation”, the survey shows a lower level of implementation rates. The Asia-Pacific region does not score as high, recording a 63% implementation rate (-4 percentage points), while ASEAN Member States' implementation rate is 75% (-6 percentage points). This emphasizes the need for substantial progress in implementing trade facilitation measures related to ‘Trade facilitation for SMEs’ and ‘Agricultural trade facilitation’;
- The implementation of trade facilitation measures varies considerably from one ASEAN country to another. Looking at the set of 40 general digital and sustainable trade facilitation measures, Singapore has achieved a world-leading level of implementation, standing at 96%. Indonesia and Malaysia have also achieved commendable implementation rates of more than 80%;
- The average implementation rate has witnessed a rise, climbing from 79% in 2021 to 81% in 2023. Viet Nam is the country with the highest increase, with an implementation rate going from 63% to 70% in 2023 (7 percentage points increase). The Lao People's Democratic Republic (Lao PDR) has also made significant progress, reaching over 56%, which represents an increase of 4 percentage points;
- In the Asia-Pacific region, ASEAN countries made the most significant progress in implementing measures related to ‘Paperless trade’ and ‘Cross-border paperless trade’ between 2021 and 2023, with implementation rates of 81% and 60%, respectively. This improvement in cross-border paperless trade has been made thanks to the continued expansion and improvement of the ASEAN Single Window (ASW) during the past two years. In addition, ASEAN Member States have also been deepening discussions with ASEAN Dialogue Partners on the exchange of trade-related documents;
- Measures under the “Sustainable Trade Facilitation” group are among the least implemented, particularly those targeting women. Specifically, the implementation rate for the subgroup focusing on ‘Women in trade facilitation’ stands at 33%. This highlights the need for improvement

in implementing trade facilitation policies that promote participation of women in trade, provide benefits to women engaged in trade activities, and enhance their representation within National Trade Facilitation Committees or similar entities;

- The implementation of measures related to ‘Trade facilitation in times of crisis’ is relatively high, with an implementation rate of 75%, surpassing the average in Asia-Pacific standing at 60%. The ASEAN Member States have notably achieved a high implementation rate for long-term measures, thanks to their enhanced cooperation during the Covid-19 crisis.

The report highlights that significant trade cost reductions could be achieved through the implementation of paperless and cross-border paperless trade measures, surpassing the impact of conventional trade facilitation measures. Full implementation of binding and non-binding measures outlined in the WTO TFA could lead to a reduction in trade costs to just over 3%. On the other hand, the adoption of digital trade facilitation measures, facilitating seamless electronic exchange of trade data and documents across borders, has the potential to significantly reduce trade costs by more than 9% for ASEAN in a full implementation scenario. Building upon existing initiatives and fostering collaboration among ASEAN Member States, the Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific offers further opportunities for ASEAN countries to promote their own initiatives and solutions as well as support the further advancement of the ASEAN Single Window and ensuring interoperability with other paperless trade systems.

Moving up the trade facilitation ladder towards seamless international supply chains



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, available at untfsurvey.org, 2023.

Note: The figure shows global cumulative trade facilitation implementation scores for different regions in the five sub-groups of trade facilitation measures included in the Survey. Scores are based on the equally weighted implementation of 31 trade facilitation measures, but the number of measures varies in the five sub-groups. Full implementation of all measures = 100.

This report should be read in conjunction with the upcoming Global and the Asia-Pacific regional report on the results of the UN Global Survey on Digital and Sustainable Trade Facilitation 2023, which will become available at <https://untfsurvey.org/>.

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ABBREVIATIONS

ADB	Asian Development Bank
AEO	Authorized Economic Operator
ASEAN	Association of Southeast Asian Nations
ASW	ASEAN Single Window
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
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



Introduction

1.1. Background and objective

It is widely recognized that reducing trade costs plays a crucial role in facilitating the active engagement of economies in regional and global value chains, thereby ensuring that trade remains as a main engine of growth and sustainable development. As shown in table 1, based on the latest data from the ESCAP-World Bank Trade Cost Database, comprehensive non-tariff trade costs between the middle-income ASEAN economies (75% tariff-equivalent) are still significantly higher than the costs of trading goods among the three largest economies in European Union (42% tariff-equivalent) or those between China, the Republic of Korea and Japan (58% tariff equivalent).

The aftermath of the COVID-19 crisis continues to impede international trade, with geopolitical conflicts creating new supply chain disruptions, and inflation increasing trade costs and uncertainties. Although global merchandise trade volumes exhibited a resilient rebound following the pandemic, trade growth faltered in 2022, with slow growth expected to persist throughout 2023. However, trade facilitation measures play a crucial role in mitigating these challenges by enhancing efficiency through streamlined and digitalized processes. By implementing effective trade facilitation strategies, unnecessary costs can be reduced, helping to counter the trend of increasing trade costs.


Intra- and extra-regional comprehensive trade costs in the Asia-Pacific region

Region	ASEAN-4	East Asia-3	North and Central Asia-4	Pacific Islands Developing Economies	SAARC-3	AUS-NZL	Europe-3
ASEAN-4	74.9% (-0.6%)	78.6% (3.2%)	305.9% (-5.1%)	298.8% (8.0%)	129.6% (2.9%)	104.0% (4.7%)	105.3% (-0.2%)
East Asia-3	78.6% (3.2%)	58.0% (10.0%)	167.1% (-0.2%)	201.2% (-21.5%)	129.3% (5.4%)	89.6% (4.4%)	85.6% (1.0%)
North and Central Asia-4	305.9% (-5.1%)	167.1% (-0.2%)	108.8% (-6.2%)	427.5% (29.1%)	265.7% (3.8%)	310.0% (-13.3%)	146.2% (-2.8%)
Pacific Islands Developing Economies	298.8% (8.0%)	201.2% (-21.5%)	427.5% (29.1%)	89.6% (-19.9%)	361.4% (6.8%)	102.3% (7.1%)	312.1% (0.2%)
SAARC-3	129.6% (2.9%)	129.3% (5.4%)	265.7% (3.8%)	361.4% (6.8%)	160.7% (37.6%)	139.2% (2.3%)	117.4% (3.6%)
AUS-NZL	104.0% (4.7%)	89.6% (4.4%)	310.0% (-13.3%)	102.3% (7.1%)	139.2% (2.3%)	52.8% (0.8%)	103.0% (-3.5%)
Europe-3	105.3% (-0.2%)	85.6% (1.0%)	146.2% (-2.8%)	312.1% (0.2%)	117.4% (3.6%)	103.0% (-3.5%)	41.8% (-2.7%)
USA	84.4% (-2.1%)	66.3% (3.9%)	190.7% (8.0%)	183.0% (-6.4%)	111.7% (-0.2%)	97.7% (-1.6%)	65.6% (-2.0%)

Source: ESCAP-World Bank Trade Cost Database, updated June 2023. Available at <https://www.unescap.org/resources/escap-world-bank-trade-cost-database> or <https://artnet.unescap.org/databases#tradecost>.

Note: Trade costs may be interpreted as tariff equivalents. Percentage changes in trade costs between 2010-2015 and 2016-2021 are shown in parentheses.

ASEAN-4: Indonesia, Malaysia, the Philippines, Thailand; East Asia-3: China, Japan, Republic of Korea; Europe-3: Germany, France, United Kingdom; SAARC-3: Bangladesh, India, Pakistan, Sri Lanka; Pacific island developing economies: Fiji, Samoa; North and Central Asia: Georgia, Kazakhstan, Kyrgyzstan, Russian Federation.

In general, significant progress has been made in reducing trade costs by eliminating or lowering tariffs during the past few decades. Studies indicate that non-tariff measures can contribute up to twice as much to trade costs compared with ordinary Customs tariffs. Hence, to achieve additional trade cost reductions, it is imperative to tackle non-tariff barriers, such as inadequate transportation, logistics infrastructure and services as well as complex regulatory procedures and documentation. In this context, this report presents a comprehensive overview of the results pertaining to the ASEAN countries of the results from the UN Global Survey on Digital and Sustainable Trade Facilitation 2023. Furthermore, potential impacts of implementing trade facilitation measures in ASEAN are assessed based on a trade cost model.

1.2. Survey instrument and methodology

The UN Global Survey on Digital and Sustainable Trade Facilitation (hereafter called “the Survey”) 2023 builds upon the original instrument (formerly known as the Global Survey on Trade Facilitation and Paperless Trade Implementation). It was prepared according to the final list of commitments included in the WTO Trade Facilitation Agreement (TFA) and supplemented by forward-looking measures that are sought to be implemented under the United Nations treaty – the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA) – and those supporting inclusive and sustainable trade.

The 2023 Survey covers 60 trade facilitation measures commonly used by five United Nations Regional Commissions (UNRCs). The 60 measures are classified into four groups and 11 subgroups (annex 2). The first group, “General Trade Facilitation”, includes many WTO TFA measures with subgroups of ‘Transparency’, ‘Formalities’, ‘Institutional arrangement and cooperation’ and ‘Transit facilitation’. The second group, “Digital Trade Facilitation” measures, includes ‘Paperless trade’ and ‘Cross-border paperless trade’. The third group of “Sustainable trade facilitation” measures includes ‘Trade facilitation for SMEs’, ‘Agricultural trade facilitation’ and ‘Women in trade facilitation’ subgroups. The fourth group “Other Trade Facilitation” comes with four subgroups: ‘Trade finance facilitation’, ‘Trade facilitation in times of crisis’, ‘Trade facilitation for e-commerce’ and ‘Wildlife trade facilitation’. These last two measures were added to the Survey on a pilot-basis.

The overall scope of the survey goes beyond the measures included in the WTO TFA. Most paperless trade measures, particularly for cross-border paperless trade, are not specifically featured in the WTO TFA. However, their inclusion in many cases would support better implementation of the TFA and in digital form. Most “Sustainable Trade Facilitation” group measures are not specifically included in the

WTO TFA, except for some of the ‘Agricultural trade facilitation’ measures. The “Other Trade Facilitation” group is added with considerations of trade finance’s role in facilitating trade flows as well as the challenges posed by crisis situations to the global trade and supply chain (especially COVID-19), with the rising importance of cross-border e-commerce and the increasing need to combat illegal wildlife trade.

ESCAP adopted a three-step approach to developing the dataset (annex 2). Data was collected between January and July 2023. 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”, “not implemented” or “don’t know”. Definitions for each stage are provided in annex 3. A score of 3, 2, 1 or zero was assigned to each of the four implementation stages to calculate implementation rates for individual measures across countries, regions or groupings. All ASEAN countries are included in this report, namely: Brunei Darussalam, Cambodia, Indonesia, the Lao Peoples’ Democratic Republic, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam. Country groupings used in the analysis as detailed in annex 1 and shown in figure 1. Further details and examples on the calculation of implementation rates are available online.



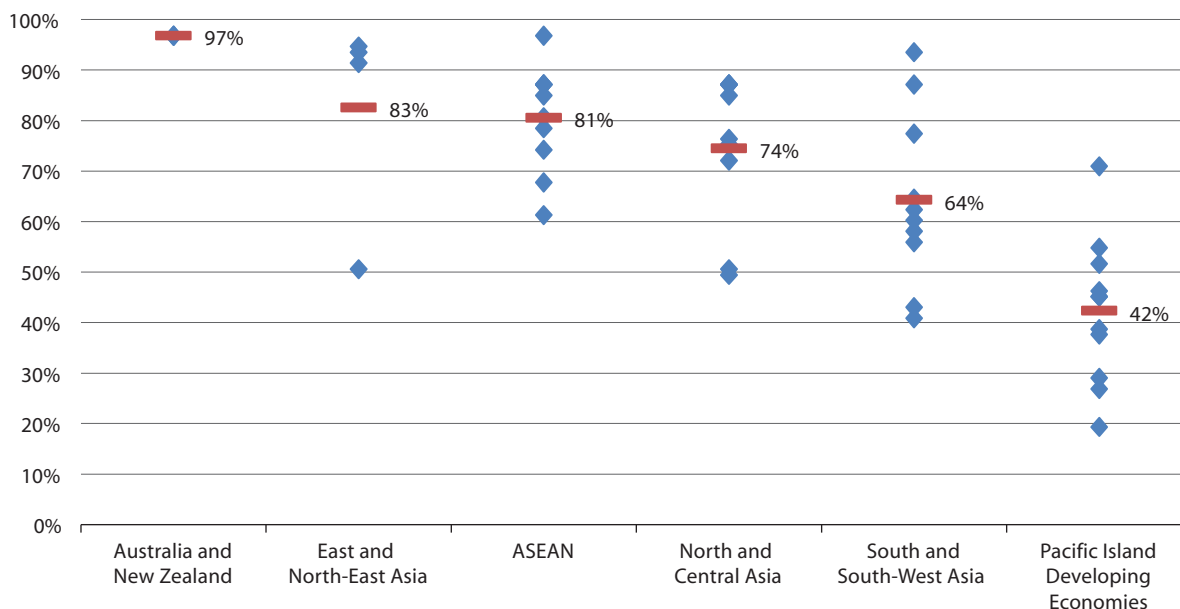
Trade facilitation implementation: Overview

According to the Survey 2023, the implementation of a set of 31 trade facilitation and paperless trade measures by ASEAN Member States is commendable, with an average implementation rate of 81%. This figure surpasses the regional average of 67% observed in the Asia-Pacific region (figure 1). Compared with other subregions, ASEAN's level of implementation ranks third after Australia and New Zealand, and East and North-East Asia.

This notable achievement highlights the active efforts undertaken by ASEAN during the past two years, despite the challenges posed by the long-term impacts of the COVID-19 pandemic and subsequent disruptions in the global supply chain. In particular, the ASEAN Single Window (ASW), as a highly advanced cross-border paperless trade initiative, demonstrated rapid advancements. Three trade administration documents – i.e., the e-Form D, the ASEAN Customs Declaration Document (ACDD), and the e-Phyto certificate – have been exchanged through the ASW to different extents. While the e-Form D has been fully exchanged among 10 ASEAN Member States, the ACDD is exchanged among nine ASEAN Member States, and two ASEAN Member States, namely Indonesia and Thailand, have exchanged the e-Phyto certificate. More efforts are ongoing to get the last country, the Lao PDR, to join the ACDD live operation, while tests are ongoing with some other ASEAN Member States for the live operation of e-Phyto certificate.

Figure 1

Trade facilitation implementation in Asia-Pacific subregions including ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Figure 2 introduces an additional nine measures from the “Sustainable Trade Facilitation” group, focusing on ‘Trade facilitation for SMEs’ and ‘Agricultural trade facilitation’, expanding the scope beyond the initial 31 measures. It is apparent that the implementation rate in the ASEAN subregion of this set of measures has lowered the implementation rate by 6 percentage points. The degree to which the implementation rating decreases when “Sustainable Trade Facilitation” measures are added is significant for ASEAN. Indeed, ASEAN’s rating decreased more than other subregions, including Australia and New Zealand, East and North-East Asia, and North and Central Asia. Greater emphasis and advancement of “Sustainable Trade Facilitation” measures would be imperative for the ASEAN countries, especially with the increasing interest and policy development in making trade more inclusive and sustainable by many of ASEAN’s main trading partners.

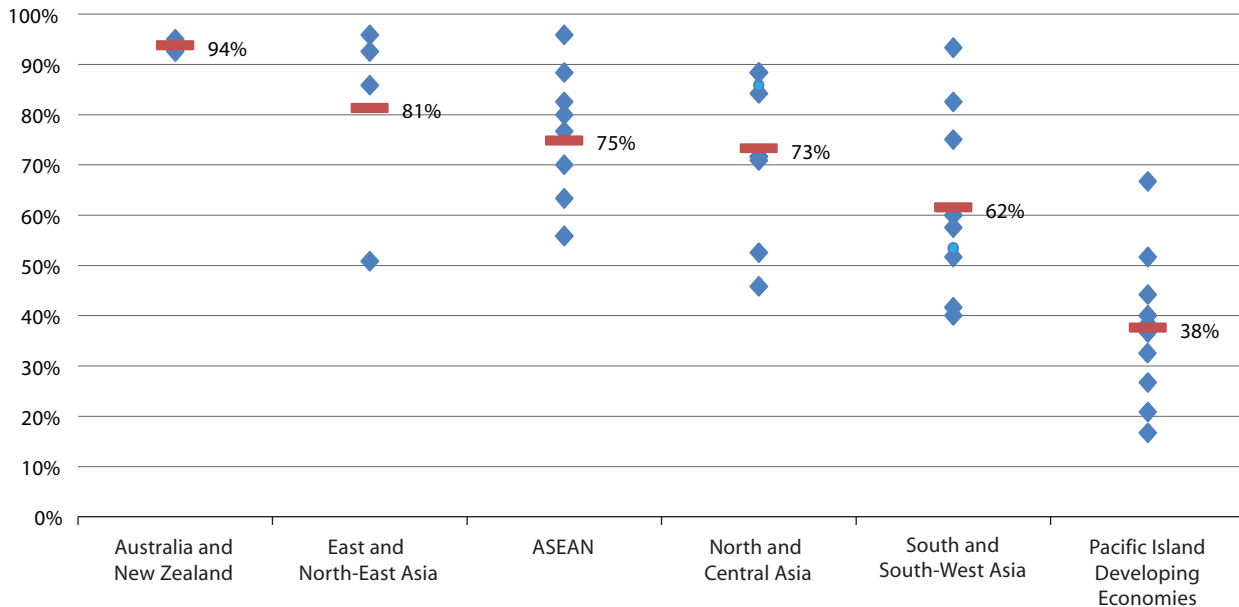
The ASEAN Member States exhibit varying degrees of implementation when it comes to trade facilitation measures (figure 3). Singapore has attained a remarkable level of implementation,

clearly making it one of the leaders among developing economies. Moreover, Indonesia, Malaysia, the Philippines and Thailand have achieved high implementation rates exceeding 80%. On the other hand, there is still room for improvement for the Lao PDR and Myanmar, which have implementation rates below the subregional average and under 70%.

When examining the implementation rates for 40 measures, including the “Sustainable Trade Facilitation” group of measures, the ASEAN Member States still exhibit some variations. On one hand, Singapore clearly stands out with 96%, and Malaysia follows with 88% implementation rate. On the other hand, the Lao PDR and Myanmar recorded 56% implementation rates, which is below the Asia-Pacific regional average of 63% (figure 4). It is worth noting that, apart from Indonesia, the implementation rates considering 40 measures are all lower than the ones considering 31 measures. This disparity can be attributed to the relatively lower implementation rates of “Sustainable Trade Facilitation” measures covering ‘Trade facilitation for SMEs’, and ‘Agricultural trade facilitation’.

Figure 2

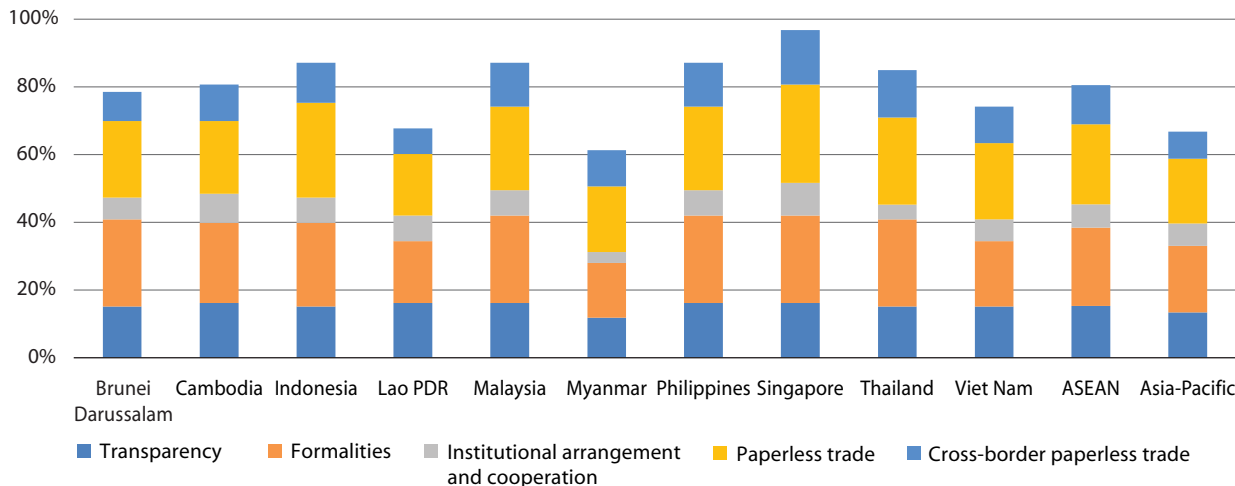
Trade facilitation implementation in Asia-Pacific subregions, including additional sustainable measures



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Figure 3

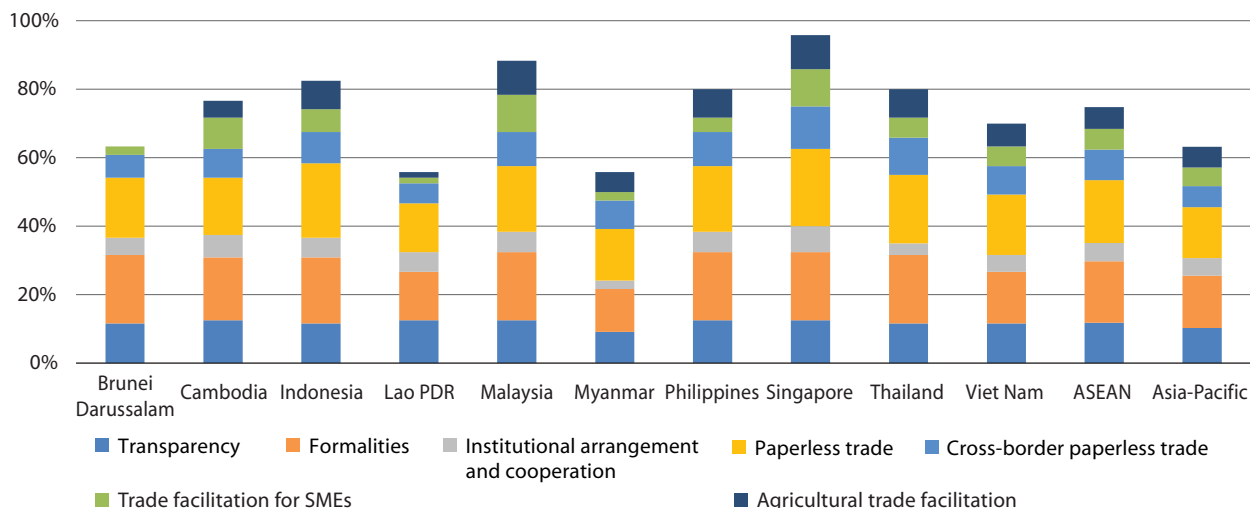
Overall implementation of trade facilitation measures in ASEAN countries



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Figure 4

Overall implementation of trade facilitation measures in ASEAN countries including additional sustainable measures



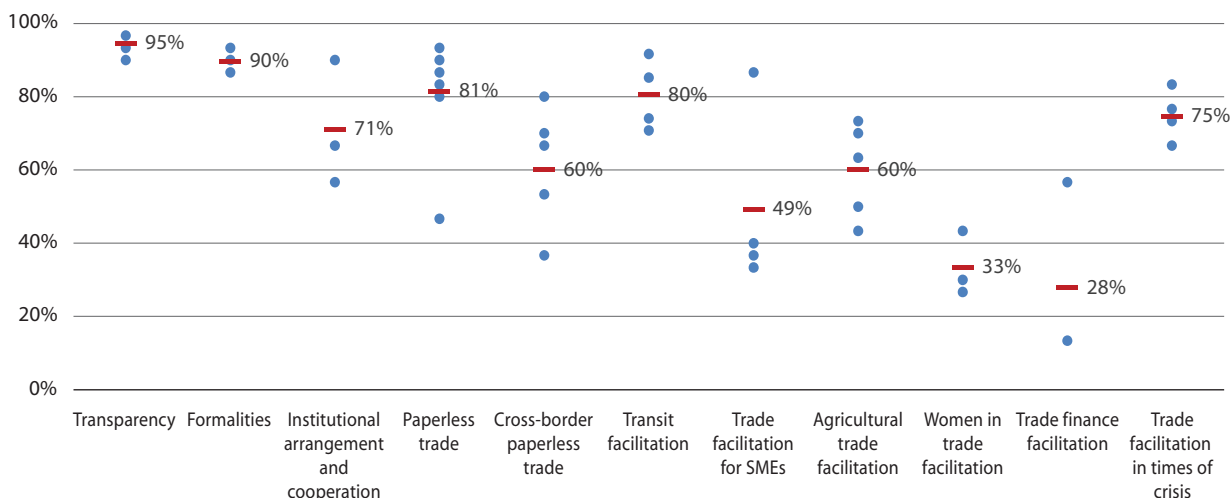
Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

While progress has been made in various areas, there is still room for improvement. Indeed, when it comes to “Trade finance facilitation” and “Women in trade facilitation” the implementation rates stand at 28% and 33% respectively, making them the least implemented subgroups covered in the survey (figure 5). Recognizing the importance of

the 2030 Agenda for Sustainable Development, concerted efforts are necessary to further implement trade finance facilitation measures as well as enhance the participation and contribution of women in trade facilitation throughout the ASEAN region.

Figure 5

Implementation of different groups of trade facilitation measures by ASEAN Member States



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

2.1. Most and least implemented trade facilitation measures

Table 2 presents valuable insights into the implementation status of trade facilitation measures within each subgroup assessed in the Survey. In the ‘Transparency’ subgroup, three measures stand out as the most implemented – advance publication or notification of new trade-

related regulations before their implementation, stakeholders’ consultation on new draft regulations (prior to their finalization) and publication of existing import-export regulations on the Internet. On the other hand, the ‘Trade finance facilitation’ subgroup reveals that the least implemented measure is ‘authorities engaged in blockchain-based supply chain project covering trade finance’. This indicates the need for improvement in fostering the involvement of relevant authorities in blockchain initiatives pertaining to trade finance.



Table 2 Most- and least-implemented measures in each group of trade facilitation measures by ASEAN Member States

Category	Most implemented (% of countries)		Least implemented (% of countries)	
	Measure	Implemented fully, partially and on a pilot basis (%) / Full implementation (%)	Measure	Implemented fully, partially and on a pilot basis (%) / Full implementation (%)
Transparency	Advance publication/ notification of new trade-related regulations before their implementation; Stakeholders’ consultation on new draft regulations (prior to their finalization); Publication of existing import-export regulations on the internet	100.0 / 90.0	Advance ruling on tariff classification and origin of imported goods	100.0 / 60.0
Formalities	Acceptance of copies of original supporting documents required for import, export or transit formalities; expedited shipments	100.0 / 80.0	TF measures for authorized operators; risk management	100.0 / 60.0
Institutional arrangement and cooperation	National Trade Facilitation Committee or similar body	100.0 / 80.0	Government agencies delegating border controls to Customs authorities	90.0 / 0.0
Paperless trade	Electronic submission of Customs Declarations	100.0 / 80.0	Electronic application for Customs refunds	60.0 / 10.0

Table 2. (continued)

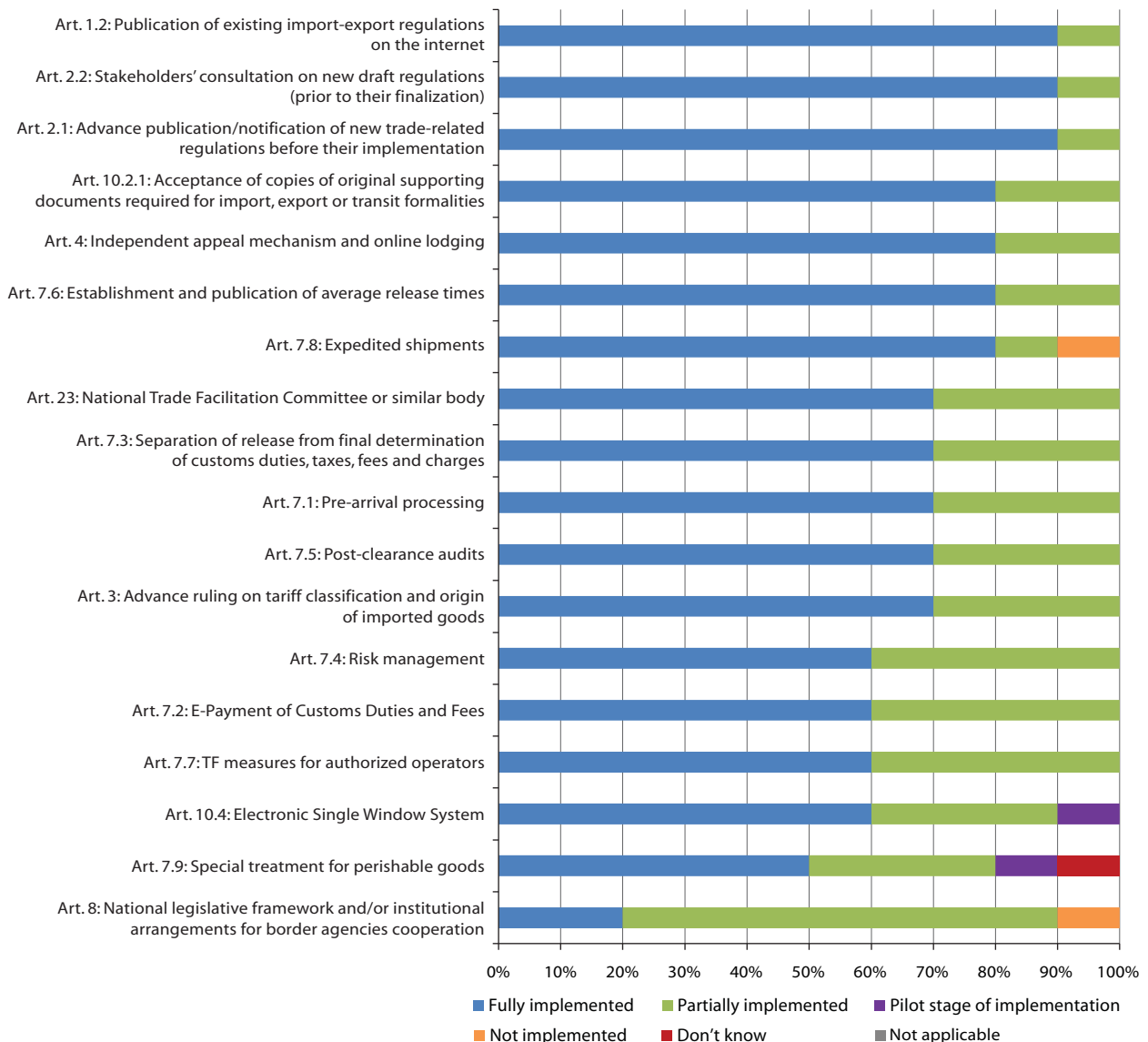
Category	Most implemented (% of countries)		Least implemented (% of countries)	
	Measure	Implemented fully, partially and on a pilot basis (%)/Full implementation (%)	Measure	Implemented fully, partially and on a pilot basis (%)/Full implementation (%)
Cross-border paperless trade	Laws and regulations for electronic transactions	100.0 / 40.0	Electronic exchange of Customs Declaration	60.0 / 0.0
Transit facilitation	Limit the physical inspections of transit goods and use risk assessment	100.0 / 87.5	Supporting pre-arrival processing for transit facilitation	87.5 / 37.5
Trade facilitation for SMEs	Trade-related information measures for SMEs	100.0 / 60.0	SMEs in National Trade Facilitation Committee	50.0 / 10.0
Agricultural trade facilitation	Special treatment for perishable goods	90.0 / 50.0	Electronic application and issuance of SPS certificates	70.0 / 20.0
Women in trade facilitation	TF measures to benefit women involved in trade	70.0 / 0.0	TF policy/strategy to increase women's participation in trade; women's membership in the National Trade Facilitation Committee or similar bodies	50.0 / 0.0
Trade finance facilitation	Variety of trade finance services available	80.0 / 10.0	Single Window facilitates traders access to finance; Authorities engaged in blockchain-based supply chain project covering trade finance	30.0 / 0.0
Trade facilitation in times of crisis	Plan in place to facilitate trade during future crises	100.0 / 50.0	Agency in place to manage TF in times of crises and emergencies. Additional trade facilitation measures to facilitate trade in times of emergencies	100.0 / 20.0
Trade facilitation for e-commerce	Trade facilitation measures for cross-border e-commerce	80.0 / 50.0	Trade facilitation measures for cross-border e-commerce	80.0 / 50.0
Trade facilitation and wildlife protection	Electronic exchange of CITES permits/certificates	50.0 / 0.0	Electronic exchange of CITES permits/certificates	50.0 / 0.0

Figure 6 illustrates the extent of implementation of measures directly aligned with the requirements of the WTO TFA, as indicated by the data gathered during the Survey. These findings closely align with the information conveyed by countries through official notifications to the WTO. Among the ASEAN countries, the measures with the highest implementation rates are ‘advance publication/notification of new regulations before their implementation’, ‘stakeholders’ consultation on new draft regulations (prior to their finalization)’ and ‘publication of existing import-export regulations on the Internet’. It is noteworthy that 90% of ASEAN Member States have fully implemented these measures, while the remaining 10% have partially implemented them. The measure ‘national legislative framework and institutional arrangements to ensure cooperation between border agencies’ is the least implemented. While 70% of ASEAN countries have partially implemented this measure, only 20% of ASEAN Member States have fully implemented it.

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Level of implementation of WTO TFA-related measures (excluding transit) by ASEAN members



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

2.2. Progress in implementation between 2021-2023

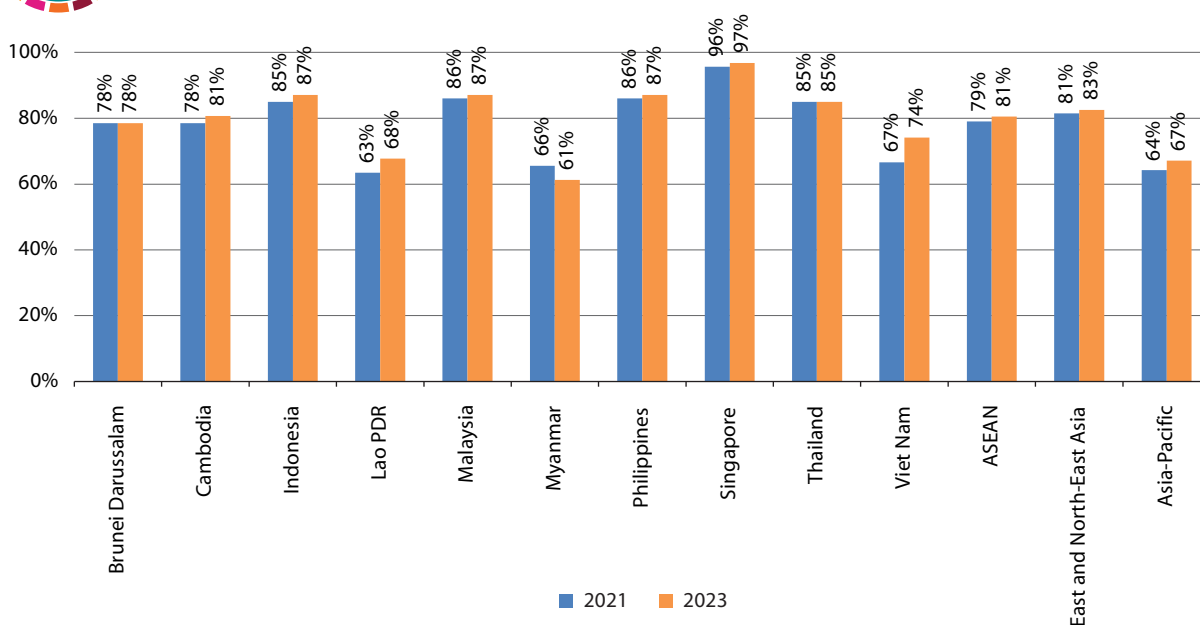
Some interesting progress has been made in the implementation of trade facilitation measures within ASEAN from 2021 to 2023. The average implementation rate has witnessed a rise, climbing from 79% in 2021 to 81% in 2023 (figure 7). Notably, Viet Nam has achieved the highest progress, with its implementation rate soaring by

nearly 7 percentage points, from 67% in 2021 to 74% in 2023, followed by the Lao PDR (from 63% in 2021 to 68% in 2023) and Cambodia (from 78% in 2021 to 81% in 2023).

Figure 8 shows a steady rise in implementation rates during the 2019-2023 period, although the increase is more moderate between 2021-2023 than in the 2019-2021 period. Among ASEAN Member States, the average progress observed between 2021 and 2023 is 1 percentage point, while the increase between 2019 to 2021 was 5 percentage points.



Trade facilitation implementation by ASEAN Member States between 2021 and 2023



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

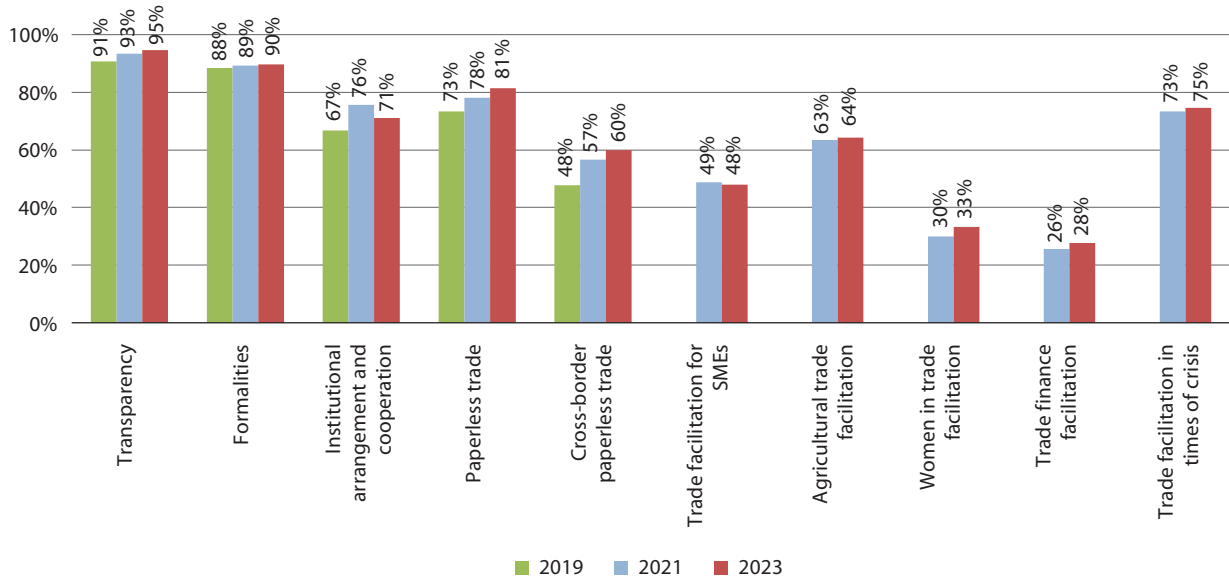
Note: Figure 7 is based on 31 general trade facilitation measures from the 2023 UN Global Survey on Digital and Sustainable Trade Facilitation.

During the past two years, this progress has been equally balanced between WTO TFA related measures, digital trade measures, and sustainable measures. More specifically, ASEAN Member States have been particularly active in implementing measures related to ‘Paperless trade’, ‘Cross-border paperless trade’ and ‘Women

in trade facilitation’. For each of these sub-groups, the implementation rate has increased by 3 percentage points. These efforts underline the commitment of ASEAN countries to promote inclusive trade, adopt modern and efficient trade practices, and further international cooperation.



Average implementation of different subgroups of trade facilitation measures by ASEAN Member States



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org



Implementation of trade facilitation measures: A closer look

3.1. Transparency

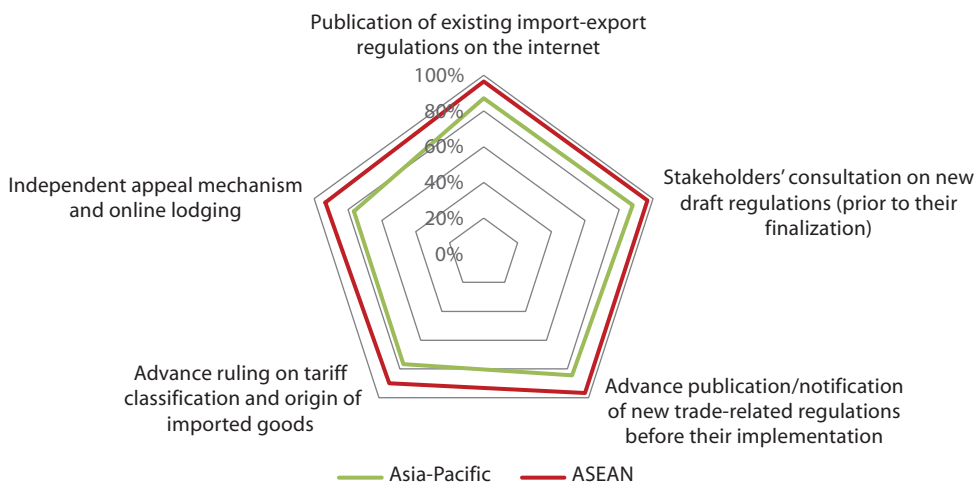
'Transparency' comprises five measures related to Articles 1 to 5 of the WTO Trade Facilitation Agreement (TFA) and GATT Article X on "Publication and Administration of Trade Regulations". The ASEAN countries exhibit a remarkable average implementation level of 95% for this subgroup, significantly surpassing the Asia-Pacific average. Specifically, the subregional implementation rates for 'stakeholders consultation on new draft regulations (prior to their finalization)', 'advance publication/notification of new trade-related regulations before their implementation' and 'publication of existing import-export regulations on the Internet' reach an impressive 97% (figure 9). In addition, figure 10 illustrates that all measures under 'Transparency' have been either fully or partially implemented across all ASEAN Member States. The measures of 'advance publication/notification of new trade-related regulations before their implementation', 'stakeholders' consultation on new draft regulations (prior to their finalization)' and 'publication of existing import-export regulations on the Internet' demonstrate the highest level of implementation, with measures being fully implemented by 90% of countries in this subregion.

In 2021, ASEAN Member States prioritized the “strengthened notification of draft measures or actions which may directly or indirectly nullify or impair any benefit to other ASEAN Member States, or impede the attainment of any objective in accordance with Article 11 of the ATIGA and the Non-tariff Measure (NTM) Guidelines.” As a result, most draft measures were notified in English to the ASEAN Secretariat for uploading onto its website. This action further enhances transparency at the regional level by providing the private sector with greater opportunities to provide comments and

inputs on draft measures before they come into effect. The combined efforts of national and regional implementation of ‘advance publication/ notification of new trade-related regulations before their implementation’ have significantly strengthened transparency. Although the implementation rate of ‘advance ruling on tariff classification and origin of imported goods’ is comparatively lower within the ‘Transparency’ measures, 70% of countries in ASEAN have fully implemented it.

Figure 9

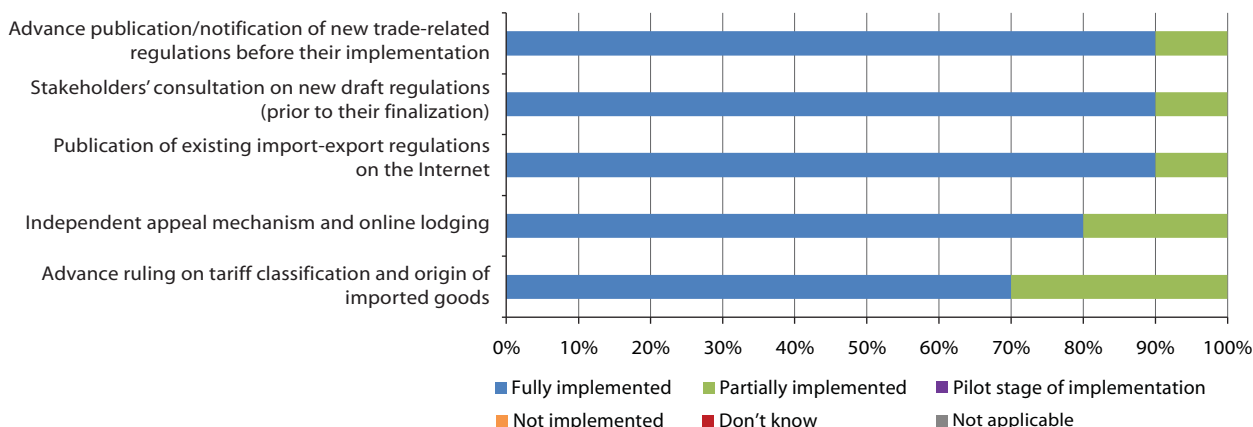
State of implementation of ‘Transparency’ by ASEAN benchmarking Asia-Pacific



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Figure 10

State of implementation of ‘Transparency’ in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.2. Formalities

The ‘formalities’ subgroup encompasses eight general trade facilitation measures that aim to streamline trade procedures, aligning with the requirements outlined in Articles 6-10 of the WTO TFA and GATT Article VIII on “Release and Clearance of Goods”. In 2023, the implementation levels of all the measures within the ‘Formalities’ category stands at 90%. Notably, ASEAN surpasses the regional average of Asia and the Pacific in implementing each and every measure. The measures with the highest implementation rate in the subregion are the ‘acceptance of copies of original supporting documents required for import, export or transit formalities’ and ‘establishment and publication of average release times’ reaching an implementation rate of 93%. Furthermore, the subregional implementation rates for ‘post-clearance audits’, ‘pre-arrival processing’ and ‘separation of release from the final determination of Customs duties, taxes, fees and charges’ have achieved a commendable 90% (figure 11).

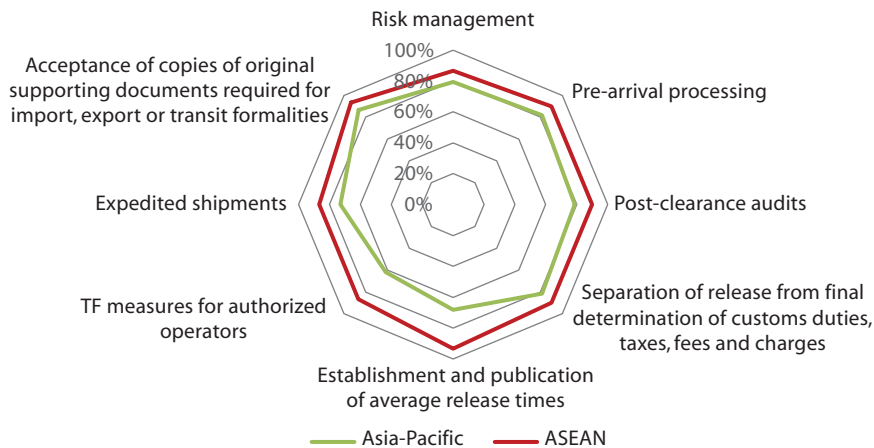
ASEAN Member States are continuing to further improve this measure. Viet Nam has adopted the Decision No. 38/QD-TTg¹ approving project on reform of quality and food safety inspection model for imported goods, proposing a centralized interdisciplinary risk management centre to promote the adoption of risk management across all border agencies.

A total of 90% of all ASEAN Member States have fully or partially implemented all ‘formalities’ measures. Among the measures, ‘acceptance of copies of original supporting documents required for import, export or transit formalities’, ‘expedited shipments’, and ‘establishment and publication of average release times’, exhibit the highest full implementation rate at 80%. For the measure ‘expedited shipments’, 10% of the countries declared that they had partially implemented it and another 10% have not implemented it. The least two implemented measures are ‘risk management’ and ‘TF measures for authorized operators’, which have been fully implemented by 60% of the countries (figure 12).



Figure
11

State of implementation of ‘Formalities’ by ASEAN benchmarking Asia-Pacific

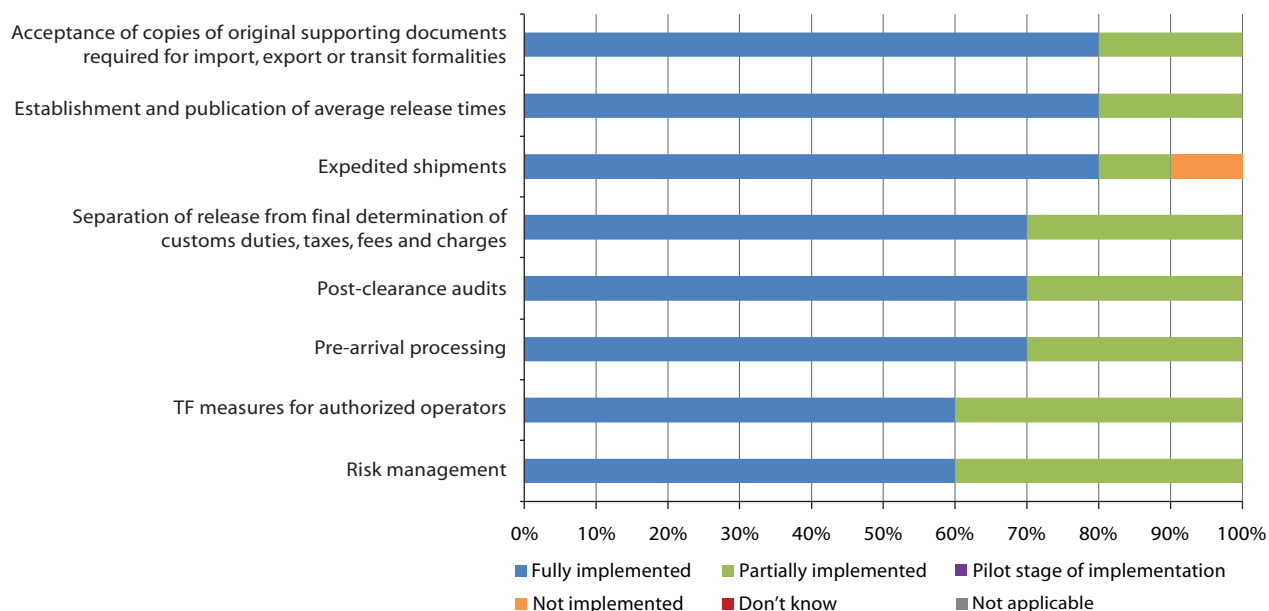


Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

¹ Decision approving project on reform of quality and food safety inspection model for imported goods – 38/QD-TTg in Viet Nam, Decision 38/QD-TTg 2021 project on reform of quality inspection model for imported goods in Viet Nam (thuvienphapluat.vn).



State of implementation of trade ‘Formalities’ in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

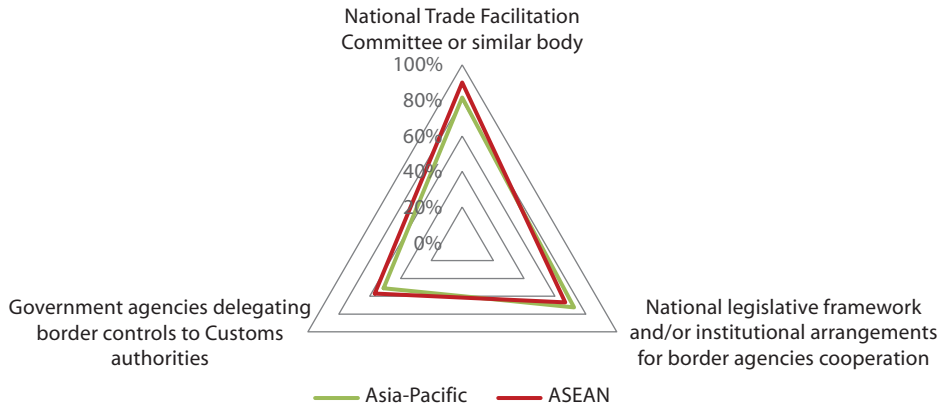
3.3. Institutional arrangement and cooperation

The ‘Institutional arrangement and cooperation’ category comprises three trade facilitation measures highlighted in the Survey. These measures revolve around the longstanding recommendation to establish a national trade facilitation body that promotes coordination and cooperation among government agencies and other stakeholders involved in trade facilitation activities. In addition, all three measures are specified in various articles of the WTO TFA. In ASEAN, the implementation rate of these measures stands at 71%, surpassing the regional average in the Asia-Pacific region.

Figure 13 illustrates the varying state of implementation for each measure within this subgroup. The measure with the highest implementation rate is the ‘National Trade Facilitation Committee or similar body’, exceeding 90%. The implementation rate for the ‘national legislative framework and/or institutional arrangements for border agencies cooperation’ is 67%, which is below the regional average in the Asia-Pacific region. On the other hand, 20% of countries in this subregion have yet to implement the measure of ‘government agencies delegating border controls to Customs authorities’, making it the least implemented measure within this subgroup (figure 14).



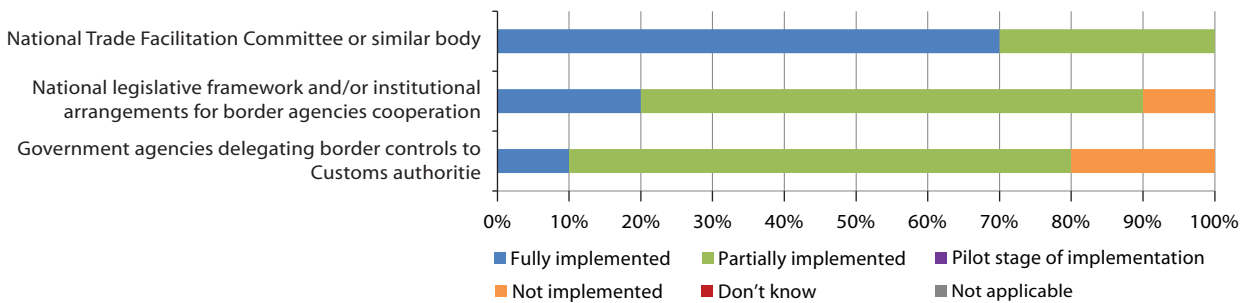
State of implementation of ‘Institutional arrangement and cooperation’ by ASEAN benchmarking Asia-Pacific



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org



State of implementation of ‘Institutional arrangement and cooperation’ measures for trade facilitation in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.4. Transit facilitation

Three trade facilitation measures surveyed specifically pertain to ‘transit facilitation’ and are aligned with WTO TFA Article 11 on “Freedom of Transit.” These measures aim to simplify the formalities associated with transit traffic, enabling seamless transportation of goods through one or multiple transit countries. They hold particular significance for landlocked developing countries, as their goods often pass through neighbouring territories for transit. In the subregion, the implementation level of ‘Transit facilitation’ stands at approximately 80%, surpassing the Asia-Pacific regional average.

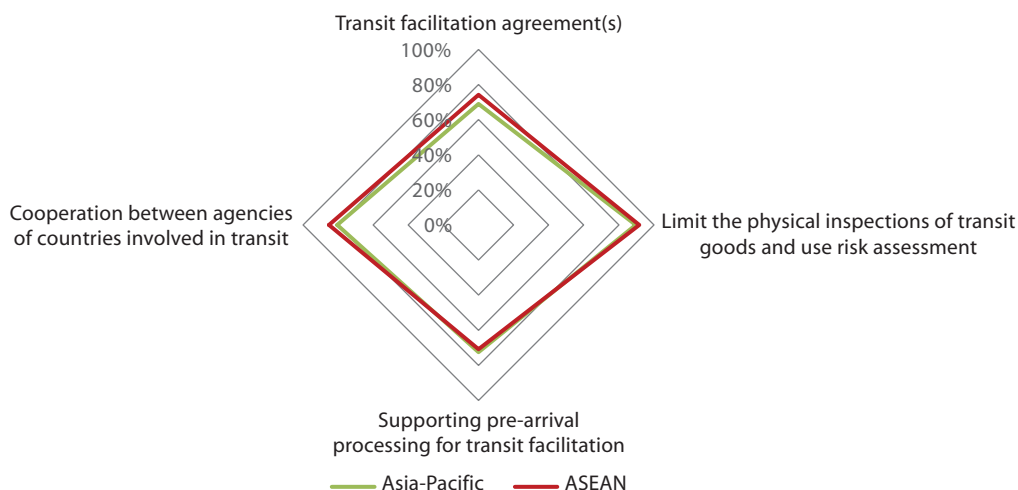
Among these measures, ‘limit the physical inspections of transit goods and utilizing risk assessment’ achieves the highest implementation rate (92%, fully implemented by 60% of countries), followed by ‘cooperation between transit-involved agencies’ (85%, fully implemented by 60% of countries). One contributing factor to enhanced transit facilitation is the implementation of the ASEAN Customs Transit System (ACTS) among the six participating Member States. The ACTS’s benefits are described by stakeholders as seamless clearance, faster transit, precise timing, and cost reduction. Since its launch in November 2020, a growing interest from the private sector is being observed. As a result, by June 2023, 80

successful ACTS movements were made across several ASEAN borders in three transit routes: (a) Singapore – Malaysia – Thailand; (b) Malaysia – Thailand – Cambodia; and (c) Malaysia – Thailand – Cambodia – Lao PDR – Viet Nam. Among the goods transported are advanced materials for health care and manufacturing, mechanical and electronic components, and printer components, among others.

Discussions are underway to consider the expansion of the scope of the ACTS through the inclusion of Multi-Modal Transport (MMT) and the expansion of ACTS to the remaining ASEAN Member States along the Borneo corridor. ‘Supporting pre-arrival processing for transit facilitation’ remains the least implemented measure with an implementation rate that stands at 71%, with 30% of ASEAN countries having fully implemented it (figures 15 and 16).

Figure 15

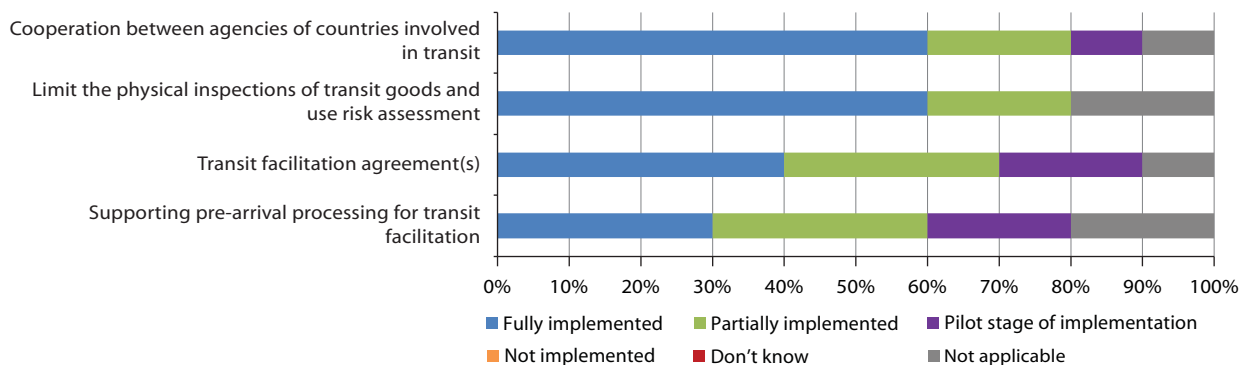
State of implementation of ‘Transit facilitation’ by ASEAN benchmarking Asia-Pacific



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Figure 16

State of implementation of ‘Transit facilitation’ in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.5. Paperless trade

Nine trade facilitation measures surveyed are categorized under the ‘Paperless trade’ subgroup. These measures involve the utilization of modern information and communications technologies (ICT) in trade procedures, ranging from basic Internet connectivity at border crossings to comprehensive electronic Single Window systems. Many of these measures align with the provisions outlined in the WTO TFA. In the subregion, the implementation level of ‘paperless trade’ stands at 82%, surpassing the Asia-Pacific regional average.

However, it is important to note that while the TFA encourages economies to implement such measures, it does not impose them as mandatory requirements. Consequently, there is a significant disparity in the implementation rates of the ‘paperless trade’ measures, ranging from 47% to 93%. As depicted in figure 17, ‘electronic

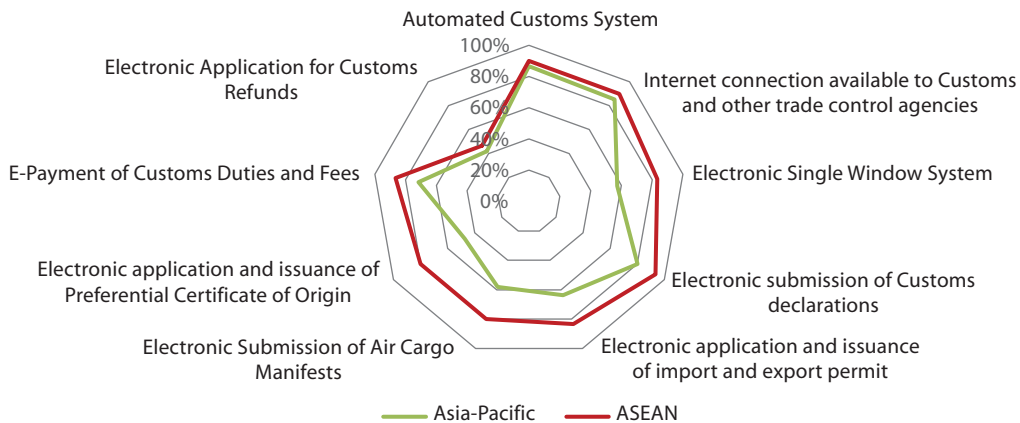
submission of customs declarations’, reaches 93.3%, the highest level in this subgroup. It is closely followed by the measures related to the ‘automated Customs system’ and ‘Internet connection available to Customs and other trade control agencies’ that are achieving a commendable implementation rate of 90%. Conversely, the measure with the lowest implementation rate is ‘electronic application for Customs refunds’, with an implementation rate of 47%. Only 10% of the countries in ASEAN have fully implemented this measure, while implementation has not yet commenced in 30% of the ASEAN countries (figure 18).

In line with efforts to facilitate paperless trade, for example, Lao PDR expanded the Lao National Single Window (LNSW) to include the Ministry of Health. This expansion is aimed specifically at streamlining the process of applying for import licenses for medicines, cosmetics and other goods covered by the food and drug agreement.



Figure
17

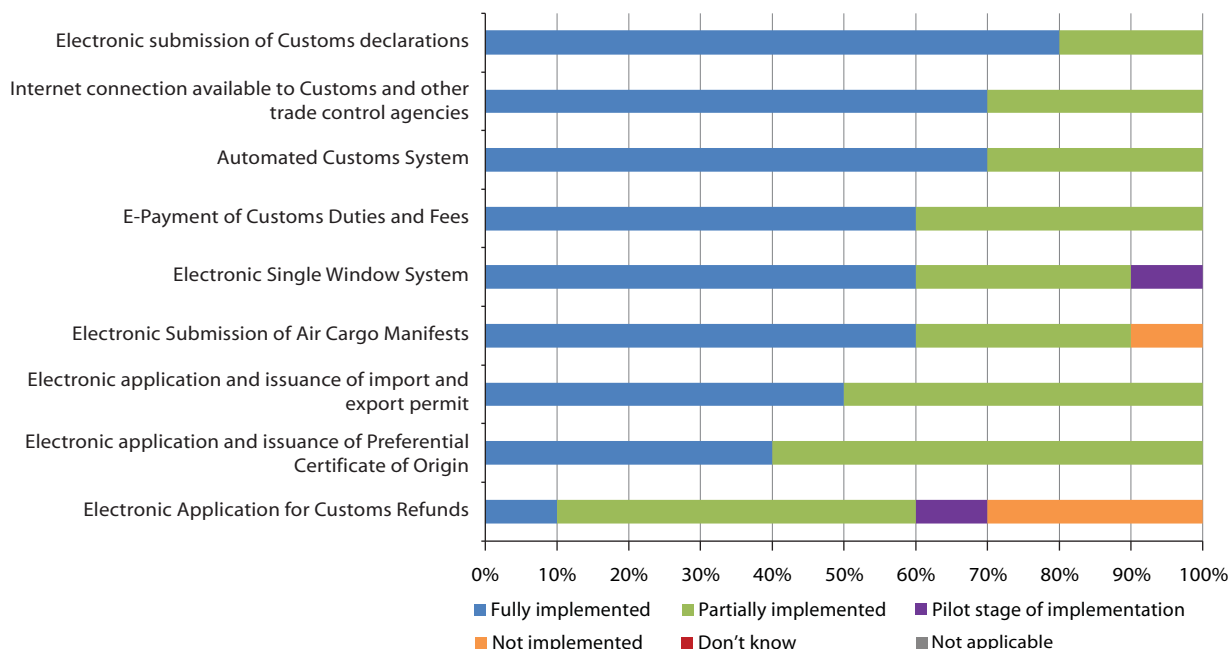
State of implementation of ‘Paperless trade’ by ASEAN benchmarking Asia-Pacific



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org



State of implementation of ‘Paperless trade’ in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.6. Cross-border paperless trade

The category of ‘Cross-border paperless trade’ encompasses six measures aimed at facilitating the exchange and recognition of trade-related data and documents. Two fundamental measures in this category include the establishment of ‘laws and regulations for electronic transactions’ and the recognition of a ‘certification authority’. These measures serve as essential foundations for enabling the secure exchange of trade-related information within a country and across the entire international supply chain. They have been fully implemented by 40% of ASEAN countries, making them the most implemented measures of this subgroup. The remaining four measures focus on implementing systems that facilitate the actual exchange of trade-related data and documents across borders, eliminating the need for physical paper documents.

In ASEAN, the implementation rate of ‘Cross-border paperless trade’ stands at 60% and significantly surpasses the regional average (figure 19). This can be attributed in part to the continuous utilization of the ASW. In 2021, ASEAN Member States exchanged 880,000 e-Form D through the ASW. As of July 2022, four ASEAN Member States – Indonesia, Malaysia, Thailand and Viet Nam – are fully issuing e-Form D, where the hardcopy e-form D is only issued when the ASW has technical issues.² During the past two years, ASEAN Member States have expanded the ASW to facilitate the exchange of other trade-related documents, such as the ASEAN Customs Declaration Document (ACDD), which are now exchanged among nine ASEAN members with 1.7 million ACDD exchanged in 2022. Indonesia and Thailand have also exchanged electronic Phytosanitary (e-Phyto) certificates since December 2022, while the Philippines will join them by the end of 2023. In addition, ASEAN Member States are engaged in discussions with

² *Monthly Bulletin*, July 2022: Available at [ASEAN-for-Business_July-2022-1.pdf](https://asean-for-business.org/asean-for-business_july-2022-1.pdf).

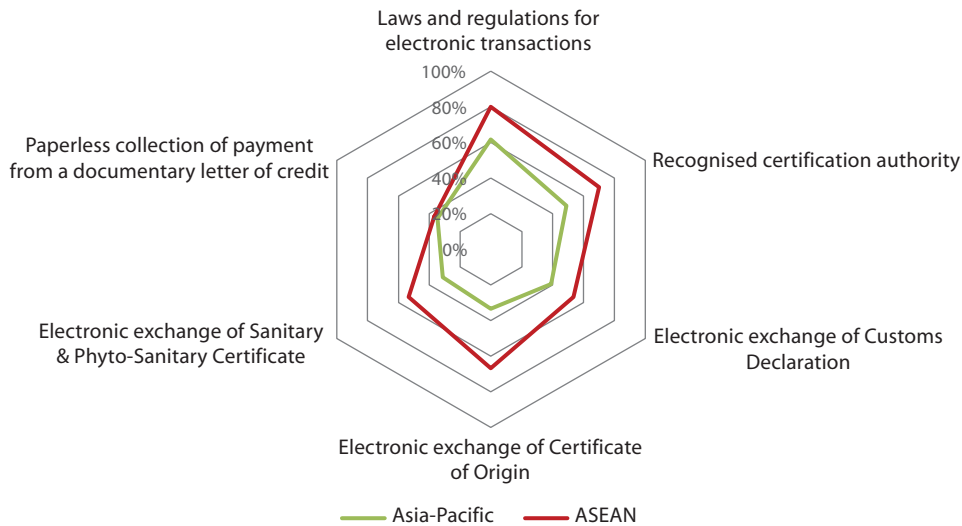
Dialogue Partners, including China, Japan, the Republic of Korea and the United States of America, to explore the exchange of various trade-related documents.

implemented ‘laws and regulations for electronic transactions’, ‘electronic exchange of Certificate of Origin’ and ‘recognized certification authority’. Notably, the measure with the lowest implementation rate is the ‘paperless collection of payment from documentary letter of credit’, remaining unimplemented in 40% of countries.

Figure 20 illustrates that 80% of countries within this subregion have either fully or partially



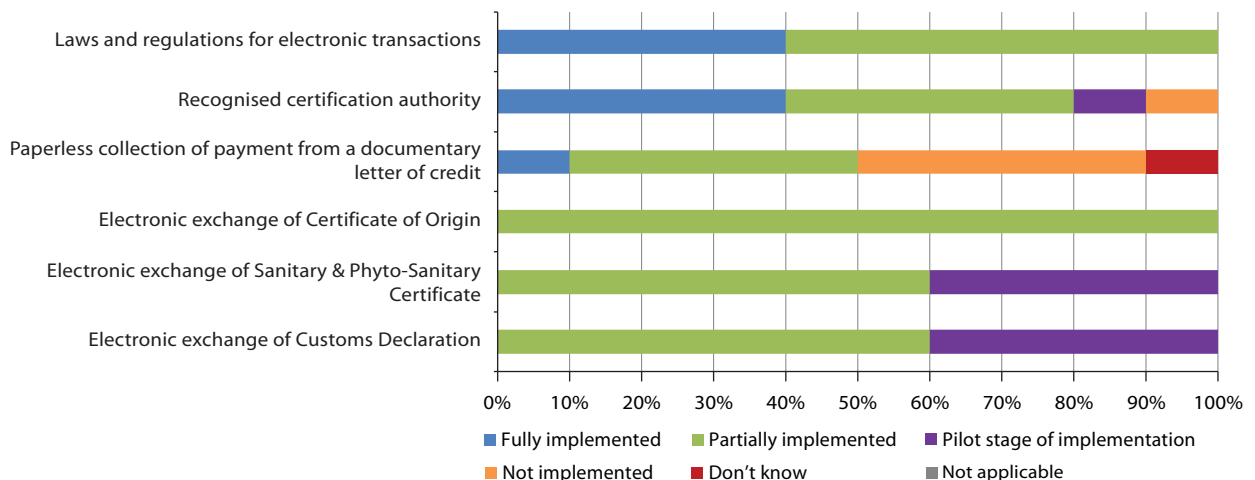
State of implementation of ‘Cross-border paperless trade’ by ASEAN benchmarking Asia-Pacific



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org



State of implementation of ‘Cross-border paperless trade’ in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

With the evolution of technologies and greater emphasis on sustainable trade, countries need to consider and develop effective and forward-looking trade facilitation measures. Efficient use of emerging technologies would need to be used based on conscious decisions where it could be

effectively used as well as supported by appropriate legal frameworks (box 1). Moreover, implementation of paperless and cross-border paperless trade facilitation measures could lead to making trade more sustainable and climate-smart (box 2).

Box 1

Emerging technologies for trade facilitation

Emerging technologies in trade facilitation broadly refers to the array of new tools used to aid the quick and efficient flow of goods across international markets. Some Customs offices, for example, are exploring how emerging technologies including Big Data analytics and artificial intelligence can be used for conducting data analysis to speed up clearance processes and improving risk management, while phasing out some manual work.³ Others have enabled blockchain technology to bring about greater transparency and efficiency in digitally tracking goods along all segments of the supply chain.⁴ As technology continues to advance and change, there will be new ways to utilize such tools for supporting international trade facilitation.

Viet Nam has reinforced the importance of emerging technology in trade facilitation through a recent policy directive. In 2022, Viet Nam introduced a national plan called the Digital Transformation of the Customs Sector by 2025. The plan's main objectives are three-fold: redesigning the national digital Customs system; implementing the National Single Window and ASEAN Single Window into a consolidated Customs IT system; and building a centralized database on import and export goods for the use of Customs and business stakeholders.⁵ The policy has called for more research on several emerging technologies, including Big Data, Intelligent Analytics, Blockchain and Artificial Intelligence, with the intention of gradual implementation of these systems in digital trade processes.⁶

From a legal standpoint, it is challenging to govern and regulate emerging technologies for trade facilitation, particularly given the rapid nature of technological advances and the international cooperation required to harmonize the rules that govern and support them. It is helpful to look to international standards to model legal frameworks for emerging technology. For example, the UNCITRAL Model Laws include the foundational principles of non-discrimination, technological neutrality and functional equivalence that set the legal foundation for ensuring electronic documents are recognized and considered equivalent to paper-based documents.⁷ Beyond such laws, policies are needed to harmonize national legislation with international trading partners and ensure interoperability for effective trade facilitation. Countries that have access to technologies used for digital trade facilitation have an opportunity to share best practices and aid in capacity-building in other countries to avoid the development of a digital divide in the future of trade.

³ Source: World Trade Organization (WTO) and World Customs Organization (WCO), "The role of advanced technologies in cross-border trade: A Customs perspective" (2022). Available at https://www.wto.org/english/res_e/booksp_e/wcotech22_e.pdf.

⁴ Source: UNECE White Paper on the use of Artificial Intelligence in Trade Facilitation, February 2023. Available at https://unece.org/sites/default/files/2023-02/WhitePaper_AI-TF_Feb2023_0.pdf.

⁵ Source: <https://laocai.customs.gov.vn/index.jsp?pagelD=5201&aid=174747&cid=7932>.

⁶ See <https://nganhangphapluat.lawnet.vn/en/tu-van-phap-luat/bo-may-hanh-chinh/vietnam-solutions-to-promote-communication-raise-awareness-increase-interaction-with-citizens-and-businesses-in-the-digital-transformation-of-the-customs-sector-in-the-period-of-20212025-390207>.

⁷ UNCITRAL Model Law on Electronic Commerce (1996) with additional article 5 was adopted in 1998 by the United Nations Commission On International Trade Law.

Box
2

Climate-smart trade facilitation

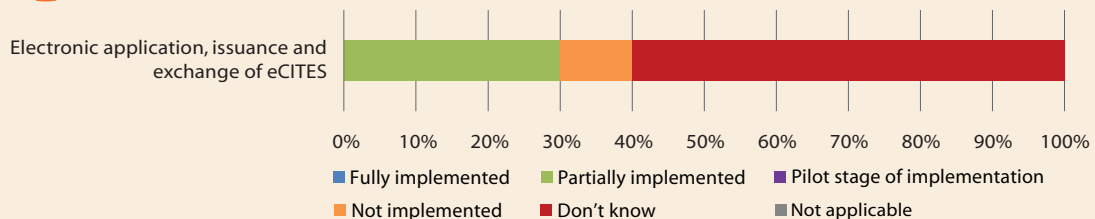
Climate-smart trade facilitation would refer to trade facilitation measures that aim to make trade greener, in line with Goal 13 of the Sustainable Development Goals (SDGs) on climate action. Digitalization is one key element in the green trade transition. The 2021 Asia-Pacific Trade and Investment Report highlighted the need for an acceleration of climate-smart trade solutions.⁸ Paperless and cross-border paperless trade measures can have positive impacts on protecting the environment and making trade more sustainable by reducing GHG emissions, both from embodied carbon emissions in paper production, and in the emissions from transporting physical documents. An ESCAP study undertaken in May 2021 estimated that by fully digitalizing regulatory procedures around trade, between 32 and 86 kg of CO₂ equivalents could be saved per end-to-end transaction.⁹

Another area for enhanced cooperation in the realm of environmental protection is in the expansion of cooperation in the safe trade of sensitive goods. For example, the transboundary movements of hazardous wastes, including toxic, poisonous, explosive, corrosive, flammable, ecotoxic and infectious wastes, are governed by the Basel Convention. Parties are obliged to ensure that such waste is managed and disposed of in an environmentally sound manner. Similarly, the Convention on International Trade in Endangered Species of Wild Fauna and Flora, known as CITES, is an agreement between Governments that aims to ensure that international trade in wild animals and plant specimens are regulated for the protection of those species. Electronic permits (eCITES) are an emerging digital solution for improving the implementation of the CITES Convention by simplifying the compliance procedure for trade in these goods. It is also being used as a means of combatting illegal trade.

In the 2023 Survey, the pilot-tested measures, ‘Wildlife trade facilitation’, addressed the implementation of the CITES electronic permit system (eCITES). It is noted that ASEAN Member States have a low level of implementation rate eCITES permits (figure 21).



State of implementation of “Wildlife trade facilitation” in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at [untdfsurvey.org](https://untdf.org)

⁸ See the Asia-Pacific Trade and investment Report 2021: Accelerating Climate-Smart Trade and Investment for Sustainable Development, ESCAP (unesco.org).

⁹ See the ESCAP Working Paper: A Primer on Quantifying the Environmental Benefits of Cross-border Paperless Trade Facilitation, ESCAP (unesco.org).

3.7. Trade facilitation for SMEs

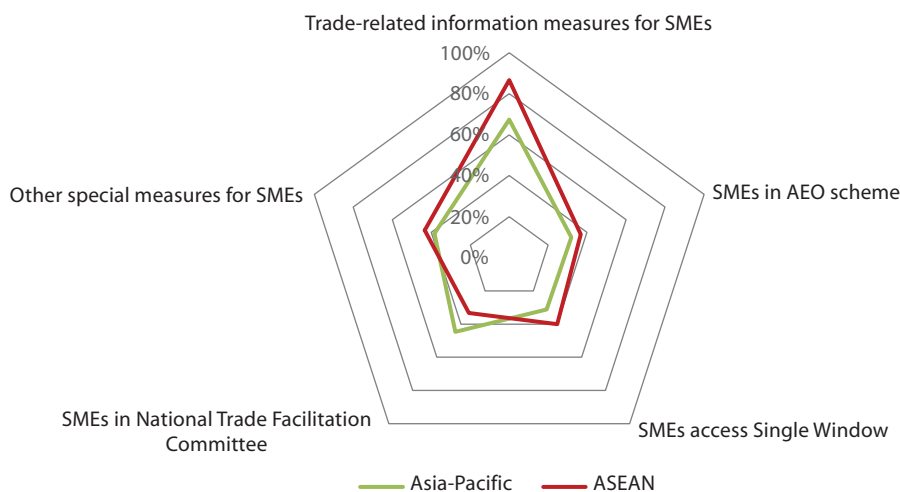
In terms of the Asia-Pacific region, there is considerable variation in the level of implementation of all five measures in “Trade facilitation for SMEs”, as indicated by figure 22. Comparatively, the implementation rate of these measures in ASEAN countries is relatively low, hovering at around 48%.

However, it is worth noting that all ASEAN countries have either fully or partially implemented ‘trade-related information measures for SMEs’ with a high implementation rate of 87%. When it comes to ‘other special measures for SMEs’, ‘SMEs access Single Window’ and ‘SMEs in AEO scheme’, the implementation rates stand at

43%, 40% and 37%, respectively, which is quite low, but still above the regional average. The least implemented measure is ‘SMEs in National Trade Facilitation Committee’, which remains unimplemented in 40% of the countries, as shown in figure 23. In Cambodia, an initiative known as the SeT4SME Project¹⁰ is worth noting. This two-year project (2021-2023) focuses on empowering small and medium-sized enterprises (SMEs) by providing them with the necessary skills and knowledge to navigate the global e-commerce market, with a strong emphasis on supporting women-owned businesses. The upward trend in the use of e-commerce in the global economy could present opportunities for SMEs to connect to global supply chains, but measures specific to SMEs as well as to supporting e-commerce would need to be further enhanced (box 3).



State of implementation of ‘Trade facilitation for SMEs’ by ASEAN benchmarking Asia-Pacific



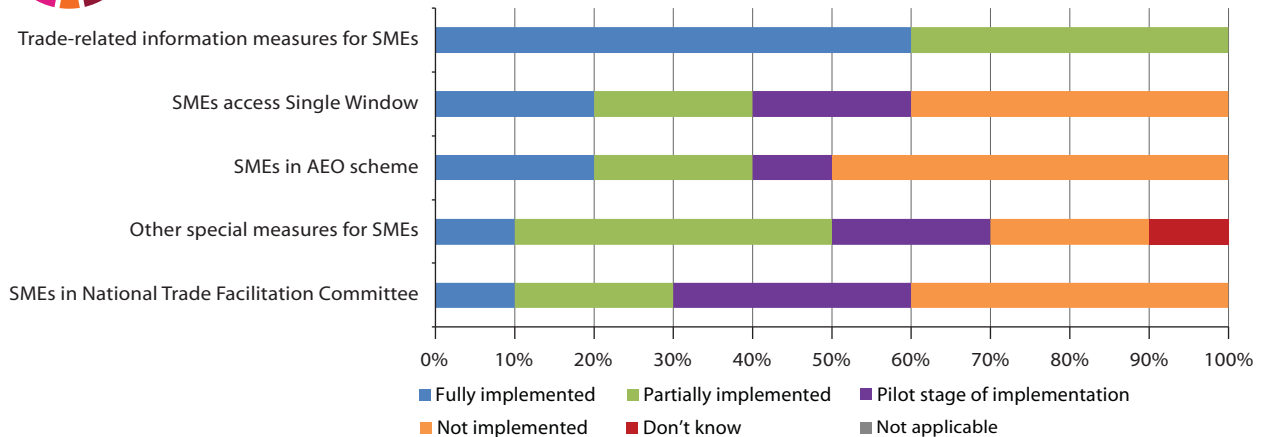
Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

¹⁰ Small Package Exporter Champions (SPEC) Program launched in Cambodia: CWEA Cambodia SeT4SME Institutionalisation, Cambodia – Countries – Site (swisscontact.org).



Figure
23

State of implementation of 'Trade facilitation for SMEs' in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Box 3

Trade facilitation for e-commerce and SMEs

Electronic commerce (e-commerce) accounts for a significant proportion of business transactions among ASEAN countries and is an increasingly important element in international trade. An ongoing challenge in this space is to harmonize regulations governing e-commerce across nations; although progress has been made, regulations governing e-commerce have not kept pace with the rapid expansion of e-commercial transactions. The WTO E-commerce Joint Statement Initiative (JSI) is an important forum for bringing nations together to synchronize digital trade processes, in line with shared goals for enhancing cross-border paperless trade.¹¹ Since exploratory work began in 2017, 89 WTO members have participated in working group discussions, including eight ASEAN countries: Brunei Darussalam, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore and Thailand. In May 2023, negotiations on e-commerce were co-convened by Australia, Japan, and Singapore, where key issues including data flow, data localization and development of e-commerce in trade were discussed. In addition, the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA) aimed at advancing digitalization of trade procedures, would be closely linked to the facilitation of e-commerce.

The upward trend in the use of e-commerce in the global economy can have positive implications not only for efficiency, but also sustainable trade facilitation. This is particularly true for SMEs looking to participate in international trade. If adequately supported by the right government policies, e-commerce presents an opportunity for SMEs to connect to global supply chains, which is a step towards making trade more equitable and sustainable. This can involve targeted programs or policies for SMEs to assist them in taking advantage of the opportunities provided by e-commerce.

¹¹ Source: WTO Joint Initiative on E-Commerce.

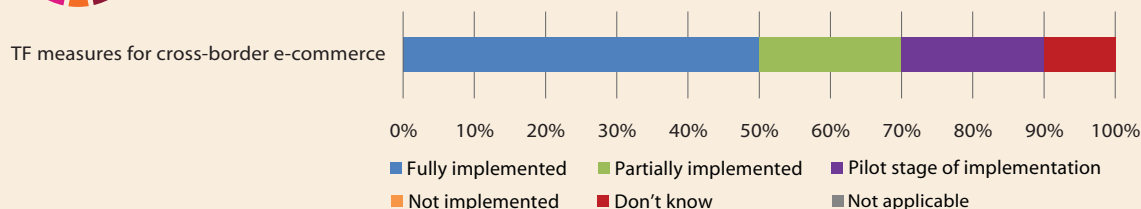
Box 3 (continued)

In Indonesia, e-commerce has been beneficial for SMEs in promoting goods and services as well as increasing market access internationally.¹² However, some gaps in SME capacity for using e-commercial platforms has undermined the realization of their full potential in facilitating digital trade. The Government of Indonesia has placed emphasis on promoting e-commerce and digital trade literacy for SMEs, including through the 2019 E-commerce Roadmap and the 2020 Go Digital Vision, which aim to increase the competitiveness of SMEs in the digital economy.¹³ Regional SMEs can also participate in the ASEAN Mentorship for Entrepreneurs Network (AMEN) to build up their digital skills and networks.¹⁴

In the 2023 Survey, the pilot-tested ‘Trade facilitation for e-commerce’ measure reflects whether countries have implemented a national strategy on cross-border e-commerce and a *de minimis* regime. It is observed that 70% of ASEAN Member States have either fully or partially implemented them, demonstrating their commitment to developing digital trade (Figure 24). Nevertheless, there is still room for improvement, not only for the areas indicated in the measure but also the wider scope, as mentioned earlier in this report, in its relevance with the overall “Digital Trade Facilitation” as well as its contribution to sustainable trade.



Figure 24 State of implementation of “Trade facilitation for e-commerce” in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.8. Agricultural trade facilitation

The implementation rate of ‘Agricultural trade facilitation’ in the ASEAN subregion stands at 64%, higher than the Asia-Pacific average of 58%. The two most implemented measures are ‘National standards and accreditation bodies to facilitate compliance with ‘sanitary and phytosanitary’ and ‘special treatment for perishable goods’, both achieving an implementation rate of 70% and 73%, respectively (figure 25). As an example, the

Lao PDR is now giving priority to perishable goods when scheduling physical examinations. Indeed, according to the Customs Law 2020, “perishable or degradable goods or non-commercial goods; agricultural products; live animals; goods used in case of emergency; goods used for the purpose of the national defence and security; goods of diplomats, legal or natural persons with privileges may be released prior to the Customs Declaration, subject to completion of the Customs guarantee procedures as provided for in Article 41 of this Law”.

¹² https://think-asia.org/bitstream/handle/11540/11855/ISEAS_Perspective_2020_36.pdf?sequence=1.

¹³ See <https://partners.wsj.com/bkpm/indonesia-open-for-business/indonesia-set-to-become-a-digital-economic-powerhouse/>.

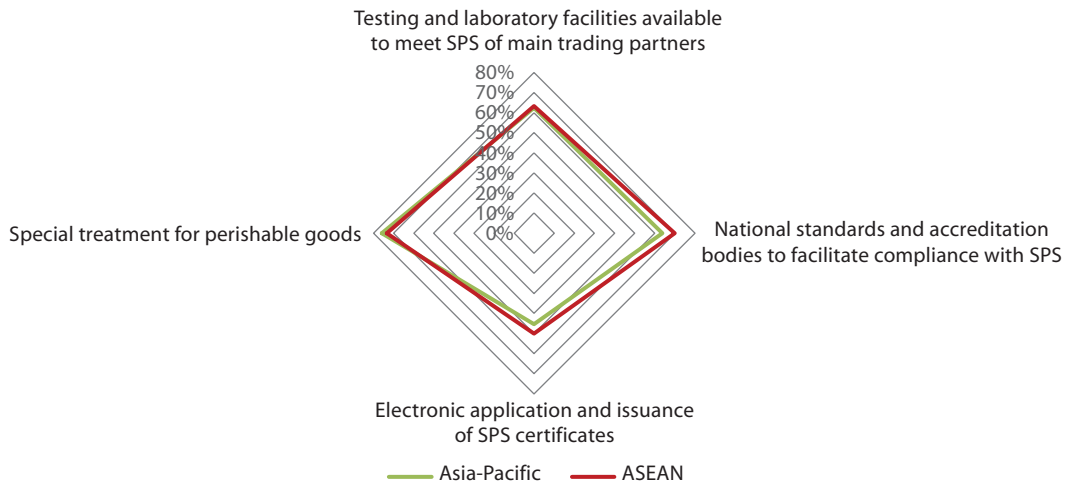
¹⁴ ASEAN Cultivates Mentors through ASEAN Mentorship for Entrepreneurs Network (AMEN) and Japan-ASEAN Integration Fund.

Following closely is the availability of ‘testing and laboratory facilities to meet Sanitary and Phytosanitary (SPS) requirements of main trading partners’ with an implementation rate of 63%. The measure with the lowest implementation rate in this subgroup is the ‘electronic application and

issuance of SPS certificates’ with a subregional implementation rate of 50%. Implementation of this measure is often incomplete, and only 20% of countries within the subregion have fully implemented it (figure 26).

Figure 25

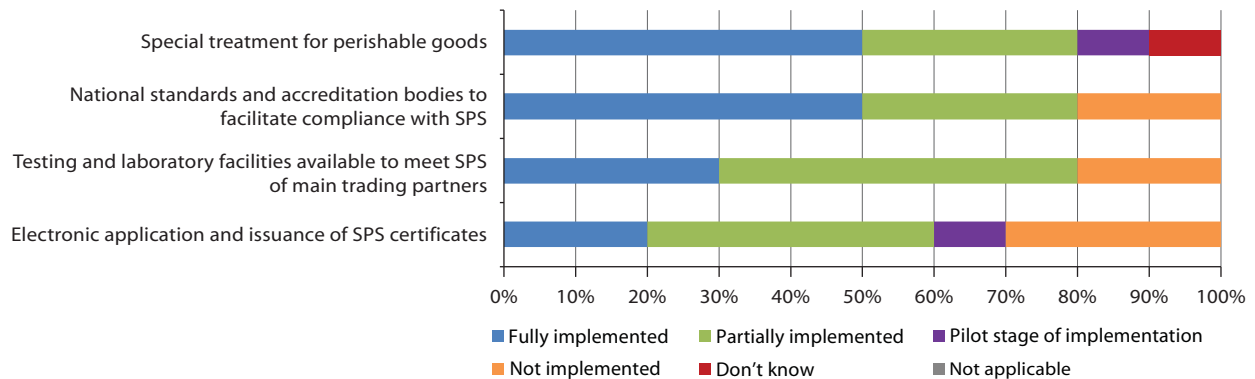
State of implementation of ‘Agricultural trade facilitation’ by ASEAN benchmarking Asia-Pacific



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Figure 26

State of implementation of ‘Agricultural trade facilitation’ in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.9. Women in trade facilitation

The implementation level of the three ‘Women in trade facilitation’ measures at the ASEAN level currently stands at 33%. This is not as high as the average in the Asia-Pacific region, indicating that there is still room for improvement. One possible explanation is that while gender equality has been integrated into various policy initiatives, the specific concerns of female traders regarding trade facilitation have not been adequately addressed. The measure with the highest implementation rate is the ‘TF measures to benefit women involved in trade,’ which stands at 43%. However, the implementation rates of the other two measures in this category do not exceed 30% (figure 27).

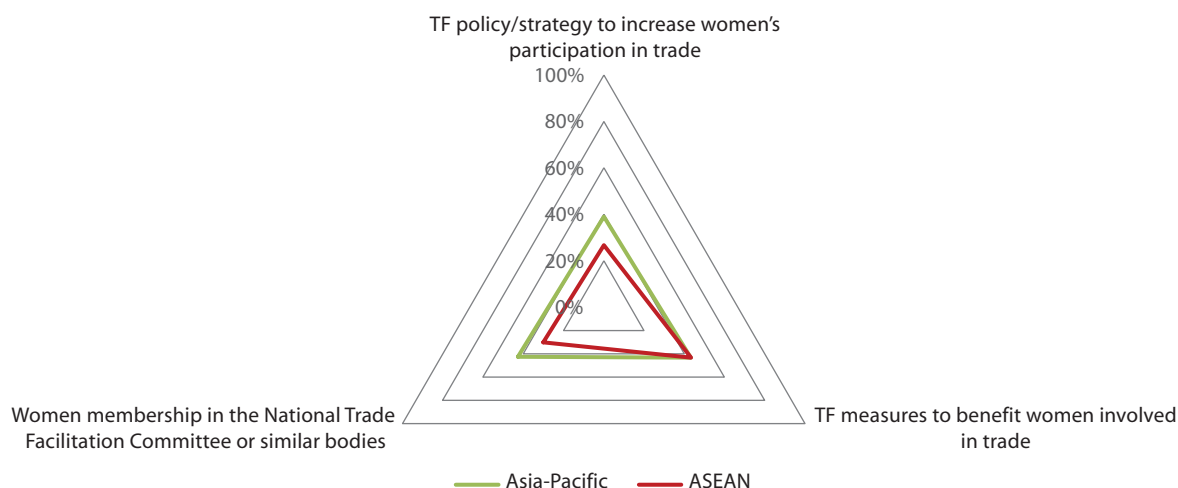
Approximately 70% of the countries have introduced ‘TF measures to benefit women involved in trade’ to some extent. However, the

implementation is only partial and limited to pilot projects. These measures include having a designated gender focal point in relevant border agencies, promoting gender-balanced participation in training and providing specialized training for women engaged in trade. On the other hand, ‘women membership in the National Trade Facilitation Committee or similar bodies’ and ‘TF policy/strategy to increase women’s participation in trade’ have only been implemented in half of the countries – and even in those cases, the implementation is incomplete (figure 28).

The Philippines Bureau of Customs stands out as a prime example in this realm. As part of their comprehensive trade facilitation programme, the Philippines has established a permanent presence of the Women Business Council Philippines, Inc.¹⁵, comprising women business leaders and entrepreneurs who actively contribute to shaping trade policies and initiatives. This ensures the structural and permanent inclusion of women traders in the programme.



Figure 27 State of implementation of “Women in trade facilitation” by ASEAN benchmarking Asia-Pacific

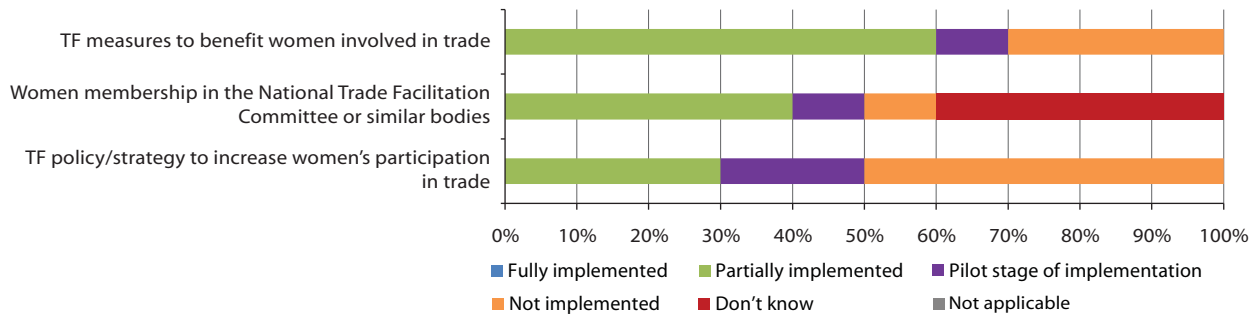


Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

¹⁵ See Women’s Business Council Philippines, Inc. (womenbiz.ph).



State of implementation of “Women in trade facilitation” in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.10. Trade finance facilitation

Among the subgroup of measures in ASEAN, ‘Trade finance facilitation’ has the lowest implementation rate, which is 28%. The most widely implemented measure is ‘variety of trade finance services available’, with 80% of countries reporting full or partial implementation. However, the rates of implementation for measures such as ‘Single Window facilitates traders access to finance; ‘authorities engaged in blockchain-based supply chain projects covering trade finance’ are relatively low, both standing at 13%, below the regional average and observed in a very small number of countries as partially implemented or pilot initiatives (figures 29 and 30).

It is worth noting that data collection on this topic during the survey proved to be challenging. For example, there was a lack of evidence regarding the implementation of Single Window features that facilitate traders’ access to finance, as indicated by trade facilitation experts and officials who provided or validated the survey responses. This suggests a general unfamiliarity with trade finance among these stakeholders. Traditional trade facilitation actors, including Customs and Government Ministries responsible for trade, may

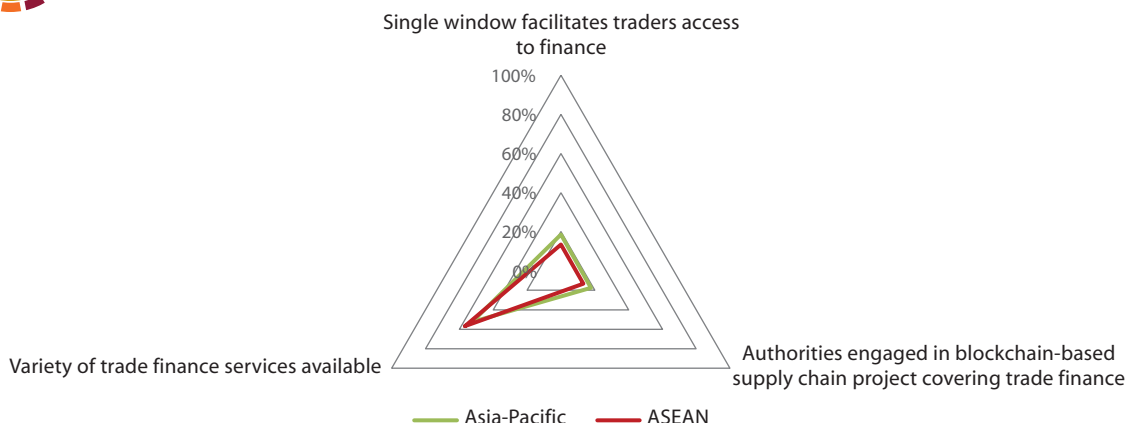
perceive financing and payment procedures in international trade transactions as beyond their scope of work. However, considering the interconnectedness of goods and financial flows, the results highlight the necessity for enhanced coordination and cooperation with stakeholders involved in developing financial and payment services.

However, there are still good efforts being undertaken by ASEAN Member States – one example is a project by Thailand’s Joint Standing Committee on Commerce, Industry and Banking (JSCCIB).¹⁶ This project involves the integration of the blockchain-based National Digital Trade Platform (NDTP), which combines the technologies of Japan’s TradeWaltz and Singapore’s Networked Trade Platform (NTP). The primary objective of NDTP is to digitize trade processes, enabling faster imports and exports while facilitating improved access to trade finance for small and medium-sized enterprises (SMEs). In its initial phase, NDTP focuses on the digitization of various trade documents, such as purchase orders, invoices and packing lists, utilizing internationally recognized UN/CEFACT standards. In addition, transport documents such as bills of lading and seaway bills are also being digitized, streamlining trade procedures and promoting efficiency in cross-border transactions.

¹⁶ JSCCIB in Thai is หน้าหลัก



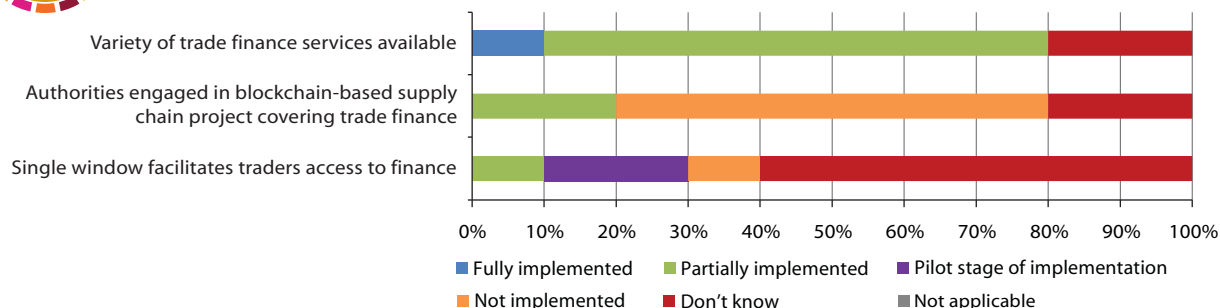
State of implementation of “Trade finance facilitation” by ASEAN benchmarking Asia-Pacific



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org



State of implementation of “Trade finance facilitation” in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.11. Trade facilitation in times of crisis

In the 2021 survey, a new category called ‘Trade facilitation measures in times of crisis’ was introduced in response to the COVID-19 pandemic. Global trade has been significantly hindered by the outbreak of COVID-19, causing unprecedented challenges to the global supply chain. ASEAN has achieved an implementation level of 75% in this subgroup, surpassing the average in the Asia-Pacific region. Among the measures, the ‘online publication of emergency TF measures’ has the highest implementation rate at 83% and has been fully or partially implemented

by all ASEAN countries. It is closely followed by “plan in place to facilitate trade during future crises”, with a subregional implementation rate of 77% (figures 31 and 32).

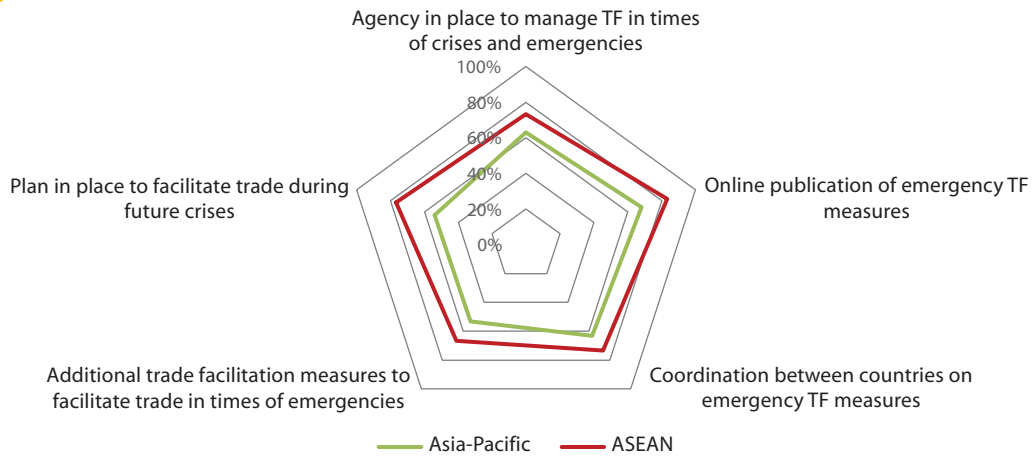
To address the challenges posed by restrictive measures, it is crucial to enhance cooperation between countries to prevent trade tensions from escalating and ensure the uninterrupted flow of essential goods in supply chains. An excellent example of close collaboration among ASEAN Member States in mitigating supply chain disruptions and ensuring the free flow of essential goods, especially during the COVID-19 pandemic, is the 13 November 2020 signing of the Memorandum of Understanding (MoU) on the

Implementation of Non-Tariff Measures on Essential Goods under the Hanoi Plan of Action on Strengthening ASEAN Economic Cooperation and Supply Chain Connectivity in Response to the COVID-19 Pandemic. This included an initial list of 152 essential goods; later an additional 199 food and agricultural products and goods related to the manufacturing and distribution of vaccines were included, reaffirming the commitment of ASEAN Member States to facilitate seamless flow of

essential goods in the region.¹⁷ In November 2022, ASEAN extended the validity of this MoU until 30 November 2024. Thanks to strong coordination between ASEAN Member States and efforts on trade facilitation measures in emergencies, all countries have implemented additional trade facilitation measures to facilitate trade in emergencies, with 80% having fully or partially implemented these measures (figure 32).

Figure 31

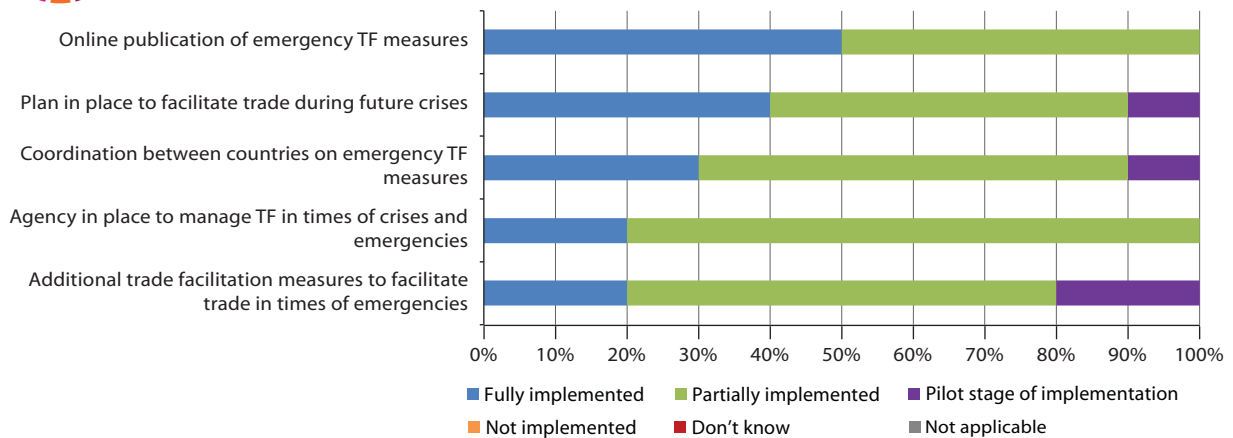
State of implementation of “Trade facilitation in times of crisis” by ASEAN benchmarking Asia-Pacific



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Figure 32

State of implementation of “Trade facilitation in times of crisis” in ASEAN



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

¹⁷ See the updated list of essential goods at ASEAN extends MoU on essential goods – ASEAN Main Portal.



Assessing the impact of trade facilitation in ASEAN

To assess the potential impact of the implementation of trade facilitation measures in ASEAN, a trade cost model has been formulated as a function of trade facilitation implementation rates based on the Survey data. This is 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 and/or former colonial relationships), the presence of regional trade agreements and maritime connectivity. The model is based on ADB/ESCAP (2021) by capturing the changes in trade costs resulting from the implementation of trade facilitation measures by each country. The overall trade cost reductions expected in ASEAN from the implementation of three sets of trade facilitation measures are shown in table 3. The first set of trade facilitation measures is limited to the implementation of WTO TFA binding measures only. The second set of measures includes all binding and non-binding WTO TFA measures included in the United Nations survey.¹⁸ 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, the average changes in trade cost achieved if all ASEAN countries at least partially implement all measures, or if they all fully implement all measures, are calculated.

¹⁸ The list of binding and non-binding WTO TFA measures is available in the Appendix of ADB/ESCAP, 2021.

Table 3

Expected trade cost reduction from alternative trade facilitation reforms

ASEAN: trade costs model	WTO TFA (binding only)		WTO TFA (binding + non binding)		WTO TFA+ (binding + binding + non other paperless and cross-border paperless trade)	
	Partially implemented	Fully implemented	Partially implemented	Fully implemented	Partially implemented	Fully implemented
Model 1						
Overall trade facilitation	-0.13%	-1.87%	-0.19%	-3.06%	-2.49%	-8.95%
Model 2						
General trade facilitation measures	-0.10%	-1.40%	-0.10%	-1.90%	-0.18%	-2.30%
Digital trade facilitation measures	0.00%	0.00%	-0.08%	-0.65%	-2.36%	-6.35%

Source: United Nations ESCAP, based on data from untfsurvey.org and ESCAP-World Bank Trade Cost database, available at <https://www.unescap.org/resources/escap-world-bank-trade-cost-database>

Note: There are no digital trade facilitation measures that are classified as WTO TFA binding measures.

WTO TFA = World Trade Organization Trade Facilitation Agreement.

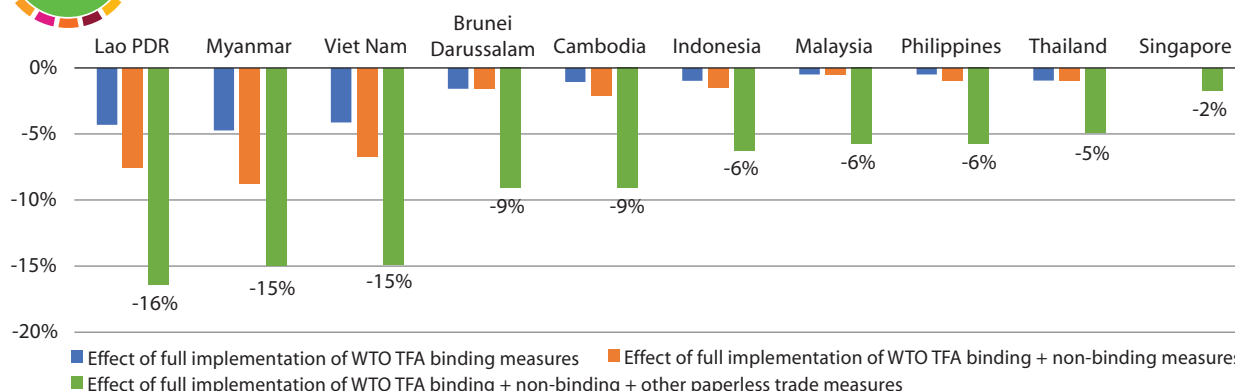
Two main findings emerge from this impact analysis. First, complying with WTO TFA by implementing binding measures can only slightly reduce trade costs. Full implementation of binding measures in the overall trade facilitation model results in a decrease of trade costs of about 2%, while full implementation of all measures (both binding and non-binding) results in about 3% reduction. Second, the paperless implementation of the TFA measures, together with enabling the seamless electronic exchange of trade data and

documents across borders, will help to significantly reduce trade costs by nearly 9% for ASEAN as a whole. The results of model 2 also suggest that most of the trade cost reductions are associated with paperless trade measures rather than conventional trade facilitation measures.

All ASEAN economies will reap significant benefits from accelerating the implementation of trade facilitation. As shown in figure 33, the full implementation of the three different sets of trade

Figure 33

Impact of trade facilitation implementation on trade costs of ASEAN economies



Source: United Nations ESCAP, based on data from untfsurvey.org and ESCAP-World Bank Trade Cost database, available at <https://www.unescap.org/resources/escap-world-bank-trade-cost-database>

facilitation measures in all economies results in trade cost reductions for all economies. As expected, the trade cost reductions are much larger when cross-border paperless trade is

achieved. However, achieving such trade cost reductions will require closer cooperation between economies on developing interoperable paperless trade systems, as envisaged in the CPTA (box 4).

**Box
4**

A regional United Nations treaty, “leaving no-one behind” to accelerate trade digitalization

The Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA), which is a United Nations treaty, aims to promote cross-border paperless trade by (a) enabling the exchange and mutual recognition of trade-related data and documents in electronic form, and (b) facilitation of interoperability among national and subregional Single Windows and/or other paperless trade systems. It is designed as an inclusive and enabling platform that will benefit all participating economies, regardless of where they stand in terms of trade facilitation or Single Window/paperless trade implementation.

The treaty was adopted by the ESCAP Member States in 2016. On 20 February 2021, it entered into force, indicating ESCAP members’ continued efforts to accelerate trade digitalization in the region. Along with the Philippines from the ASEAN region, 11 countries are Parties to the treaty as of June 2023, with several other ESCAP members in the process of completing their domestic processes for accession.

Achieving cross-border paperless trade across the region is a long and difficult endeavour, and it cannot be achieved without close collaboration between countries. The Framework Agreement is expected to support the process by providing a dedicated institutional framework for countries with the proven political will to develop legal and technical solutions for cross-border paperless trade, including pilot projects, capacity-building and technical assistance, based on existing international standards. Some of the benefits for ESCAP Member States that become parties to the CPTA include:

- (a) Accelerated progress towards a paperless trade environment at the national level, based on the political will demonstrated during the accession process to CPTA, and through access to structured and regular sharing of lessons learnt on the implementation of best practices;
- (b) Reduction in overall investment costs and maximization of returns from investments in paperless trade systems, through concurrent development of national paperless trade systems and environment for cross-border trade data exchange;
- (c) Ready access to potential counterpart countries interested in negotiating and achieving cross-border data exchange, avoiding or reducing the need for engaging in numerous and/or potentially incompatible bilateral initiatives;
- (d) Direct participation in the development of pragmatic solutions for the cross-border exchange of trade documents. For more advanced countries with relevant experience and existing practices, including many ASEAN economies, this will enable them to ensure that new regional systems and solutions will be harmonized and interoperable with what they have already achieved on a bilateral and/or subregional basis. Compliance with commitments a Party may have made through in its bilateral and plurilateral trade agreements, such as regional trade agreements (RTAs) to collaborate on exchanging electronic data and documents (typically featured in “Paperless Trading” Articles in RTAs, or related provisions or agreements).

Note: Additional details on the Framework Agreement are available at <https://www.unescap.org/kp/cpta>.



Conclusion and the way forward

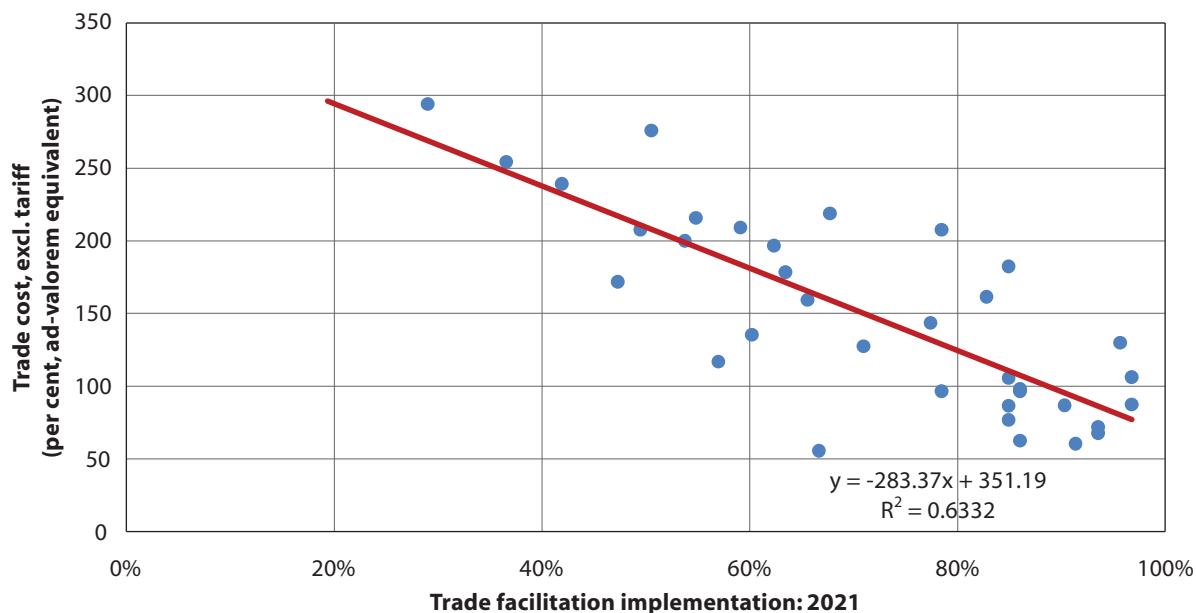
This report provides data on the implementation of digital and sustainable trade facilitation across the Asia-Pacific region, including all ASEAN Member States and 37 other economies. The survey encompasses general trade facilitation measures, as outlined in the WTO TFA, and also includes digital trade facilitation measures. In addition, it covers measures targeting the agricultural sector, SMEs, women traders, trade finance, and emergency situations. Figure 34 reaffirms the significant correlation between the cost of international trade in Asia-Pacific countries and their level of trade facilitation implementation.

Based on an initial set of 31 general trade facilitation measures, the survey reveals an impressive average implementation rate of 81% in ASEAN (compared to 79% in 2021). In this regard, the subregion exceeds the average implementation rate in the Asia-Pacific region which stands at 67%.

When expanding the scope to include a broader range of 40 trade facilitation measures, which encompasses the subgroup 'sustainable trade facilitation', the survey records a lower level of overall implementation rates. The Asia-Pacific region records an implementation rate of 63% (-4 percentage points), while ASEAN Member States' implementation rate is 75% (-6 percentage points). Therefore, it is evident that substantial progress still needs to be made in implementing trade facilitation measures related to 'Trade facilitation for SMEs' and 'Agricultural trade facilitation'. Moreover, the third subgroup under "Sustainable Trade Facilitation", 'Women in trade facilitation', is still an area for improvement with an implementation level of just 33%.



Trade facilitation implementation and trade costs of Asia-Pacific economies



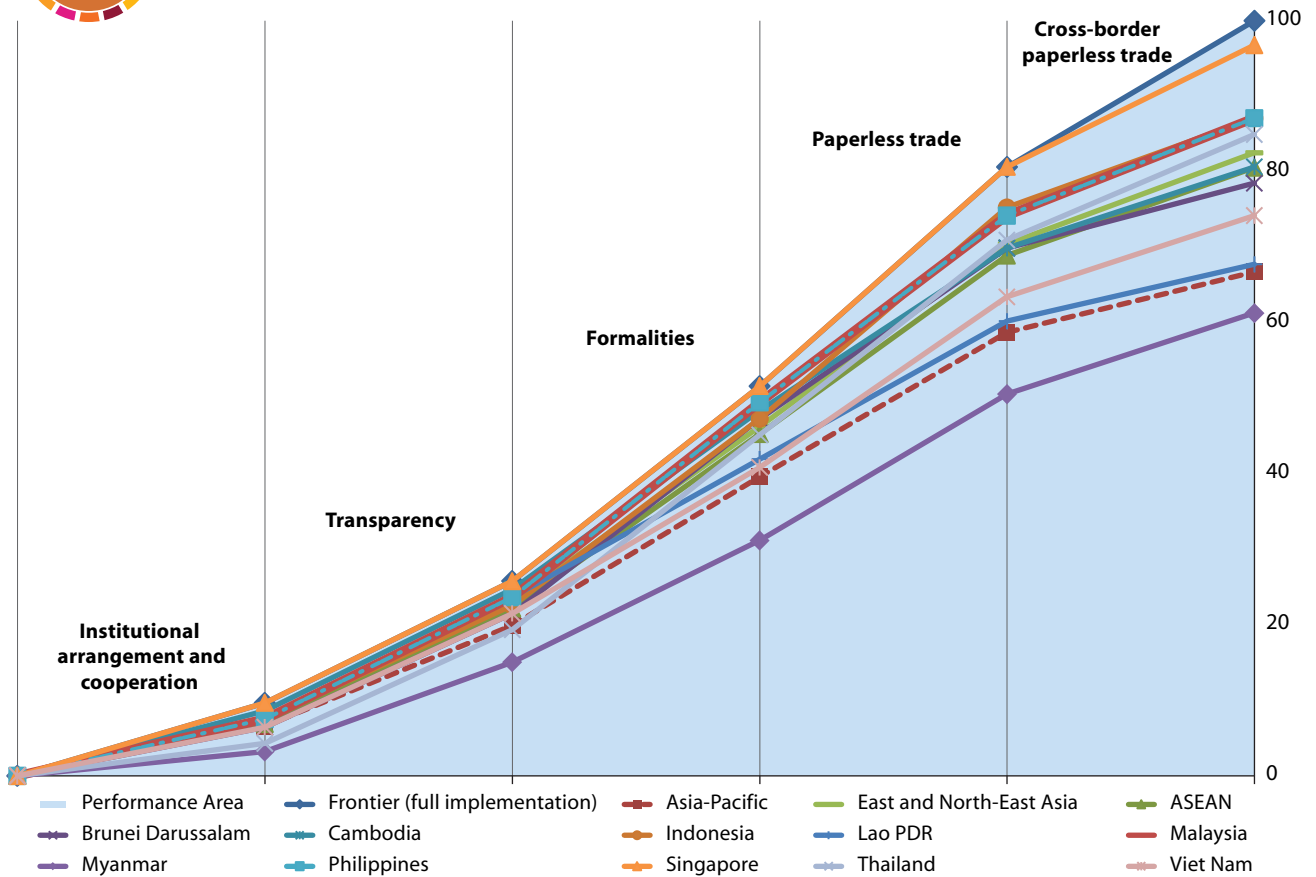
Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org and; World Bank's Logistics Performance Index. Available at <https://lpi.worldbank.org>

The survey results reveal that in the ASEAN subregion, most countries have implemented some measures to improve transparency and simplify trade-related costs and procedures, either fully or partially. In addition, the 'Paperless trade' subgroup shows a high implementation rate of 82%, indicating that all countries surveyed have actively worked on developing Customs systems to speed up Customs clearance and improve control through the adoption of paperless processes. Moreover, countries in the region have begun to implement advanced national multi-agency paperless systems – such as national electronic Single Windows, which facilitate the electronic exchange of data and information between government agencies and businesses – thereby promoting paperless trade. In terms of cross-border paperless trade, there has been a notable increase of 3 percentage points compared with 2021, indicating significant progress in the implementation of paperless cross-border trade systems in ASEAN countries during the past two years, with particular focus on expanding and improving the ASEAN Single Window Initiative.

To further advance trade facilitation and paperless trade, figure 35 illustrates the implementation of trade facilitation as a step-by-step process. Trade facilitation begins with establishing the 'Institutional arrangement' to prioritize and coordinate trade facilitation measures. The next step is to enhance 'Transparency' by widely sharing information on existing laws, regulations and procedures, and engaging in negotiations with stakeholders when developing new ones. The third step involves designing and implementing simplified and efficient trade 'Formalities'. Initially, these re-engineered and streamlined processes may rely on paper documents, but they can be further improved through the use of ICT and 'Paperless trade' systems. The ultimate step is to enable exchange of electronic trade data and documents among traders, Governments and service providers within national systems such as the Single Window, allowing stakeholders in partner countries to access the necessary information to expedite the movement of goods and reduce overall trade costs.



Moving up the trade facilitation ladder towards seamless international supply chains



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Note: Figure 37 shows global cumulative trade facilitation implementation scores for different regions for five sub-groups of trade facilitation measures included in the Survey. The scores are based on the equally weighted implementation of 31 trade facilitation measures, but the number of measures varies in each of the five sub-groups. Full implementation of all measures = 100.

Moving forward, it is crucial for ASEAN Member States to expedite the advancement of digital trade facilitation. The impact analysis of trade facilitation measures on ASEAN trade costs strongly emphasizes the necessity of implementing paperless trade and establishing seamless electronic exchange of trade data and documents between ASEAN and its trading partners. In line with the existing intra-ASEAN trade facilitation commitments outlined in the ASEAN Single Window and other ASEAN Agreements, an ambitious digital trade facilitation strategy is projected to reduce trade costs by approximately 9% compared with the current costs. On the other hand, achieving basic compliance with the WTO TFA would only result in

a reduction of 1.9% in trade costs. In this regard, the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific complements the WTO TFA, and it provides a supportive platform for ESCAP Member States to facilitate the electronic exchange of cross-border trade-related data and documents for those who have not yet implemented such mechanisms. For ASEAN countries, this United Nations treaty presents opportunities to leverage and expand upon the cross-border paperless trade solutions already established through ASEAN initiatives as well as support further development of the ASEAN Single Window for interoperability with paperless trade systems of countries beyond ASEAN. Therefore, all ASEAN countries are encouraged to

become a party to the treaty as soon as possible and promote harmonization of trade facilitation measures across the Asia-Pacific region.

Regarding “Sustainable Trade Facilitation”, the adoption of inclusive measures to support SMEs and facilitate the involvement of women in trade remains limited. SMEs hold significant importance in the global economy and digital trade, yet the availability of trade facilitation measures tailored to their needs is inadequate. Therefore, it is crucial to enhance the capacity of SMEs and incorporate them into trade facilitation policies to achieve sustainable trade facilitation. A better understanding and collaboration among trade finance and facilitation agencies is also necessary to ensure the integration of trade finance and payment instruments into trade facilitation implementation strategies, including Single Window development plans. Considering their pivotal role in fostering sustainable and inclusive economic development, especially during times of crisis, trade facilitation strategies should be designed holistically and inclusively. Furthermore, the COVID-19 pandemic has exposed vulnerabilities in the global trading system, highlighting its weaknesses. In response, ASEAN Member States have proactively implemented specific measures related to ‘Trade facilitation in times of crisis’ in 2021. This progress shows the effort of ASEAN Member States to restore trade activities, to the extent that the ASEAN regional average rate of implementation has surpassed the Asia-Pacific average.

Nevertheless, there is still room for ASEAN Member States to further enhance cooperation, especially in emerging technologies, e-commerce and climate-smart trade. By deepening collaboration and embracing advancements in these three areas, ASEAN Member States can seize new opportunities for economic development, resilience and inclusivity.

Indeed, emerging technologies, when used appropriately and supported by adequate policies and legal framework, could improve supply chain visibility, and enhance trust and transparency among trading partners. Given the rapid nature of technological advances, policies and national legislation would need to be adequate to support effective use of these emerging technologies.

Moreover, international cooperation is required to develop and harmonize rules to support the use of these technologies. Countries are at an early stage of this process, with the survey highlighting that only 20% of ASEAN Member States have implemented measures related to blockchain projects covering trade finance.

E-commerce enables businesses to conduct transactions online and streamlines the buying and selling process. It provides businesses with a platform to reach a wider customer base, both domestically and internationally, eliminating geographical barriers. Deep cooperation already exists among ASEAN Member States, with eight of them participating in working group discussions within the WTO. However, there is still room for improvement, as only half of ASEAN Member States have fully implemented trade facilitation measures to facilitate cross-border e-commerce (a national strategy on cross-border e-commerce and a *de minimis* regime).

Climate-smart trade facilitation measures play a crucial role in protecting the environment and promoting sustainable trade practices. By streamlining and simplifying trade procedures, these measures reduce delays and inefficiencies in the movement of goods, resulting in lower carbon emissions and energy consumption. Furthermore, the use of digital technologies and paperless processes could support climate-smart trade facilitation by minimizing the reliance on paper-based documentation and contributing to the conservation of natural resources. One example is the use of electronic systems, such as eCITES permits, which simplifies the process of issuing and managing permits for the trade of protected species. However, the survey highlights a general lack of awareness of this process, with 30% of ASEAN Member States in the process of setting up a system for applying for and issuing eCITES permits.

Therefore, it is crucial for ASEAN countries to prioritize these areas and foster collaborative efforts to embrace forward-looking trade facilitation policies that benefit all stakeholders. By doing so, ASEAN can pave the way for a sustainable and prosperous future in the subregion, while simultaneously working towards achieving the Sustainable Development Goals.

Annexes

Annex 1. List of participating countries

Country	Subregion
Afghanistan	South and South-West Asia
Armenia	North and Central Asia
Australia	Australia-New Zealand
Azerbaijan	North and Central Asia
Bangladesh	South and South-West Asia
Bhutan	South and South-West Asia
Brunei Darussalam	South-East Asia
Cambodia	South-East Asia
China	East and North-East Asia
Fiji	Pacific Islands Developing Economies
Georgia	North and Central Asia
India	South and South-West Asia
Indonesia	South-East Asia
Islamic Republic of Iran	South and South-West Asia
Japan	East and North-East Asia
Kazakhstan	North and Central Asia
Kiribati	Pacific Islands Developing Economies
Kyrgyzstan	North and Central Asia
Lao PDR	South-East Asia
Malaysia	South-East Asia
Maldives	South and South-West Asia
Micronesia	Pacific Islands Developing Economies
Mongolia	East and North-East Asia
Myanmar	South-East Asia
Nauru	Pacific Islands Developing Economies
Nepal	South and South-West Asia
New Zealand	Australia-New Zealand
Pakistan	South and South-West Asia
Palau	Pacific Islands Developing Economies
Papua New Guinea	Pacific Islands Developing Economies
Philippines	South-East Asia
Republic of Korea	East and North-East Asia
Russian Federation	North and Central Asia
Samoa	Pacific Islands Developing Economies

Country	Subregion
Singapore	South-East Asia
Solomon Islands	Pacific Islands Developing Economies
Sri Lanka	South and South-West Asia
Tajikistan	North and Central Asia
Thailand	South-East Asia
Timor Leste	South-East Asia
Tonga	Pacific Islands Developing Economies
Turkey	South and South-West Asia
Turkmenistan	North and Central Asia
Tuvalu	Pacific Islands Developing Economies
Uzbekistan	North and Central Asia
Vanuatu	Pacific Islands Developing Economies
Viet Nam	South-East Asia

Annex 2. Grouping of trade facilitation measures and correspondence with TFA articles

Groups	Subgroups	Measures	Relevant TFA Articles
General Trade Facilitation	Transparency	Publication of existing import-export regulations on the Internet	1.2
		Stakeholders' consultation on new draft regulations (prior to their finalization)	2.2
		Advance publication/notification of new trade-related regulations before their implementation	2.1
		Advance ruling on tariff classification and origin of imported goods	3
		Independent appeal mechanism	4
	Formalities	Risk management	7.4
		Pre-arrival processing	7.1
		Post-clearance audits	7.5
		Separation of Release from final determination of Customs duties, taxes, fees and charges	7.3
		Establishment and publication of average release times	7.6
		TF measures for authorized operators	7.7
		Expedited shipments	7.8
		Acceptance of copies of original supporting documents required for import, export or transit formalities	10.2.1
	Institutional arrangement and cooperation	National Trade Facilitation Committee or similar body	23
		National legislative framework and/or institutional arrangements for border agencies cooperation	8
		Government agencies delegating border controls to Customs authorities	
		Alignment of working days and hours with neighbouring countries at border crossings	8.2(a)
		Alignment of formalities and procedures with neighbouring countries at border crossings	8.2(b)
	Transit	Transit facilitation agreement(s)	
		Limit the physical inspections of transit goods and use risk assessment	10.5
Supporting pre-arrival processing for transit facilitation		11.9	
Cooperation between agencies of countries involved in transit		11.16	
Digital Trade Facilitation	Paperless trade	Automated Customs System	
		Internet connection available to Customs and other trade control agencies	
		Electronic Single Window System	10.4
		Electronic submission of Customs Declarations	
		Electronic application and issuance of import and export permit	
		Electronic submission of Sea Cargo Manifests	
		Electronic Submission of Air Cargo Manifests	

Groups	Subgroups	Measures	Relevant TFA Articles
		Electronic application and issuance of Preferential Certificate of Origin	
		E-Payment of Customs Duties and Fees	7.2
		Electronic Application for Customs Refunds	
	Cross-border paperless trade	Laws and regulations for electronic transactions	
		Recognised certification authority	
		Electronic exchange of Customs Declaration	
		Electronic exchange of Certificate of Origin	
		Electronic exchange of Sanitary and Phyto-Sanitary Certificate	
Paperless collection of payment from a documentary letter of credit			
Sustainable Trade Facilitation	Trade facilitation for SMEs	Trade-related information measures for SMEs	
		SMEs in AEO scheme	
		SMEs access Single Window	
		SMEs in National Trade Facilitation Committee	
		Other special measures for SMEs	
	Agriculture trade facilitation	Testing and laboratory facilities available to meet SPS of main trading partners	7.9
		National standards and accreditation bodies to facilitate compliance with SPS	
		Electronic application and issuance of SPS certificates	
		Special treatment for perishable goods	
	Women in trade facilitation	TF policy/strategy to increase women's participation in trade	
		TF measures to benefit women involved in trade	
Women's membership in the National Trade Facilitation Committee or similar bodies			
Other Trade Facilitation	Trade finance facilitation	Single Window facilitates traders access to finance	
		Authorities engaged in blockchain-based supply chain project covering trade finance	
		Variety of trade finance services available	
	Trade facilitation in times of crisis	Agency in place to manage trade facilitation in times of crises and emergencies	
		Online publication of emergency trade facilitation measures	
		Coordination between countries on emergency trade facilitation measures	
		Additional trade facilitation measures to facilitate trade in times of emergencies	
		Plan in place to facilitate trade during future crises	
	Trade facilitation for e-commerce	Trade facilitation measures for cross-border e-commerce	
	Wildlife trade facilitation	Electronic exchange of CITES permits/certificates	

Annex 3. A three-step approach for data collection and validation

Data submission by experts	<p>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 International Chamber of Commerce (ICC) 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 as well as regional trade facilitation partners or organizations, such as the Asia Development Bank (ADB), the Association of Southeast Asian Nations (ASEAN), the Central Asia Regional Economic Cooperation (CAREC) Institute, the Oceania Customs Organization (OCO) and the United Nations Conference on Trade and Development (UNCTAD). This first step took place essentially between January and May 2023.</p>
Data verification by the UNRCs Secretariat	<p>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 May 2023.</p>
Data validation by national Governments	<p>Step 3 took place between May and July 2023. The ESCAP Secretariat sent the completed questionnaire to each national Government to ensure that each country had the opportunity to review the dataset and provide any additional information. The feedback results from national Governments were incorporated in order to finalize the dataset.</p>

Annex 4. 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 a positive response for all subquestions 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 a 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



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