

Digital and Sustainable Trade Facilitation in Commonwealth Countries

Based on the 2023 United Nations Global Survey on Digital and Sustainable Trade Facilitation



FOREWORD

International trade serves as the economic lifeblood for the 56 member countries of the Commonwealth, including our 19 members that are also part of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). However, businesses, particularly small and medium-sized enterprises (SMEs), often face significant obstacles when involved in imports or exports, leading to increased costs and delays in moving goods across borders. As our countries strive to restore trade growth and build inclusive, sustainable and resilient economies for post-COVID recovery, the role of trade facilitation in an increasingly digital world takes on ever-increasing importance. By expediting the movement of goods, streamlining bureaucratic procedures and enhancing transparency in trade processes, we can enhance efficiency, stimulate investment and foster economic growth.

While trade facilitation is commonly associated with the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA), this joint report between the Commonwealth Secretariat and ESCAP adopts a broader perspective. It analyzes an extensive range of policy measures and actions drawn from the latest United Nations Global Survey on Digital and Sustainable Trade Facilitation. Many of these measures, such as the facilitation of digital trade, sustainable trade, agricultural trade and access to trade finance, go beyond the scope of the WTO's TFA.

Our report underscores a crucial message: the landscape of international trade and transit facilitation in developing and least developed countries is experiencing significant momentum. This is driven by the digitalization of trade processes, the implementation of real-time payment settlement systems and the establishment of trade-related single windows. Many developing countries are actively exchanging trade facilitation expertise and learning from one another. Encouragingly, there has been notable progress in gender-related trade facilitation measures, support for SMEs, and the inclusion of women in national trade facilitation committees over the past few years. The survey data and case studies highlight that numerous Commonwealth countries, spanning from Singapore to the United Kingdom and from Pakistan to members of the African Continental Free Trade Area (AfCFTA), serve as pioneers, innovators and global leaders in trade facilitation.

As Commonwealth countries strive to achieve US\$2 trillion in intra-Commonwealth trade by 2030, the implementation of enhanced trade facilitation measures can offer an additional boost. By adopting measures outlined in the WTO's TFA and enabling the seamless electronic exchange of trade data and documents across borders, trade costs for the Commonwealth as a whole could be significantly reduced by over 15 per cent. This reduction can further amplify the trade cost advantage enjoyed by Commonwealth countries, stemming from shared legal systems, business practices and deep historical linkages.

As our report highlights, over two-thirds of Commonwealth members actively participated in the latest Survey, with engagement steadily increasing over time. There is a need to expand the Survey's coverage to include all remaining countries in upcoming Surveys. The report also indicates that the majority of trade cost reductions stem from implementing digital trade facilitation measures. A UN treaty dedicated to trade digitalization, the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA), could support Commonwealth members in this regard. The Commonwealth Secretariat and ESCAP recently signed a Memorandum of Understanding to enhance our collaboration to promote inclusive and sustainable development in our member countries. We will work together to assist members in harnessing the benefits offered by the new generation of trade facilitation technologies.

We trust that the insights provided by this report and the accompanying interactive database (accessible at untfsurvey.org) will yield actionable knowledge and facilitate the development of more simplified, cost-effective, resilient and sustainable trade practices across the Commonwealth.

The Rt Hon Patricia Scotland KC
Secretary-General of the Commonwealth

Ms. Armida Salsiah Alisjahbana
Under-Secretary-General of the United Nations
and Executive Secretary
Economic and Social Commission for Asia and the Pacific

ACKNOWLEDGEMENTS

This collaborative report on Digital and Sustainable Trade Facilitation in Commonwealth countries is a product of joint efforts by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the Commonwealth Secretariat. The study is based on the United Nations Global Survey on Digital and Sustainable Trade Facilitation undertaken by five United Nations Regional Commissions (UNRCs), for Africa (ECA), Europe (ECE), Asia and the Pacific (ESCAP), Latin America and the Caribbean (ECLAC) and Western Asia (ESCWA) as well as the United Nations Conference on Trade and Development (UNCTAD). The Survey was led and co-ordinated by the ESCAP.

Yann Duval, Chief of the Trade Policy and Facilitation Section (TPFS) at ESCAP, and Brendan Vickers, Head of the International Trade Policy Section (ITPS) at the Commonwealth Secretariat, provided overall guidance for the report. The ESCAP team, comprising Silvère Dernouh, Chorthip Utoktham, Soo Hyun Kim, Emile Henri Van Caenegem and Kexin Chen, all at TPFS, led the analytical and drafting work. On the Commonwealth Secretariat side, Salamat Ali at ITPS managed and coordinated the project. Arom Sanguanyuang formatted the report and created the cover design.

Numerous contributions from the ITPS team – Neil Balchin, Collin Zhuawu, Kartikeya Garg and Kyle de Klerk – enriched the report. The team provided short box stories on good practices in trade facilitation in various parts of the Commonwealth and meticulously reviewed the draft. Our gratitude extends to colleagues from the Commonwealth Connectivity Agenda – Vashti Maharaj, Mohammad Owais Khan and Benjamin Kwasi Addom – as well as the Trade Competitiveness Section (TCS), represented by Opeyemi Abebe and Lawrence Othieno, for their valuable contributions. Mohammad Saeed, trade facilitation expert, former head of the Trade Facilitation team of the International Trade Centre reviewed and provided constructive comments for the improvement of the Report.

Preparation of the report benefited from the support of the Republic of Korea as well as from the Government of France.

CONTENTS

Foreword	ii
Acknowledgements	iii
Abbreviations	ix
Executive summary	xi
Chapter 1. Introduction	1
1.1. Background and objective	2
1.2. Survey instrument and methodology	3
Chapter 2. Trade facilitation implementation: Overview	8
2.1. Most and least implemented trade facilitation measures by region	9
2.2. Most and least implemented trade facilitation measures by category	11
2.3. Progress in implementation over time	13
Chapter 3. Implementation of trade facilitation measures: A closer look	16
3.1. Transparency	17
3.2. Formalities	19
3.3. Institutional arrangement and cooperation	21
3.4. Transit facilitation	24
3.5. Paperless trade	28
3.6. Cross-border paperless trade	32
3.7. Trade facilitation for SMEs	37
3.8. Agricultural trade facilitation	39
3.9. Women in trade facilitation	41
3.10. Trade finance facilitation	42
3.11. Trade facilitation in times of crisis	44
Chapter 4. Assessing the impact of trade facilitation in the Commonwealth	46
Chapter 5. Conclusion and the way forward	51
References	55
Annex 1. List of participating countries	58
Annex 2. Definition of each stage of implementation	61
Annex 3. Implementation rates of trade facilitation measures for individual countries for each subregion	62

List of Boxes, Figures and Tables

Boxes

Box 1.	Demystifying trade through the Jamaica Trade Information Portal	18
Box 2.	The EAC Authorised Economic Operator (AEO) Programme	21
Box 3.	One-stop border posts in Africa: Implementation in the East African Community ..	23
Box 4.	Facilitating transit trade: Enabling the transport of goods and people between BBIN (Bangladesh, Bhutan, India, and Nepal) countries	25
Box 5.	African Collaborative Transit Guarantee Scheme to Facilitate Transit Trade in Africa	26
Box 6.	Facilitating African landlocked countries' trade through a network of road corridors	27
Box 7.	Pakistan Single Window	28
Box 8.	Aid for Trade: Supporting digitalization and digital trade	31
Box 9.	The UK's Electronic Trade Documents Act 2023: A major step towards trade digitalization	33
Box 10.	Climate-smart trade facilitation	34
Box 11.	The Pan-African Payment and Settlement System	35
Box 12.	Trade Facilitation for e-commerce and SMEs	38
Box 13.	Agricultural trade facilitation: National data infrastructure to boost trade and investment in agriculture	40
Box 14.	Examples of Commonwealth trade facilitation measures in response to COVID-19	45
Box 15.	A regional United Nations treaty, "leaving no-one behind" to accelerate trade digitalization	49

Figures

Figure 1.	Overall implementation of trade facilitation measures in Commonwealth countries	9
Figure 2.	Trade facilitation implementation by Commonwealth subregions and in countries with special development needs	10
Figure 3.	Implementation rate for different sub-groups of trade facilitation measures in Commonwealth countries	11
Figure 4.	Trade facilitation implementation by Commonwealth countries between 2021 and 2023	14
Figure 5.	Average implementation of different sub-groups of trade facilitation measures by Commonwealth countries between 2019, 2021 and 2023	15
Figure 6.	State of implementation of ‘transparency’ measures by Commonwealth region	17
Figure 7.	State of implementation of ‘transparency’ measures by implementation status	18
Figure 8.	State of implementation of ‘formalities’ by Commonwealth region	20
Figure 9.	State of implementation of ‘formalities’ measures by implementation status	20
Figure 10.	State of implementation of ‘institutional arrangements and cooperation’ measures by Commonwealth region	22
Figure 11.	State of implementation of ‘institutional arrangements and cooperation’ measures by implementation status	22
Figure 12.	State of implementation of ‘transit facilitation’ by Commonwealth region	24
Figure 13.	State of implementation of ‘transit facilitation’ by implementation status	25
Figure 14.	State of implementation of ‘paperless trade’ by Commonwealth region	30
Figure 15.	State of implementation of ‘paperless trade’ by implementation status	30
Figure 16.	State of implementation of ‘cross-border paperless trade’ by Commonwealth region	32
Figure 17.	State of implementation of ‘cross-border paperless trade’ by implementation status	33
Figure 18.	State of implementation of ‘trade facilitation and wildlife protection’ in Commonwealth	35
Figure 19.	State of implementation of ‘trade facilitation for SMEs’ by Commonwealth region	37
Figure 20.	State of implementation of ‘trade facilitation for SMEs’ by implementation status	38
Figure 21.	State of implementation of ‘trade facilitation for e-commerce’ by implementation status	38
Figure 22.	State of implementation of ‘agricultural trade facilitation’ by Commonwealth region	39
Figure 23.	State of implementation of ‘agricultural trade facilitation’ by implementation status	40
Figure 24.	State of implementation of ‘women in trade facilitation’ by Commonwealth region	41
Figure 25.	State of implementation of ‘women in trade facilitation’ by implementation status	42
Figure 26.	State of implementation of ‘trade finance facilitation’ by Commonwealth region ...	43

Figure 27.	State of implementation of ‘trade finance facilitation’ by implementation status	43
Figure 28.	State of implementation of ‘trade facilitation in times of crisis’ by Commonwealth region	44
Figure 29.	State of implementation of ‘trade facilitation in times of crisis’ by implementation status	45
Figure 30.	Impact of trade facilitation implementation on trade costs of Commonwealth economies	48
Figure 31.	Trade facilitation implementation and trade costs of Commonwealth economies ..	52
Figure 32.	Moving up the trade facilitation ladder towards seamless international supply chains	53

Tables

Table 1.	Intra- and extra-regional non-tariff trade costs faced by Commonwealth countries	3
Table 2.	Grouping of trade facilitation measures and correspondence with TFA articles	4
Table 3.	A three-step approach for data collection and validation	7
Table 4.	Most and least implemented measures in each sub-group of trade facilitation measures in Commonwealth countries	12
Table 5.	Expected trade cost reductions from alternative trade facilitation reforms	47

ABBREVIATIONS

ACTGS	African Collaborative Transit Guarantee Scheme
ADB	Asian Development Bank
AEO	Authorised Economic Operator
AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
Afreximbank	Africa Export-Import Bank
AfT	Aid for Trade
AUDA-NEPAD	African Union Development Agency-NEPAD
BBIN	Bangladesh, Bhutan, India and Nepal
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CPTA	Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific
DPI	Digital Public Infrastructure
EAC	East African Community
ECA	United Nations Economic Commission for Africa
ECE	United Nations Economic Commission for Europe
EIF	Enhanced Integrated Framework
ECLAC	United Nations Economic Commission for Latin America and the Caribbean
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
ESCWA	United Nations Economic Commission for Western Asia
ETDA	Electronic Trade Documents Acts
FEAFFA	Federation of East African Freight Forwarders Associations
GATT	General Agreement on Tariffs and Trade
GDP	Gross domestic product
ICC	International Chamber of Commerce
ICT	Information and Communications Technology
ISPS	Italian Institute for International Political Studies
ITPS	International Trade Policy Section
JICA	Japan International Cooperation Agency
JTIP	Jamaica Trade Information Portal
LDC	Least Developed Country
LLDC	Landlocked Developing Country
MLETR	Model Law on Electronic Transferable Records
MRA	Mutual recognition agreement
MVA	Motor Vehicles Agreement
NTP	National Trade Portal
NTR	National Trade Repository
OBSP	one-stop border post
PAPSS	Pan-African Payment and Settlement System
PSW	Pakistan Single Window
REC	Regional Economic Community
RTA	Regional trade agreements
SAFE	Standards to Secure and Facilitate Global Trade

SDG	Sustainable Development Goal
SIDS	Small Island Developing States
SMEs	Small and medium enterprises
SPS	Sanitary and Phyto-Sanitary
TFA	Trade Facilitation Agreement
TIP	Trade Information Portal
UNCITRAL	United Nations Commission on International Trade Law
UNDP	United Nations Development Programme
UNRC	United Nations Regional Commission
WCO	World Customs Organization
WTO	World Trade Organization

EXECUTIVE SUMMARY

Reducing trade costs is imperative to ensure the active participation of economies in regional and global value chains, thus maintaining trade as a driver of economic growth and sustainable development. The Commonwealth countries, like many other countries globally, continue to face high trade costs, as evidenced by the United Nations Economic Commission for Asia and the Pacific (ESCAP)-World Bank Trade Cost Database. Disruption to global supply chains caused by geopolitical conflicts and heightened inflation contributing to increased trade costs and uncertainties continue to impede international trade. In this context, trade facilitation plays a key role in advancing sustainable development. It does this by fostering more efficient and transparent trade procedures, enhancing the resilience of global supply chains, and reducing overall trade costs.

Based on the 2023 United Nations Global Survey on Digital and Sustainable Trade Facilitation, this report examines the progress of trade facilitation reforms across Commonwealth countries and provides a comprehensive insight into policy measures and actions that Commonwealth countries have taken to facilitate international trade. The report offers a comprehensive analysis based on 60 trade facilitation measures, not only general trade facilitation measures, as outlined in the World Trade Organization (WTO)'s Trade Facilitation Agreement (TFA), but also, expanding further, to include forward-looking trade facilitation measures. These include digital trade facilitation measures as well as sustainable trade facilitation measures; those targeting the agricultural sector, small and medium enterprises (SMEs) and women traders; and measures on trade finance and crisis situations.

The Survey reveals that the average implementation rate in the Commonwealth countries that participated in the 2023 Survey stands at 66%, based on a set of 31 general trade facilitation measures. There is significant variation in the level of implementation across Commonwealth subregions. Developed countries recorded the highest implementation rate at 88%. Among developing countries, Asia recorded the highest rate at 76%, while the Caribbean and Pacific small island developing states (SIDS) have the two lowest subregional implementation scores, at 58% and 46%, respectively.

At the country level, the highest overall implementation was found in Australia, New Zealand, and Singapore (all 97%), followed by India (94%), Mauritius and the UK (both 88%). The performance of SIDS varies widely: in the Pacific SIDS, the level of implementation ranges from 19% in Nauru to 71% in Vanuatu, while in the Caribbean SIDS, it varies from 47% in Saint Lucia to 80% in Jamaica.

Notable progress was made on the implementation of trade facilitation measures between 2021 and 2023. The average implementation rate has witnessed a rise, from 59% in 2021 to 66% in 2023. Notably, the Caribbean SIDS have achieved the most significant progress, with the implementation rate soaring by 12 percentage points, from 44% in 2021 to 56% in 2023, followed by African members (11 percentage points, from 57% in 2021 to 68% in 2023). Countries with special needs also show significant progress, with the least developed countries (LDCs) recording an increase of 11 percentage points and the landlocked developing countries (LLDCs) increasing by 9 percentage points.

The Survey results reveal that countries in the Commonwealth subregions have implemented some measures to improve transparency and simplify trade-related costs and procedures relatively well. Still, further improvements are needed, such as in 'electronic application and processing for

Customs refunds.’ In terms of the overall progress on the digitalization of trade processes, there have been some encouraging advances, including the deployment of real-time payment settlement systems and the development of trade-related single windows, with the average implementation level of ‘paperless trade’ standing at 66%, which represents a 15 percentage points increase over the 2021 Survey. However, there are significant disparities between measures, with levels of implementation ranging from 38% to 91%. In ‘cross-border paperless trade,’ there has been a notable increase of 10 percentage points compared with 2021, indicating significant progress, especially in the implementation of ‘laws and regulations for electronic transactions’ and ‘recognized certification authority’ over the past two years. Still, the implementation rate for ‘cross-border paperless trade’ in 2023 stands at 39%, much lower than the overall implementation rate, indicating significant room for improvement.

Despite its importance in contributing to the Sustainable Development Goals (SDGs), the adoption of “Sustainable” trade facilitation measures remains limited. Advances on gender-related trade facilitation measures, including the inclusion of women in national trade facilitation committees (NTFCs), is gaining momentum. An outstanding increase of 24 percentage points is witnessed in the implementation level in 2023 compared with 2021 for ‘women in trade facilitation’ measures. Also, the implementation rate for ‘agricultural trade facilitation’ has increased by 15 percentage points since 2021. Despite this significant progress, implementation rates for “Sustainable Trade Facilitation” measures still lag behind the progress on “General Trade Facilitation” measures.

Many developing countries are sharing their trade facilitation expertise and learning from each other on the digitalization of trade processes and payment settlement systems. Implementation of measures under ‘trade finance facilitation’ increased by 20 percentage points.

This report, based on the latest available data, reaffirms the substantial benefits that digital trade facilitation measures can bring to countries in the Commonwealth. An ambitious trade digitalization strategy can reduce trade costs by approximately 15%, whereas achieving basic compliance with the WTO TFA could result in a reduction of only around 4% in trade costs. In this regard, the Framework Agreement on Facilitation of Cross-border Paperless Trade (CPTA) provides a supportive platform for member countries to facilitate the electronic exchange of cross-border trade-related data and documents. Commonwealth countries are encouraged to join this important UN treaty to harness the advantages offered, via a dedicated, inclusive, and capacity-building intergovernmental platform to support countries in their gradual transition toward ‘less paper’ and eventually paperless and cross-border paperless trade, achieving trade digitalization. This can further boost the trade cost advantage that Commonwealth countries enjoy as a result of their shared legal system, business practices and deeper historical linkages.

Although these huge developments in the trade facilitation landscape are encouraging, a few significant gaps in the environment still remain. First, while most developed and some developing countries have achieved very high implementation rates, progress in vulnerable countries, especially the LDCs and landlocked economies, is lagging. Second, the adoption of measures to support SMEs and women is relatively low, standing at 43% and 42%, respectively. Third, while more than two-thirds of Commonwealth members (47 of 56) have been participating in the Survey, the next Survey phase should aim to include all the remaining countries in its scope.

This report should be read in conjunction with the Global and other related reports, based on the results of the UN Global Survey on Digital and Sustainable Trade Facilitation 2023, available at <https://untfsurvey.org/>

Chapter 1

Introduction

1.1. Background and objective

International trade is the engine of economic growth and has to play a key role in achieving the Sustainable Development Goals (SDGs) and making progress on greener and digital transitions. After rapid expansion in international trade since 1990, there has been a noticeable deceleration in recent years. The proportion of trade relative to gross domestic product (GDP) has reached a plateau, remaining relatively stagnant over the past few years. It is widely recognized that reducing trade costs, together with institutional and policy reforms, can reverse this trend by facilitating the active engagement of economies in regional and global value chains. This will help ensure that international trade can remain the main engine of growth and sustainable development.

Table 1 presents comprehensive non-tariff trade costs for Commonwealth countries, based on the latest data from the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)–World Bank Trade Cost Database.¹ The table shows particularly high trade costs for Africa and South Asia compared with all other regions. The same observation can be made between Pacific Small Island Developing States (SIDS), and other sub-groups of countries in various Commonwealth regions, despite relatively low commercial costs within the region. On the other hand, trade costs in East Asia-3 and North America are generally low. (Annex 1 details the country groupings used in the analysis.) These relatively high trade costs of non-tariff measures allude to large untapped potential to expand member countries’ global and intra-Commonwealth trade.

The aftermath of the COVID-19 crisis continues to impede international trade, with geopolitical conflicts creating new supply chain disruptions while inflation and climate change effects are increasing trade costs and uncertainties. Although global merchandise trade volumes exhibited a strong rebound in 2021 and 2022 following the pandemic, trade growth faltered in 2023, with slow growth expected to accelerate in 2024 and 2025 (World Bank, 2023). Trade facilitation measures play a crucial role in mitigating these challenges by enhancing efficiency through streamlined and digitalized processes. Implementing effective trade facilitation strategies can reduce unnecessary costs, helping improve the integration of countries facing high trade costs in regional trade agreements and the multilateral trading system.

In general, significant progress has been made in reducing trade costs by eliminating or lowering tariffs over the past few decades. Studies indicate that non-tariff measures can contribute up to twice as much to reducing trade costs compared with ordinary Customs tariffs (ESCAP, 2019). 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 trade facilitation measures implemented and under implementation in Commonwealth countries. The analysis is based on the results of the UN Global Survey on Digital and Sustainable Trade Facilitation 2023 (‘the Survey’).² The report also estimates the potential impacts of implementing trade facilitation measures in the Commonwealth countries based on a trade cost model.

¹ The trade costs cannot be calculated for the complete list of countries for each sub-group of the Commonwealth, as several data points are missing. As a result, the table does not include any comparison in trade costs between the Caribbean and the Pacific SIDS.

² Available at www.unftsurvey.org/


Intra- and extra-regional non-tariff trade costs faced by Commonwealth countries

Region	Intra-Commonwealth						Major trading partners outside Commonwealth		
	AUS-NZL-2	Europe-3	Africa-4	Caribbean SIDS-3	Pacific SIDS-2	South Asia-3	South-East Asia-2	East Asia-3	North America-2
AUS-NZL-2	52.8% (0.8%)	159.4% (-2.5%)	260.5% (13.4%)	256.0% (-5.4%)	102.3% (7.1%)	139.2% (2.3%)	107.3% (2.1%)	89.6% (4.4%)	108.4% (-2.0%)
Europe-3	159.4% (-2.5%)	108.7% (-5.4%)	270.4% (25.0%)	215.4% (-9.0%)	297.6% (15.4%)	185.1% (3.1%)	167.8% (4.1%)	138.1% (2.4%)	146.2% (2.7%)
Africa-4	260.5% (13.4%)	270.4% (25.0%)	229.4% (12.9%)	489.2% (6.9%)	637.6% (36.3%)	203.6% (14.9%)	214.7% (10.1%)	169.4% (3.7%)	188.3% (7.4%)
Caribbean SIDS-3	256.0% (-5.4%)	215.4% (-9.0%)	489.2% (6.9%)	66.1% (-0.2%)		360.6% (5.0%)	358.0% (-5.1%)	259.5% (-1.6%)	125.0% (-1.0%)
Pacific SIDS-2	102.3% (7.1%)	297.6% (15.4%)	637.6% (36.3%)		89.6% (-19.9%)	361.4% (6.8%)	228.1% (-2.6%)	201.2% (-21.5%)	315.6% (-3.4%)
South Asia-3	139.2% (2.3%)	185.1% (3.1%)	203.6% (14.9%)	360.6% (5.0%)	361.4% (6.8%)	160.7% (37.6%)	140.3% (8.0%)	129.3% (5.4%)	120.3% (-0.2%)
South-East Asia-2	107.3% (2.1%)	167.8% (4.1%)	214.7% (10.1%)	358.0% (-5.1%)	228.1% (-2.6%)	140.3% (8.0%)	54.9% (-3.2%)	89.0% (2.8%)	127.2% (2.5%)
East Asia-3	89.6% (4.4%)	138.1% (2.4%)	169.4% (3.7%)	259.5% (-1.6%)	201.2% (-21.5%)	129.3% (5.4%)	89.0% (2.8%)	58.0% (10.0%)	78.1% (1.7%)
North America-2	108.4% (-2.0%)	146.2% (2.7%)	188.3% (7.4%)	125.0% (-1.0%)	315.6% (-3.4%)	120.3% (-0.2%)	127.2% (2.5%)	78.1% (1.7%)	30.2% (2.1%)

Source: ESCAP-World Bank Trade Cost Database, updated May 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.

AUS-NZL: Australia, New Zealand; Europe-3: Cyprus, Malta, United Kingdom; Africa: Ghana, Kenya, Nigeria, Tanzania; Caribbean SIDS: Guyana, Saint Lucia, Trinidad and Tobago; Pacific SIDS: Fiji, Samoa; South Asia: India, Pakistan, Sri Lanka; South-East Asia: Malaysia, Singapore; East Asia-3: China, Japan, Republic of Korea; North America: Canada, USA.

1.2. Survey instrument and methodology

The Survey 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 World Trade Organization Trade Facilitation Agreement (WTO TFA) and supplemented by forward-looking measures that are sought to be implemented under the UN 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 sub-groups (table 2). The first group, “General Trade Facilitation”, includes many WTO TFA measures, with sub-groups 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, ‘Sustainable Trade Facilitation’ measures, includes ‘trade facilitation for small and medium enterprises (SMEs),’ ‘agricultural trade facilitation’ and ‘women in trade facilitation’ sub-groups. The fourth group, ‘Other Trade Facilitation,’ comes with two sub-groups: ‘trade finance facilitation’ and ‘trade facilitation in times of crisis.’ In addition, two measures were pilot tested in 2023, namely ‘trade facilitation for e-commerce’ and ‘trade facilitation and wildlife protection.’



Table 2 Grouping of trade facilitation measures and correspondence with TFA articles

Groups	Sub-groups	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	N/A
		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)	N/A
		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	

Table 2. (continued)

Groups	Sub-groups	Measures	Relevant TFA Articles
Digital Trade Facilitation	Paperless trade	Automated Customs System	N/A
		Internet connection available to Customs and other trade control agencies	N/A
		Electronic single window system	10.4
		Electronic submission of Customs Declarations	N/A
		Electronic application and issuance of import and export permit	N/A
		Electronic submission of sea cargo manifests	N/A
		Electronic submission of air cargo manifests	N/A
		Electronic application and issuance of preferential certificate of origin	N/A
		E-payment of Customs duties and fees	7.2
		Electronic application for Customs refunds	N/A
	Cross-border paperless trade	Laws and regulations for electronic transactions	N/A
		Recognized certification authority	N/A
		Electronic exchange of Customs declaration	N/A
		Electronic exchange of Certificate of Origin	N/A
		Electronic exchange of sanitary and phyto-sanitary certificate	N/A
	Paperless collection of payment from a documentary letter of credit	N/A	
Sustainable Trade Facilitation	Trade facilitation for SMEs	Trade-related information measures for SMEs	N/A
		SMEs in AEO scheme	N/A
		SMEs access single window	N/A
		SMEs in national trade facilitation committee	N/A
		Other special measures for SMEs	N/A
	Agricultural 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	N/A
		Electronic application and issuance of SPS certificates	N/A
		Special treatment for perishable goods	N/A
	Women in trade facilitation	TF policy/strategy to increase women's participation in trade	N/A
		TF measures to benefit women involved in trade	N/A
		Women's membership in the national trade facilitation committee or similar bodies	N/A
Other Trade Facilitation	Trade finance facilitation	Single Window facilitates traders access to finance	N/A
		Authorities engaged in blockchain-based supply chain project covering trade finance	N/A
		Variety of trade finance services available	N/A
	Trade facilitation in times of crisis	Agency in place to manage trade facilitation in times of crises and emergencies	N/A
		Online publication of emergency trade facilitation measures	N/A
		Coordination between countries on emergency trade facilitation measures	N/A
		Additional trade facilitation measures to facilitate trade in times of emergencies	N/A
	Plan in place to facilitate trade during future crises	N/A	

Table 2. (continued)

Groups	Sub-groups	Measures	Relevant TFA Articles
Pilot-tested	Trade facilitation for e-commerce	Trade facilitation measures for cross-border e-commerce	N/A
	Trade facilitation and wildlife protection	Electronic exchange of CITES permits/certificates	N/A

The overall scope of the Survey goes beyond the measures included in the WTO TFA. Most paperless trade measures, particularly in 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 global trade and supply chains (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 (table 3). Data was collected between January and July 2023. Based on this, 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”. Annex 2 provides definitions of each stage. 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.

The analytical results need to be interpreted keeping in view the limitations of the Survey in terms of coverage of countries and various trade facilitation measures. There is data on 47 Commonwealth countries from various Commonwealth regions and development levels.³ There is full coverage for six developed Commonwealth members as well as eight Asian and nine Pacific SIDS. The African⁴ and Caribbean⁵ Commonwealth members have about 75% coverage in the Survey.

Annex 1 presents the detailed country groupings used in the analysis. Further details and examples on the calculation of implementation rates are available online.

The report is structured as follows. Chapter 2 provides an overview of trade facilitation measures and examines the most and least implemented measures as well as those under implementation. Chapter 3 discusses four key categories of trade facilitation measures – general, digital, sustainable, and other – in detail. Chapter 4 empirically examines the impact of trade facilitation on the reduction in trade costs. and chapter 5 concludes. Details on the implementation rates of trade facilitation measures for individual countries for each subregion are in the annexes.

³ All data and analysis in this report cover 47 countries included in the Survey, and to complement the information presented, other countries with good practices are also featured.

⁴ Eswatini, The Gambia, Lesotho, South Africa, and Uganda did not participate in the Survey.

⁵ The Bahamas, Barbados, Dominica, and Grenada did not participate in the Survey.



A three-step approach for data collection and validation

<p>Data submission by experts</p>	<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 Asian 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>
<p>Data verification by the UNRCs Secretariat</p>	<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>
<p>Data validation by national Governments</p>	<p>Step 3 took place between May and July 2023. The ESCAP Secretariat sent the completed questionnaire to each national Government to ensure 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>

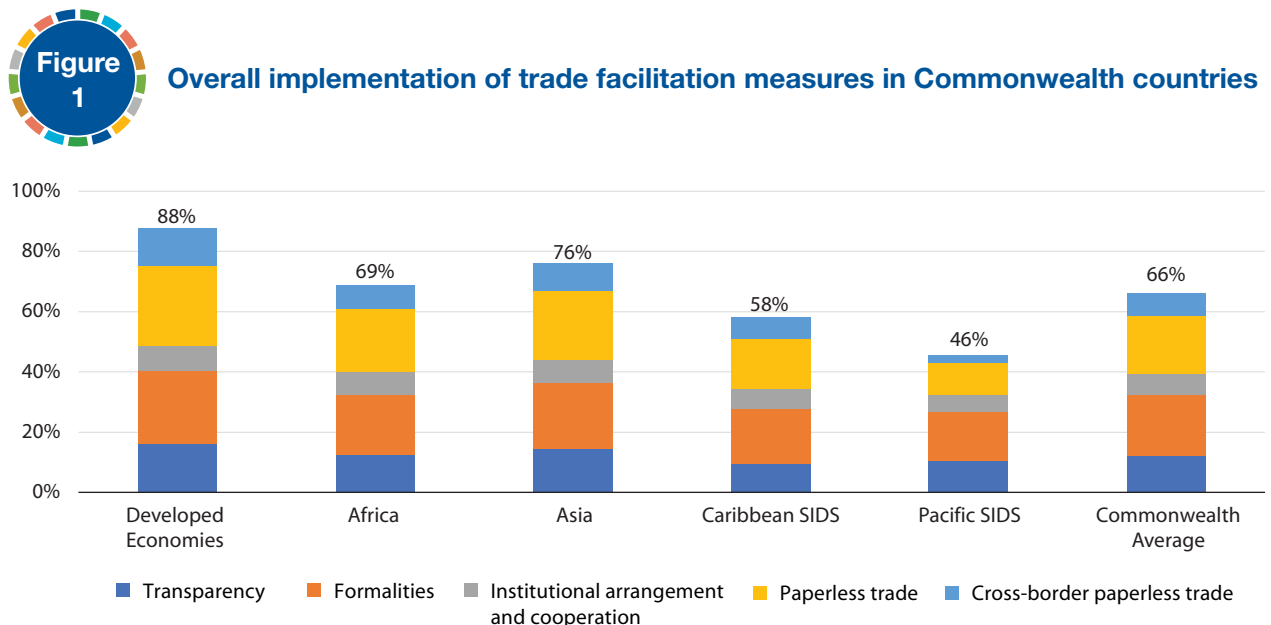
Chapter 2

Trade facilitation implementation: Overview

2.1. Most and least implemented trade facilitation measures by region

Figure 1 shows the average trade facilitation implementation rates of 31 measures from 5 subregions of the Commonwealth under “General” and “Digital Trade Facilitation.”⁶ The average implementation rate of 31 measures for Commonwealth countries overall is 66%, which is three percentage points below the global average at 69%. Annex 3 provides the implementation rates of trade facilitation measures for individual countries by subregion. There are significant variations in the level of implementation across subregions. The developed economies have an overall implementation rate of 88%, whereas the Pacific SIDS score 46%. There are also variations between individual economies. For example, in the Pacific SIDS, implementation ranges from 19% in Nauru to 71% in Vanuatu, while in the Caribbean SIDS, it ranges from 47% in Saint Lucia to 80% in Jamaica.

When looking at specific countries, the highest overall implementation rates are found in Australia, New Zealand, and Singapore (all 97%), India (94%), Mauritius and the UK (both 88%). Among the developing regions, Asia is led by Singapore (97%), the Caribbean SIDS by Jamaica (80%) and the Pacific SIDS by Vanuatu (71%).



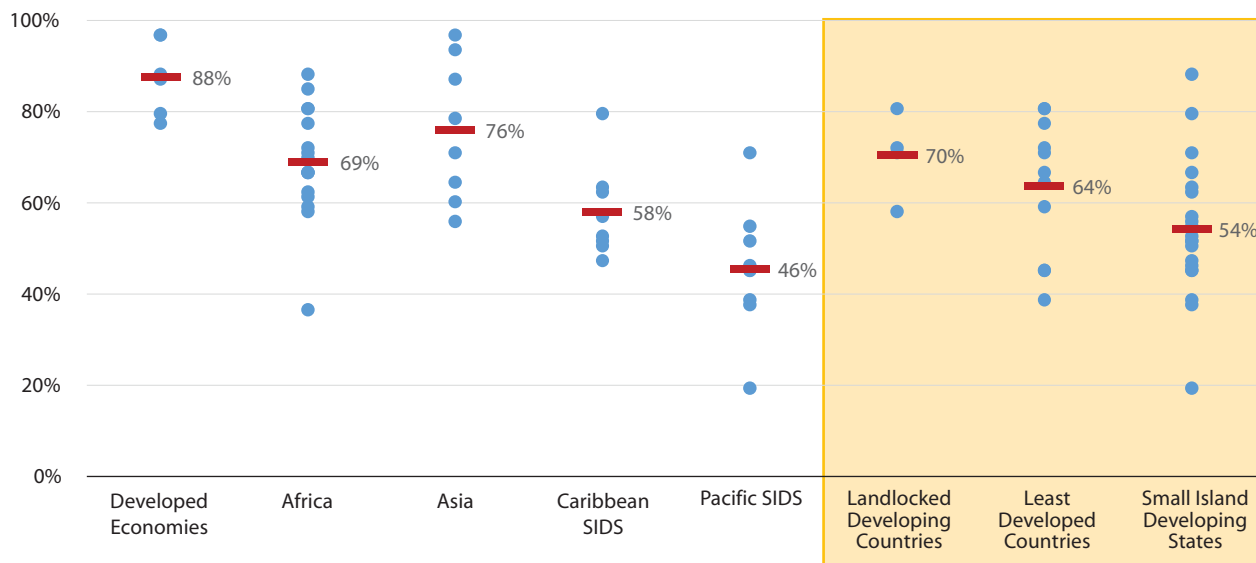
Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

The data in figure 2 shows the implementation rates of the 31 “General” and “Digital Trade Facilitation” measures across 47 Commonwealth countries, five subregions and three groups of countries with special needs: SIDS, least developed countries (LDCs), and landlocked developing countries (LLDCs) (see annex 1.2 for a list of countries in each grouping).

⁶ The 31 measures from the ‘General’ and ‘Digital Trade Facilitation’ groups are chosen as the core measures owing to their relevance to the WTO TFA as well as data collected over time and across many countries and regions. For further details, refer to the 2023 Survey Methodology, at www.untfsurvey.org/about

Developed economies showed the best performance in the Survey, with an 88% implementation rate of the 31 core “General” and “Digital Trade Facilitation” measures. Asia recorded the highest score among developing economies, with 76%. On the other hand, some regions are still catching up, with the Caribbean SIDS and Pacific SIDS showing the two lowest regional implementation scores, at 58% and 46%, respectively. A partial explanation for this finding relates to geographical and structural limitations, with many countries in these regions facing extra challenges in trade facilitation owing to their small size, remoteness, or lack of direct access to sea trading routes.

Figure 2 Trade facilitation implementation by Commonwealth subregions and in countries with special development needs

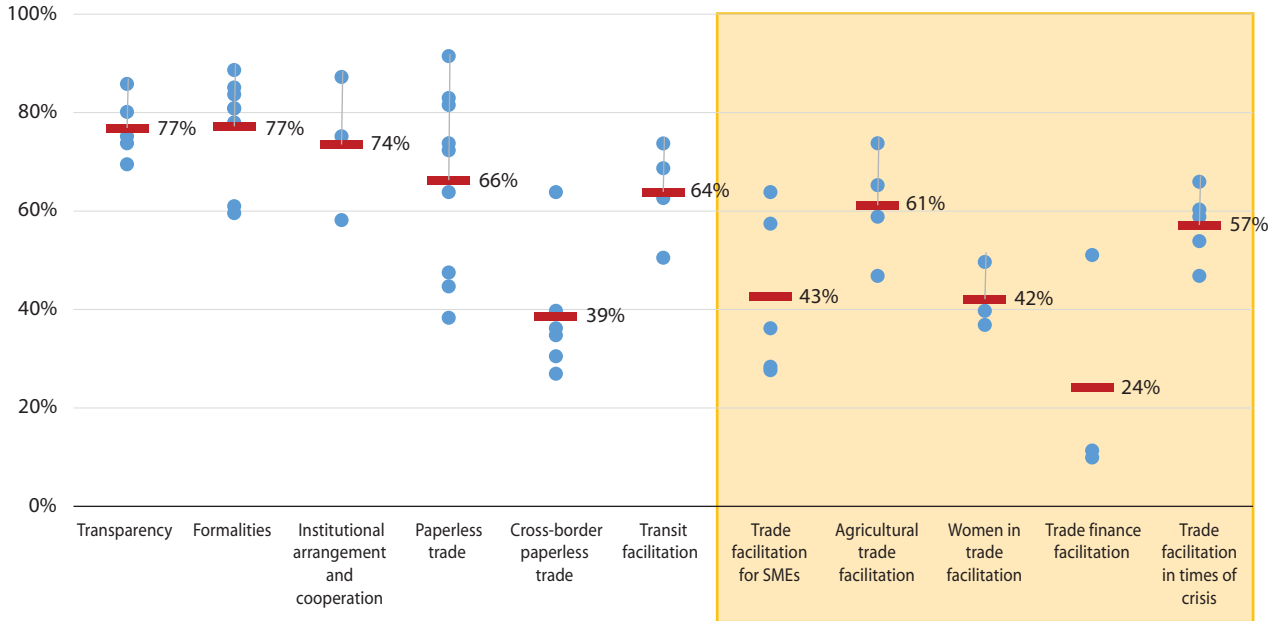


Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023.

While progress has been made in various areas, there is still room for improvement. When it comes to ‘trade finance facilitation’ and ‘cross-border paperless trade,’ the rates stand at 25% and 38% respectively, making them the least implemented sub-groups covered in the Survey (figure 3). ‘Cross-border paperless trade’ measures can require a high degree of cooperation between trading partners in order to be considered ‘fully implemented.’ Therefore, the establishment of more regional trade agreements and trade facilitation initiatives can be a catalyst for improved digital trade cooperation. ‘Trade finance facilitation’ has a particular impact on SMEs, which in many cases lack the resources necessary to participate in international trade and digitalize their trade processes. Firms that are able to export are, on average, more profitable than those limited to domestic markets, making access to trade finance imperative to achieving more inclusive trade.



Figure 3 Implementation rate for different sub-groups of trade facilitation measures in Commonwealth countries



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

2.2. Most and least implemented trade facilitation measures by category

Table 4 offers insights into the implementation status of trade facilitation measures within each sub-group assessed in the Survey. In the ‘formalities’ sub-group, one measure stands out as the most implemented – ‘acceptance of copies of original supporting documents required for import, export, or transit formalities’ – together with one measure from the ‘paperless trade’ sub-group: ‘automated Customs system.’ On the other hand, the ‘trade finance facilitation’ sub-group 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.



Most and least implemented measures in each sub-group of trade facilitation measures in Commonwealth countries

Sub-group	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	Stakeholders' consultation on new draft regulations	97.9	61.7	Advance ruling on tariff classification and origin of imported goods	80.9	51.1
Formalities	Acceptance of copies of original supporting documents required for import, export or transit formalities	97.9	74.5	Establishment and publication of average release times	80.9	34.0
Institutional arrangement and cooperation	National legislative framework and/or institutional arrangements for border agencies' cooperation	95.7	42.6	Government agencies delegating border controls to Customs authorities	74.5	31.9
Paperless trade	Automated Customs system	100.0	74.5	Electronic application for Customs Refunds	51.1	21.3
Cross-border paperless trade	Laws and regulations for electronic transactions	85.1	36.2	Electronic exchange of Customs Declaration	44.7	4.3
Transit facilitation	Limit the physical inspections of transit goods and use risk assessment	57.4	42.6	Trade facilitation agreement(s)	44.7	21.3
Trade facilitation for SMEs	SMEs in national trade facilitation committee	80.9	21.3	SMEs in Authorised Economic Operator scheme	38.3	17.0

Table 4 (continued)

Sub-group	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 (%)
Agricultural trade facilitation	Special treatment for perishable goods	89.4	44.7	Electronic application and issuance of SPS certificates	66.0	21.3
Women in trade facilitation	Women membership in national trade facilitation committee or similar bodies	76.6	12.8	TF policy/strategy to increase women's participation in trade	57.4	8.5
Trade finance facilitation	Variety of trade finance services available	74.5	17.0	Authorities engaged in blockchain-based supply chain project covering trade finance	17.0	0.0
Trade facilitation in times of crisis	Online publication of emergency trade facilitation measures	87.2	34.0	Plan in place to facilitate trade during future crises	63.8	25.5

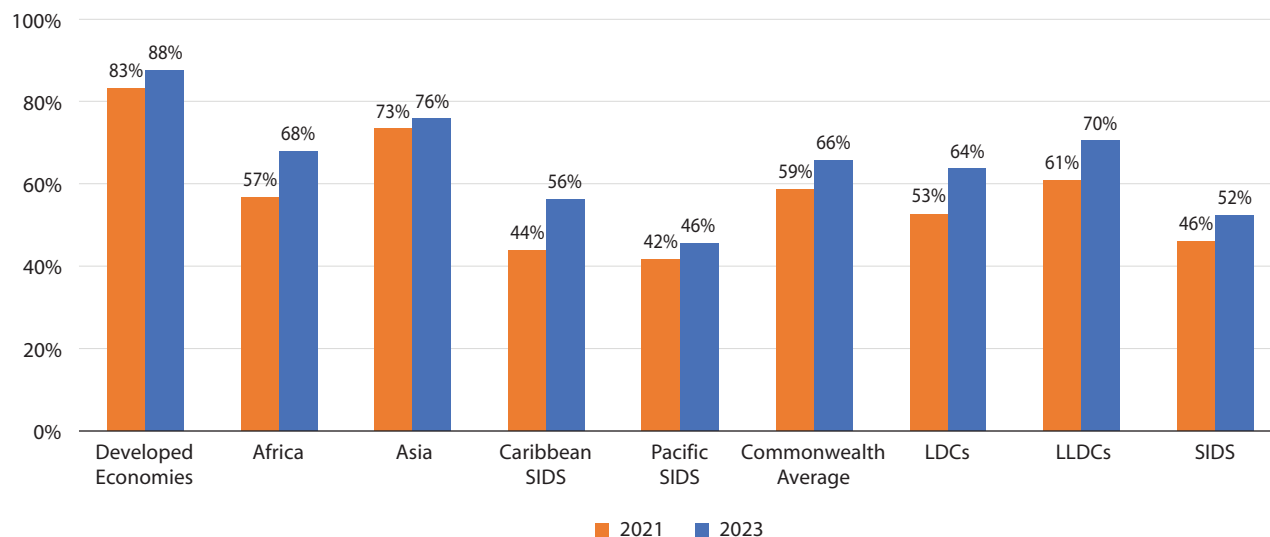
Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

2.3. Progress in implementation over time

Some interesting progress was made in the implementation of trade facilitation measures within Commonwealth countries from 2021 to 2023. The average implementation rate increased from 59% in 2021 to 66% in 2023 (figure 4). Notably, the Caribbean SIDS achieved the highest progress, with the implementation rate soaring by 12 percentage points, from 44% in 2021 to 56% in 2023, followed by Africa (from 57% in 2021 to 68% in 2023). Countries with special needs made significant progress, with the LDCs showing an increase of 11 percentage points comparing 2023 with 2021 and the LLDCs an increase of 9 percentage points.



Figure 4 Trade facilitation implementation by Commonwealth countries between 2021 and 2023

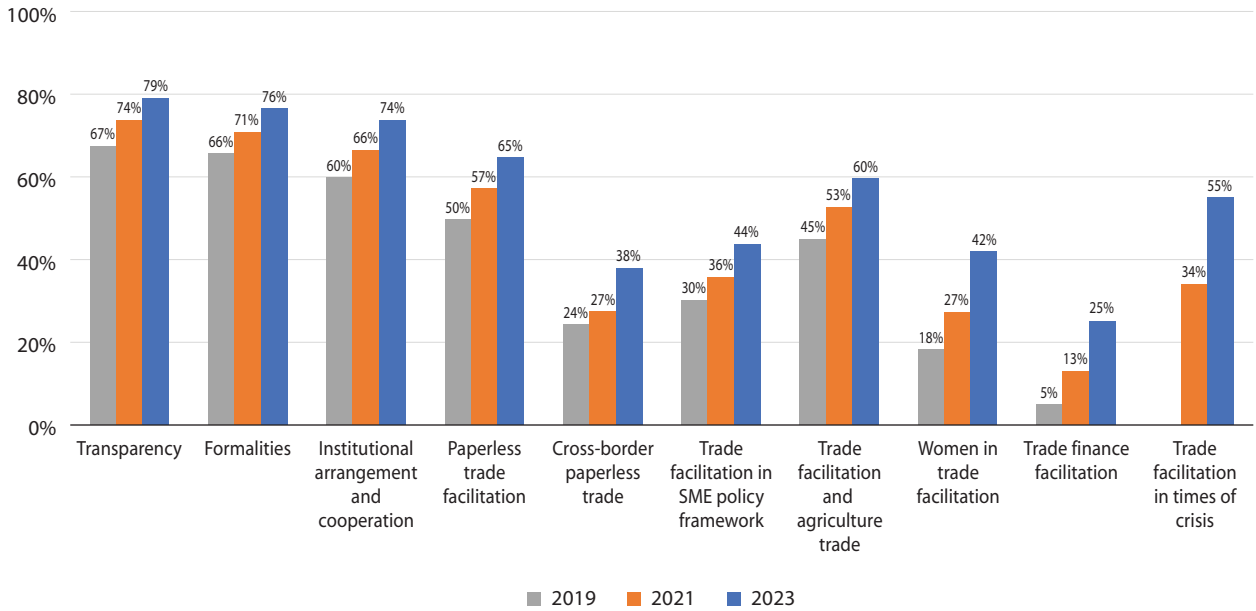


Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Figure 5 shows a steady rise in implementation rates during the 2019-2023 period, with the increase between 2019 and 2021 almost equal to that between 2021 and 2023. For the Commonwealth countries, the average progress observed between 2021 and 2023 was 7 percentage points while the increase between 2019 and 2021 was 6 percentage points. Progress has been observed in all areas of trade facilitation measures. Although the overall implementation rate for agricultural trade facilitation and paperless trade is low, the Commonwealth countries have made significant progress over time in implementing these measures, which both increased by 15 percentage points. Moreover, implementation of measures under ‘trade finance facilitation’ increased by 20 percentage points and measures under ‘women in trade facilitation’ by 24 percentage points. However, it is noted that, despite the significant increases, implementation rates of “Digital” and “Sustainable Trade Facilitation” measures fell behind, when compared with the “General” measures, which are WTO TFA related.



Average implementation of different sub-groups of trade facilitation measures by Commonwealth countries between 2019, 2021 and 2023



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

Chapter 3

Implementation of trade facilitation measures: A closer look

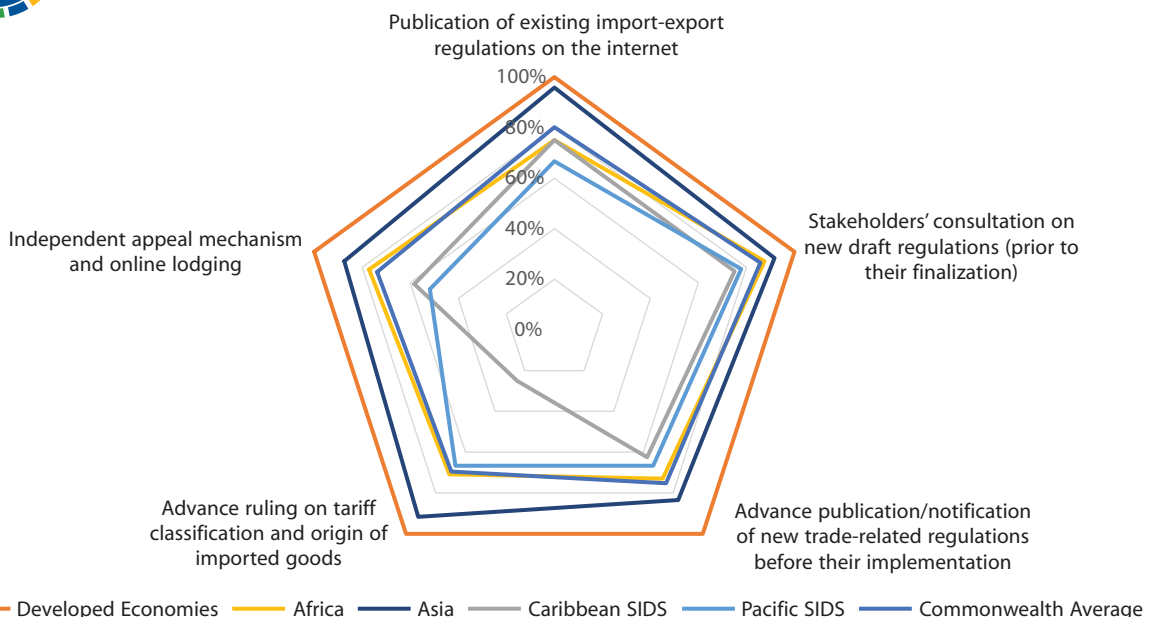
3.1. Transparency

‘Transparency’ comprises five measures related to Articles 1 to 5 of the WTO TFA and the General Agreement on Tariffs and Trade (GATT) Article X on “Publication and Administration of Trade Regulations”. In this sub-group, the Commonwealth countries achieve an average implementation rate of 77%, with Africa standing at the same level as the Commonwealth average. The subregions with the highest average implementation rates are the developed economies (100%) and Asia (90%). Caribbean SIDS (59%) and Pacific SIDS (66%) lag far behind in this category.

In particular, the implementation rate for the measure ‘stakeholders’ consultations on new draft regulations (prior to their finalization)’ stands at an impressive 86%. Additionally, the measure ‘publication of existing import-export regulations on the internet’ boasts a commendable implementation rate of 80%, and ‘advance publication/notification of new trade-related regulations before their implementation’ follows closely with a 75% implementation rate (figure 6). Countries could establish a national trade portal/repository (NTP/NTR), sometimes called trade information portal (TIP), a web portal that provides information about import/export/transit regulatory requirements from all government authorities within a country (see box 1 for a good practice from Jamaica).

In addition, figure 7 illustrates that measures under ‘transparency’ are implemented to various degrees in the Commonwealth countries. The measures ‘stakeholders’ consultation on new draft regulations (prior to their finalization)’ and ‘publication of existing import-export regulations on the internet’ have been fully implemented by 62% and 53% of the Commonwealth countries. The measure ‘stakeholders’ consultation on new draft regulations (prior to their finalization)’ has been fully or partially implemented by 98% of the Commonwealth countries but only 62% of the countries have fully implemented it. The least fully implemented measure, ‘independent appeal mechanism and online lodging,’ has been fully implemented by 40% of the Commonwealth countries.

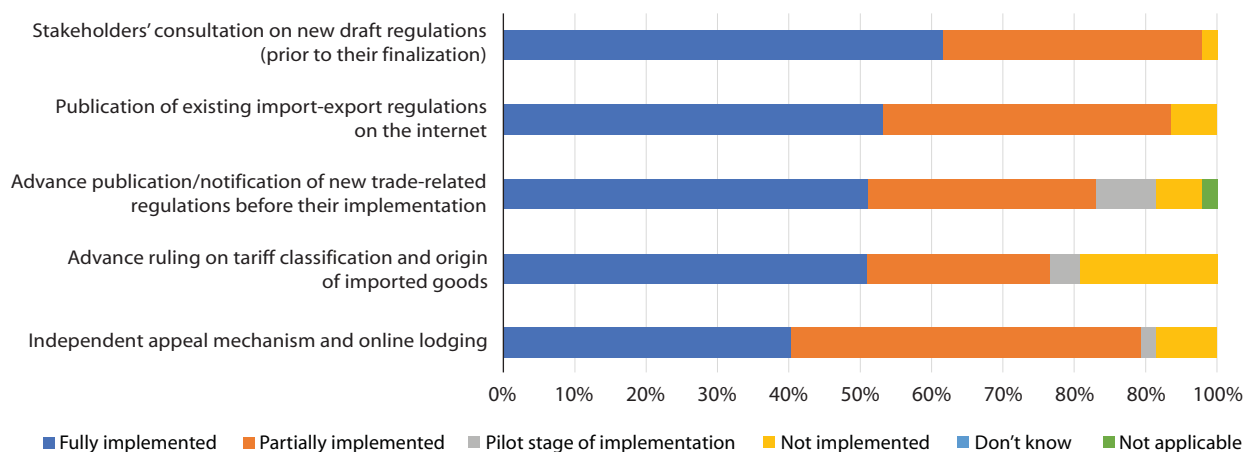
Figure 6 State of implementation of ‘transparency’ measures by Commonwealth region



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



State of implementation of ‘transparency’ measures by implementation status



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



Demystifying trade through the Jamaica Trade Information Portal

The Jamaica Trade Information Portal (JTIP) was launched in May 2019 with the assistance of the World Bank Group’s Trade Facilitation Support Programme. It is a key component of Jamaica’s broader trade facilitation agenda, which seeks to leverage the country’s potential to become a world class logistics hub. It is hoped the JTIP will play an integral role in generating more trade and investment flows to Jamaica.

This web-based portal contains details on all the regulatory requirements to conduct trade transactions. This includes information on commodity classifications; tariffs, duties and fees; trade laws and regulations; licensing and permit requirements; technical conformity standards; and certification requirements. Users can download trade-related forms and legal documents from the portal and access information on local business opportunities as well as statistics on Jamaica’s exports and imports. It also contains dedicated links to submit enquiries regarding sanitary and phytosanitary measures and technical barriers to trade; and to access external resources mapping export opportunities, outlining rules of origin and documenting Jamaica’s participation in trade agreements.

Prior to this online facility, complex and inefficient border procedures – characterised by frequent physical inspections of goods, predominantly manual processes, high taxes and fees, multiple licenses, permits and certificates, and a general lack of coordination between agencies – contributed to high trade costs and frequent delays (World Bank, 2019). The JTIP’s online resources are intended to make information more accessible, to make it easier and less costly for businesses to comply with regulations for importing and exporting goods to and from Jamaica.

Box 1 (continued)

In doing so, the JTIP can play an important role in facilitating trade. Barriers related to a lack of access to trade-related information and limited understanding of regulatory procedures and requirements to import and export are particularly acute for SMEs and new firms (World Bank, 2019). The JTIP helps level the playing field across merchants, traders, and investors by providing uniform and comprehensive access to information from a single source on procedures, rules, and regulations in a user-friendly, transparent, unambiguous and non-discriminatory manner (Gain, 2022).

The number of visits to the JTIP website (jamaicatradeportal.gov.jm) has grown significantly since its launch in 2019. As of May 2023, 50,890 people had visited the portal (Spence, 2023). These numbers could continue to grow as the portal expands and improves in the future. Jamaica plans to broaden the sectoral coverage to include information on trade in services and to present content in languages other than English, including those used in Jamaica's largest trading partners (e.g., French, Mandarin and Spanish).

3.2. Formalities

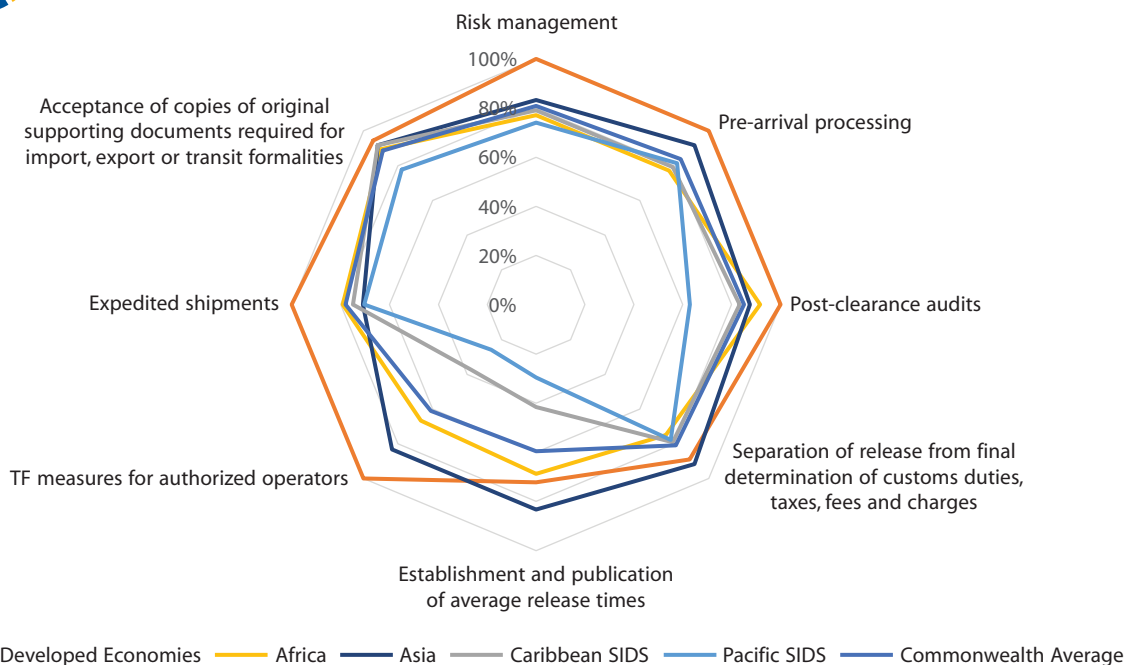
The 'formalities' sub-group encompasses eight general trade facilitation measures that aim to streamline trade procedures, aligning with the requirements outlined in Articles 6-10 of the WTO TFA and GATT Article VIII on "Release and Clearance of Goods". In 2023, the implementation rate for all measures within the 'formalities' category stood at 77%. Africa (78%) is closely aligned with the average of overall Commonwealth countries, with the developed economies (94%) and Asia (85%) in the lead compared with other subregions. Caribbean SIDS and Pacific SIDS achieved implementation rates of 71% and 63% respectively.

The measure with the highest implementation rate in Commonwealth countries is the 'acceptance of copies of original supporting documents required for import, export, or transit formalities,' reaching an implementation rate of 89%, followed by 'post-clearance audits' with 85% and 'pre-arrival processing' at 84%. Furthermore, the implementation rates for 'risk management' and 'separation of release from final determination of custom duties, taxes, fees, and charges' have achieved a commendable 81% (figure 8).

Among all the measures, 'acceptance of copies of original supporting documents required for import, export or transit formalities' exhibits the highest full implementation rate, at 74%, and 'post-clearance audits' follows closely at 70%. Moreover, 60% of Commonwealth countries have at least fully implemented the measure 'expedited shipments' and 57% for the measure 'pre-arrival processing.' After that, 53% of Commonwealth countries have fully implemented 'separation of release from final determination of Customs duties, taxes, fees, and charges' and 49% have fully implemented 'risk management.' Finally, the measures 'TF measures for authorized operators' and 'establishment and publication of average release times' have a relatively low level of full implementation, since only 36% and 34% of Commonwealth countries have implemented them (figure 9) (see box 2 for the East African Community (EAC) Authorized Economic Operator (AEO) Programme).

Figure 8

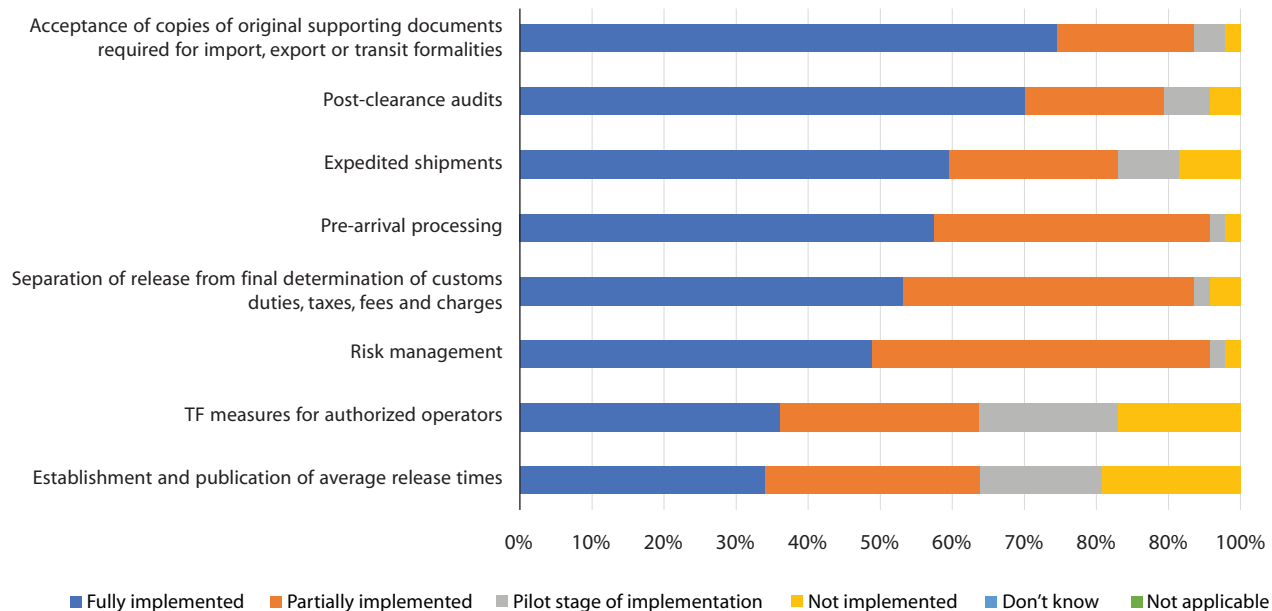
State of implementation of ‘formalities’ by Commonwealth region



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

Figure 9

State of implementation of ‘formalities’ measures by implementation status



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


**Box
2**

The EAC Authorized Economic Operator (AEO) Programme

The WTO TFA provides for ‘authorized operators,’ who will need to meet specific criteria, including having an appropriate record of compliance with Customs and other related regulations. The Commonwealth Secretariat through its Trade Competitiveness programme has extended technical support to enhance utilization of the EAC AEO trade facilitation programme among the EAC Partner State economic operators in collaboration with the Federation of East African Freight Forwarders Associations (FEAFFA) and the EAC Secretariat.

The AEO programme recognizes businesses that participate in the international supply chain for complying with the Standards to Secure and Facilitate Global Trade (SAFE) Framework of Standards developed by the World Customs Organization (WCO). The SAFE Framework of Standards aims to establish and integrate standards for supply chain security and facilitation, strengthen cooperation among Customs administrations and promote the seamless movement of goods through well-secured international supply chains against any security threats.

The AEO programme is under Pillar Two of the SAFE Framework, under Customs-to-Business. The SAFE Framework sets forth the criteria by which businesses in the supply chain can obtain authorized status as a security partner and derive benefits arising from the trade facilitation. The general benefits include reduction of physical and document-based controls, priority treatment, choice of controls, minimum cargo inspection and easier admittance to Customs programmes, among others.

The major achievements of the EAC AEO programme include development of the criteria and benefits, standard operating procedures, training materials and training of trainers. The scheme was piloted with 13 operators from 2013 to 2015 and first authorization occurred in 2015. There are more than 170 companies currently on the programme, 142 of them regional AEOs, the majority are importers, exporters, and Customs brokers. The share of AEO transactions in total transactions is about 14% at regional level, and highest for Burundi and Rwanda at 20.6% and 17.7%, respectively. The highest share of total import revenue collected was registered by Uganda and Rwanda, at 18% and 17.6%, respectively.

The uptake of the AEO scheme remains low for SMEs, and this needs to improve if there are to be positive impacts in terms of the gains expected from trade facilitation. The EAC is considering remodelling the programme to cater for SMEs, automating AEO processes, establishing a regional AEO association and negotiating mutual recognition agreements (MRAs) with other countries.

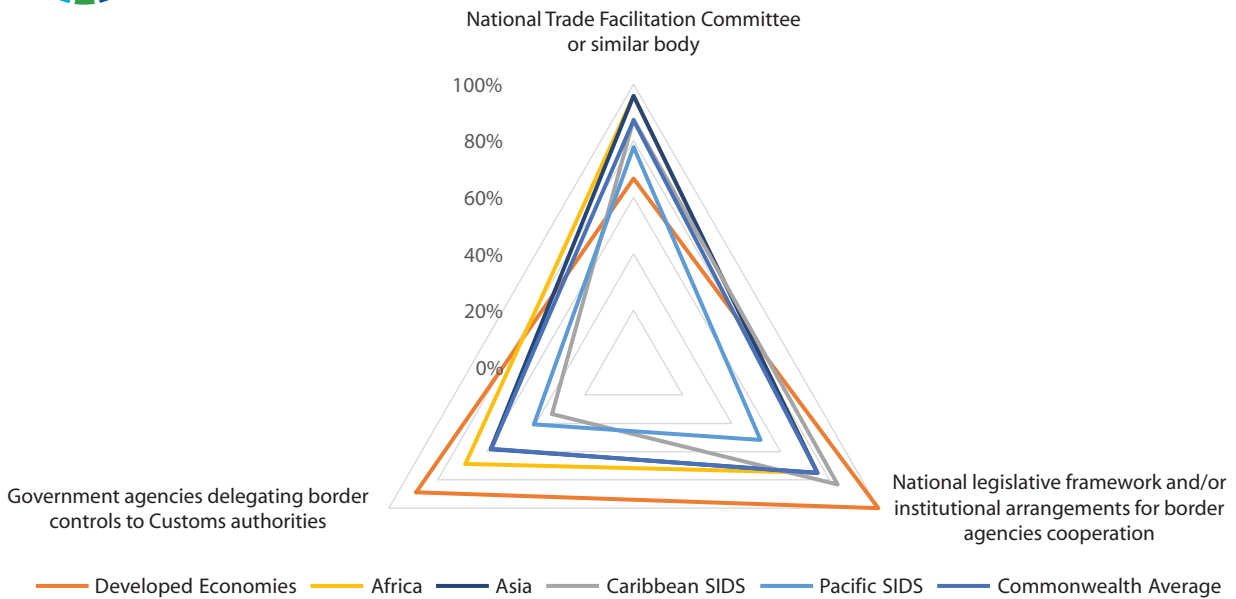
3.3. Institutional arrangement and cooperation

The ‘institutional arrangements and cooperation’ category comprises three trade facilitation measures (figure 10). These 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 Commonwealth countries, the implementation rate of these measures stands at 74%. Asia (76%) is closely aligned with the average of overall Commonwealth countries, with the developed economies (85%) and Africa (80%) surpassing other subregions. Caribbean SIDS (68%) and Pacific SIDS (57%) lag behind in this category.

Figure 10 illustrates the varying state of implementation for each measure within this sub-group. The measure with the highest implementation rate is the ‘national trade facilitation committee or similar body,’ reaching 87%. The overall implementation rate for ‘national legislative framework and/or institutional arrangements for border agencies’ cooperation’ is 75%, with similar levels in the Asia and Africa regions. On the other hand, 26% of the Commonwealth countries have yet to implement the measure ‘government agencies delegating border controls to Customs authorities,’ making this the least implemented measure within this sub-group (figure 11). To reduce border delays and logistical bottlenecks, in some cases, countries have set up one-stop border posts (OSBPs) (see box 3 for a good practice from the EAC).



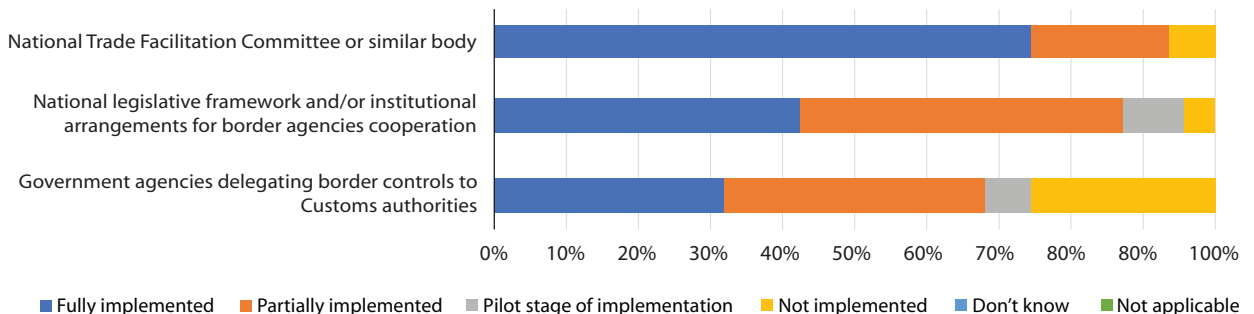
Figure 10 State of implementation of ‘institutional arrangement and cooperation’ measures by Commonwealth region



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



Figure 11 State of implementation of ‘institutional arrangement and cooperation’ measures by implementation status



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


**Box
3**

One-stop border posts in Africa: Implementation in the East African Community

Intra-regional trade in Africa has historically remained low as a result of several factors, including poor transport and border infrastructure and burdensome and inefficient import and export administrative procedures. This is particularly the case at border posts that duplicate infrastructure and procedures on each side of the border, and where multiple agencies in adjoining countries operate in an uncoordinated manner.

One-stop border posts (OSBPs) were first launched in Africa with the aim of reducing these border delays and logistical bottlenecks, with over 110 currently in the planning or implementation stage on the continent. They aim to improve the efficiency and capacity of cross-border trade through land border posts by combining the entry and exit administrative procedures of the adjacent states in a single location. As a result, OSBPs assist with administrative simplification and harmonization through coordinated border management, eliminating the need for travellers and goods to stop on each side of the border to comply with separate yet often-identical formalities.

This has several benefits for both border authorities and businesses engaged in cross-border trade. For border authorities, OSBPs reduce administrative and infrastructure costs as information required by both agencies needs to be collected only once, while requisite border infrastructure and staffing costs can be shared. For businesses, OSBPs lower trade and transport costs by reducing the amount of time that consignments and truck drivers spend at the border. This, in turn, increases truck turnaround time, lowers the cost of labour involved in the transit of each assignment, and reduces costs associated with idling at the border such as parking fees.

First introduced between Zambia and Zimbabwe in 2009, OSBPs have since been adopted widely across the continent (AUDA-NEPAD and JICA, 2022). Within the EAC, prior to the construction of the first OSBP in 2012, crossing any border would take 10 hours on average, and almost 23 hours at some border posts. Since then, the construction of 22 OSBPs within the EAC has lowered the wait time to an average of 2.5 hours, with the worst performing OSBP taking no more than 5 hours to cross and the best performing taking an average of 15 minutes. This has led to an estimated reduction in intra-EAC transport costs of between 0.3 and 14%, depending on the specific border post (EAC, 2023; Mendez-Parra and Calabrese, 2023). These transport cost reductions have downstream knock-on effects, which evidence suggests translates into concrete welfare gains for EAC consumers in the form of reduced prices, particularly for staple commodities (Ayele et al., 2023).

The ongoing implementation of the African Continental Free Trade Area (AfCFTA) is expected to double road freight in Africa from 201 million tons to 403 million tons by 2030, and increase the total volume of intra-African freight by 28% (UNECA, 2022). As such, the adoption of OSBPs will continue to be an important part of continental integration going forward.

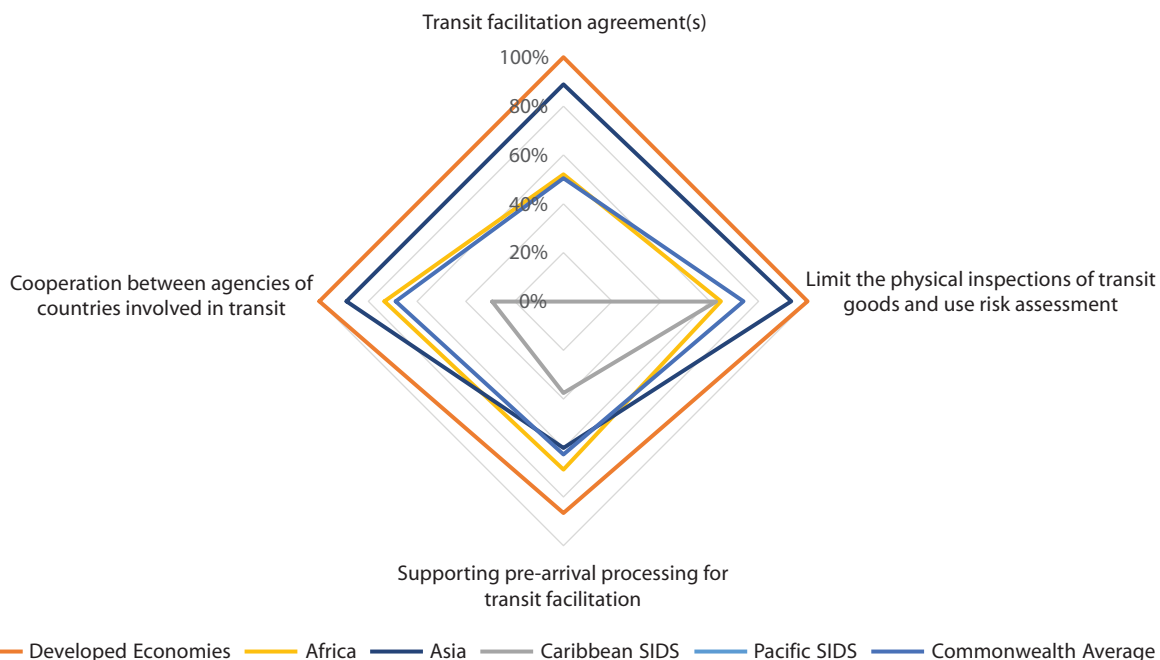
3.4. Transit facilitation

Four trade facilitation measures surveyed 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 LLDCs, as their goods often pass through neighbouring territories for transit. In Commonwealth countries, the implementation level of ‘transit facilitation’ stands at approximately 64%. Africa (65%) is closely aligned with the overall average and Caribbean SIDS (32%) lag far behind in this category. On the other hand, the developed economies (97%) exhibit a significantly higher implementation rate, followed by Asia (83%) (figure 12).

Among these measures, the one intending to ‘limit the physical inspections of transit goods and use risk assessment’ achieves the highest implementation rate (74%, fully implemented by 43% of Commonwealth countries), followed by ‘cooperation between agencies of countries involved in transit’ (69%, fully implemented by 38% of countries) and ‘supporting pre-arrival processing for transit facilitation’ (63%, fully implemented by 26% of countries). The measure ‘transit facilitation agreement(s)’ remains the least implemented, with an overall implementation rate standing at 51%, and only 21% of Commonwealth countries having fully implemented it (figure 13). There are some subregional and regional initiatives to cooperate between agencies involved in transit (see box 4-6 for good practices).



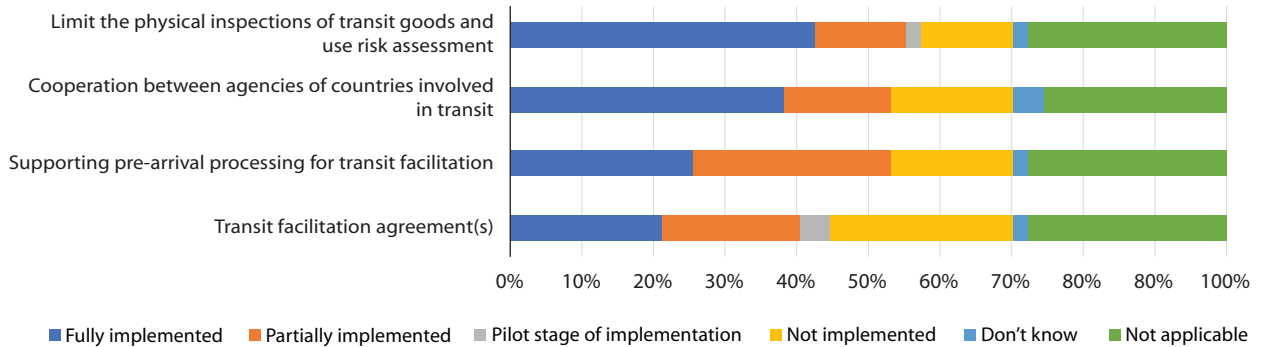
State of implementation of ‘transit facilitation’ by Commonwealth region



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



Figure 13 State of implementation of ‘transit facilitation’ by implementation status



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



Box 4 Facilitating transit trade: Enabling the transport of goods and people between BBIN (Bangladesh, Bhutan, India, and Nepal) countries

Despite the countries being neighbours, long delays at the border contribute to high costs of trade in the BBIN (Bangladesh, Bhutan, India, and Nepal) sub-region. This is largely because of inadequate infrastructure at border crossings, paper-based procedures, restrictive policies, and inefficient logistics. These issues are compounded by the geographical complexity of the area. Bhutan and Nepal are mountainous landlocked countries with difficult connectivity, while the only road within India that connects its north-eastern states with the mainland passes through the narrow Siliguri Corridor (Mehndiratta and Nora, 2022).

Nonetheless, there is immense potential to increase regional trade. World Bank studies have found that, although trade between BBIN countries grew sixfold between 2015 and 2019, the unexploited potential of trade is estimated at 93% for Bangladesh, 50% for India, and 76% for Nepal (Prasain, 2022).

The BBIN MVA

Against this backdrop, on 15 June 2015, the transport ministers of Bhutan, Bangladesh, India, and Nepal signed a Motor Vehicles Agreement (MVA) to boost the implementation of land transport facilitation agreements between the countries.

The objective of the BBIN MVA is to enable the exchange of traffic rights and ease cross-border movement of goods, vehicles, and people. This would allow BBIN countries to operate their vehicles in each other's territories for transport of passengers and cargo (First Post, 2016). Supported by the ADB, implementation of the MVA could lead to shorter transport routes, quicker travel times and lower costs, resulting in a smaller carbon footprint and, potentially, greater cross-border trade.

Under the MVA, 30 priority transport connectivity projects, with an estimated total cost of over US\$8 billion, have been identified to rehabilitate and upgrade sections of trade and transport corridors between the four countries.

Transforming these transport corridors into economic corridors could potentially increase intra-regional trade within South Asia by almost 60%, and with the rest of the world by over 30%. The World Bank estimates that the MVA will reduce the transport time for a truck traveling from Agartala in India's north-east to Kolkata port by 65% and lower the associated transport cost by 68% (Mehndiratta and Nora, 2022).

Box 4 (continued)***Latest developments and challenges***

Despite these connectivity advantages, Bhutan decided to opt out of the MVA in 2017, citing environmental concerns. With nature-based tourism as its single largest revenue-generating industry, Bhutan was concerned that free movement of traffic would increase sound and air pollution, worsen traffic problems, exacerbate infrastructural inadequacies, and result in large-scale environmental degradation (Ahmad, 2016).

In March 2022, transport ministers from Bangladesh, India, and Nepal (with Bhutan participating as an Observer) finalized the enabling Memorandum of Understanding for the implementation of the BBIN MVA in the three countries, pending Bhutan's ratification. A sub-committee was formed to discuss the modalities of passenger, personal and cargo vehicular traffic protocols essential to operationalize the Agreement.

**Box
5****African Collaborative Transit Guarantee Scheme to Facilitate Transit Trade in Africa**

To facilitate the smooth flow of transit trade in Africa, the Africa Export-Import Bank (Afreximbank) has partnered with the AfCFTA Secretariat and Regional Economic Communities (RECs) to launch the African Collaborative Transit Guarantee Scheme (ACTGS). This flagship initiative under the AfCFTA mitigates the risk of the loss of import duties if the goods crossing the territory of several African countries are diverted during transit. Afrximbank provides surety for regional and continent-wide transit bonds covering the full range of borders that goods are required to cross. In case of irregularities, it refunds the potential revenue losses (Customs duties and other taxes) by initiating a claim procedure for the beneficiaries that obtained the guarantee.

The US\$1 billion collaborative guarantee is expected to boost cross-border trade in Africa by replacing the system of multiple national bonds, which are relatively expensive and cause unnecessary delays at borders. African traders, freight forwarders, clearing agents or carriers can purchase guarantees through the ACTGS in advance before commencing transit operations. Alternatively, the Bank also supports primary local sureties and national guarantors, by sharing the risk of irregular discharge of transit. This is done through the offer of a counterparty guarantee or a reinsurance, particularly for high-risk operations.

Following a successful pilot in the Common Market for Eastern and Southern Africa, the ACTGS is progressively expanding to include other RECs and, ultimately, the entire continent. On 24 October 2023, the Bank issued its first US\$10 million transit bond in favour of Innovate General Insurance – an insurance company based in Zambia (Desiderio Consultants, 2023). This guarantee would enhance the company's capacity to issue bonds to clearing and forwarding agents, thereby facilitating the transportation of goods across the extensive 5,700 km of borders Zambia shares with its eight neighbours.

This innovative multi-border Customs transit bond is a big step towards the realisation of the African continental market. Once fully implemented, the transit bond is expected to produce cost savings of more than US\$300 million annually through reduced transit costs for African companies.


**Box
6**

Facilitating African landlocked countries' trade through a network of road corridors

Landlocked and semi-landlocked developing countries face unique geographical barriers to expanding international trade. Their access to global markets depends on transit through other coastal states. The long inland hauls required for transporting products to and from transit hubs induce additional trade costs, placing firms in these economies at a comparative disadvantage. Improving cross-border physical connectivity is thus essential to facilitating their trade.

This challenge is severe in Africa, where half of all LLDCs (16 of 32) are located.⁷ Six of these are members of the Commonwealth: Eswatini, Lesotho, Malawi, Rwanda, Uganda and Zambia. To facilitate trade in these countries, the African Development Bank (AfDB) has invested more than US\$13.5 billion in a vast network of trade corridors across the continent. Funded projects include the construction of more than 18,000 km of climate-resistant regional highways, 27 OSBPs and 16 bridges. Some of these projects have been part of the Trans-African Highway network, under various continental and regional infrastructure development programmes. These infrastructure developments benefit more than 307 million people, constituting around one-quarter of the continent's population. These trade corridors are facilitating African countries' global, regional, and bilateral trade in several ways. Notable examples include:

- The Kazungula road and rail bridge project – part of the North-South Corridor within the Southern African Development Community – connects Botswana, Democratic Republic of Congo, Namibia and Zambia. Before the bridge opened in May 2021, direct traffic between Botswana and Zambia was possible only by ferry. The introduction of road and rail connectivity, coupled with the construction of two OSBPs along the bridge, have reduced waiting time for Customs clearance from 14 days to just an hour.
- The Mombasa-Nairobi-Addis Ababa-Djibouti Corridor has raised bilateral trade between Ethiopia and Kenya by 400%. It enables Ethiopia to trade at least 20% of its freight more competitively through the port of Mombasa.
- The Dakar Corridor (the Bamako-Dakar Highway) route now carries more than 50% of Mali's imports and exports through the port of Dakar. The diversification of Mali's trade routes has reduced trade costs by more than 20%, helping expand the country's international trade by 10%.
- The Nacala Corridor, linking Malawi and Zambia to Nacala Port in Mozambique, has enhanced access to ports and maritime services, reducing trade costs by 15-25%.

In addition to developing these traditional trade corridors and associated infrastructure, AfDB is actively investing in a new generation of regional integration initiatives on the continent. It is paying particular attention to the development of economic and green corridors, with the aim of promoting sustainable intra-Africa trade. These economic corridors aim to cover trade facilitation issues beyond mere transport corridors. While the latter are supported by infrastructure, economic corridors require other integration layers such as efficient logistics, trade, and transport facilitation measures, increased private investment and fully developed sustainable production chains.

⁷ See list of LLDCs at <https://unctad.org/topic/landlocked-developing-countries/list-of-LLDCs>

3.5. Paperless trade

Nine trade facilitation measures surveyed are categorized in the ‘paperless trade’ subgroup. These measures involve the use of modern information and communications technologies (ICTs) 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. Among Commonwealth countries, the average implementation level of ‘paperless trade’ stands at 66%, with the developed economies (91%), Asia (79%) and Africa (72%) above the average. The subregions with the lowest average implementation rates are Caribbean SIDS (57%) and Pacific SIDS (37%) (figure 14).

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 38% to 91%. As depicted in figure 15, ‘automated Customs system’ has a 91% implementation rate, the highest level in this sub-group. It is closely followed by measures related to ‘electronic submission of Customs declarations’ and ‘Internet connection available to Customs and other trade control agencies,’ which achieved implementation rates of 83% and 82%, respectively. For the electronic single window system, an integrated approach for all relevant trade documents, Commonwealth countries achieved a 48% implementation rate on average (see box 7 for a good practice from Pakistan).

Box
7

Pakistan Single Window

The Pakistan Single Window (PSW), a flagship programme of the Government of Pakistan to streamline trade processes and facilitate trade, provides a centralized digital platform for the submission and processing of regulatory documents. This pioneering initiative for a single-entry point for filing standardized information and online processing for all import, export and transit-related paperwork reduces bureaucratic hurdles, saves time, and enhances efficiency for traders and businesses engaged in import and export activities.

The PSW Company, a public sector company created under the Act of Parliament in 2021, is responsible for the development and operation of the PSW system. The initial phase, launched in June 2022, introduces a range of services aimed at international traders, including:

- Online registration using PSW Know Your Customer protocols and exchange of cross-border trade-related financial information through integration with banks;
- Electronic processing of export certificates, import permits, conformity assessment certificates and release orders of regulatory bodies including departments such as Plant Protection, Federal Seed Certification & Registration and Animal Quarantine;
- Electronic processing of seaworthiness and safety certification for imported second-hand ships or vessels by the Pakistan Mercantile Marine Department;
- An electronic lab management system integrating all public and private sector laboratories performing various types of tests on imports or exports;
- Integration of the pre-shipment inspection companies to receive their reports online, eliminating paper-based transactions;
- Facilitation of cross-border trade-related payments through the PSW e-payment system, including data visibility to the Export Development Fund on export development surcharges collected on exports;

Box 7 (continued)

- Implementation of an integrated risk management system, applying system-based risk assessment and enforcement on the issuance of licenses, permits, certificates and other documents by trade regulators;
- Integration with selected provincial authorities for the collection of provincial cesses and the exchange of data on motor registration.

The PSW provides real-time visibility to Customs authorities regarding cross-border trade transactions authorized by the commercial banks and is contributing towards effective enforcement of banking regulations to enhance compliance with Financial Action Task Force recommendations. Integration with the PSW has resulted in the reengineering of 111 processes, the elimination of 46 documents and the replacement of 83 documents with electronic versions, substantially reducing the time and cost of documentary compliance. Moreover, the PSW is now supporting the Department of Plant Protection to integrate with the e-Phyto hub for paperless exchange of phytosanitary certificates on export of agricultural goods and commodities and is working actively on integration with the single window systems of China, Tajikistan, and Uzbekistan.

Taking a customer-centric approach, PSW has established a round-the-clock trader support helpdesk, which is under transition to be redesignated as the 'National Enquiry Point' under the TFA. PSW's Trade Information Portal provides a single access point for all information related to imports, exports, and transit. With a subscriber base of more than 71,000, the PSW processes more than 100,000 licenses, permits, certificates and other documents annually. This has helped the country meet its international obligations under the WTO TFA and raise the country's trade facilitation scores (from 55% to 70%).

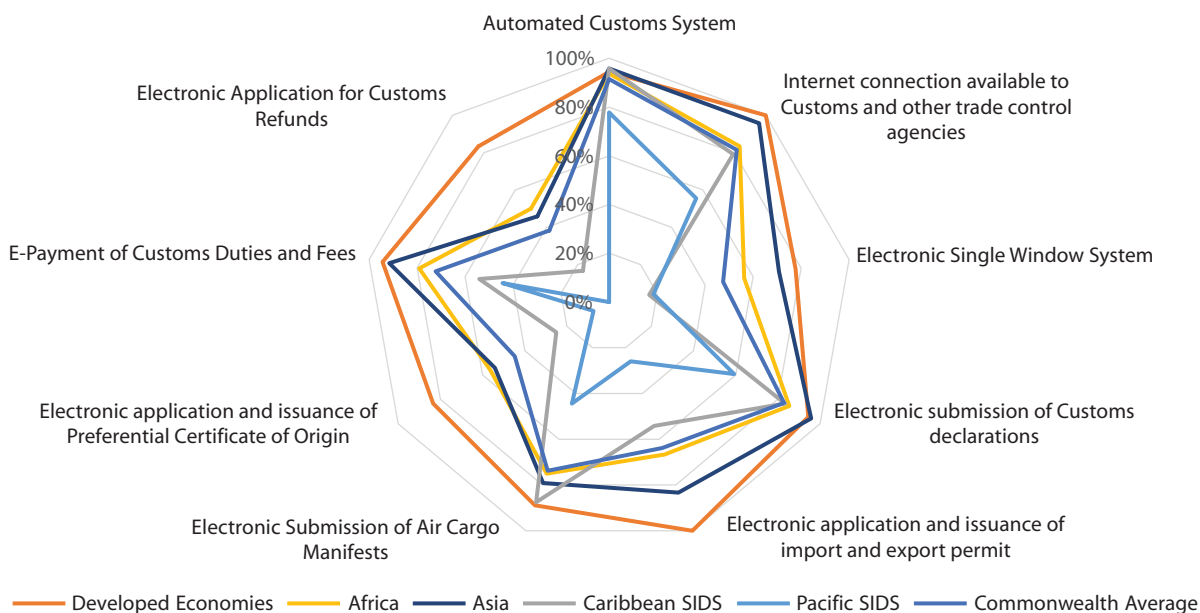
The success of the PSW, especially its implementation model and achievements, has gained wide recognition at regional and international levels. The PSW trade portal has been cited as a 'best practice' by the World Bank and the PSW Act 2021 is being studied as an innovative piece of legislation to ensure smooth implementation and operations of the single window system. The PSW has been showcased as a successful model for multi-agency collaboration and information exchange at conferences like the WCO IT Conference and Exhibition in the Netherlands and the 5th Border Management Conference in Jordan. It has also gained Associate Membership in the Pan-Asian E-Commerce Alliance and increased its participation in international events organized by the WCO, WTO, ESCAP, ADB and other international organizations.

In the upcoming phase, the PSW Company aims to implement the Port Community System at the country's three seaports (Karachi, Gwadar and Port Muhammed Bin Qasim) and develop an Airport Community System while it continues to integrate more business-to-business services into the system. According to World Bank estimates, the full implementation of the PSW system is projected to result in direct savings of US\$430 million to the national economy in terms of reduced costs for documentary and border compliance.

Conversely, the measure with the lowest implementation rate is 'electronic application for customs refunds,' at 38%. Only 21% of the countries in the Commonwealth have fully implemented this measure, while implementation has not yet commenced in 49% of Commonwealth countries (figure 15). To reap the benefits from evolving digitalization efforts, countries could potentially leapfrog using lessons learned from other countries. There are many capacity-building activities in this regard, including the WTO's Aid for Trade (AfT) initiative (see box 8).

Figure 14

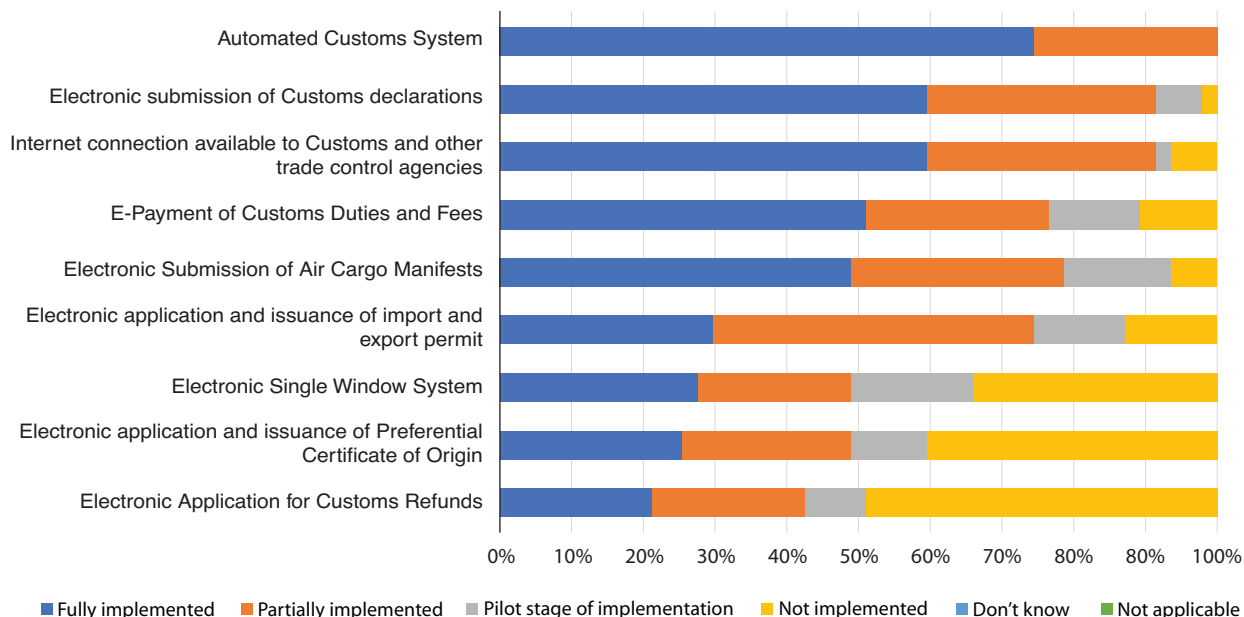
State of implementation of ‘paperless trade’ by Commonwealth region



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

Figure 15

State of implementation of ‘paperless trade’ by implementation status



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


**Box
8**
Aid for Trade: Supporting digitalization and digital trade

The WTO AfT initiative was primarily set up to address a wide range of supply-side constraints that hinder the participation of developing countries and LDCs in international trade (WTO, 2006). AfT can support the modernization of Customs facilities by upgrading digital infrastructure and streamlining border processes. It can also help address connectivity gaps, enhance digital skills and improve capacity to provide trade-related services, enabling greater participation by LDCs in digital trade. To this end, the Commonwealth Secretariat has proposed the development of a new and additionally funded Aid for Digital Trade initiative, which could focus initially on supporting digital infrastructure, digital skills, e-government and financial inclusion in developing countries and LDCs (Lacey, 2021).

To date, AfT has been used to help LDCs with their digital capacity-building efforts, particularly in relation to establishing enabling regulatory frameworks for digitalization and digital trade. Examples of AfT supporting digitalization and related trade facilitation in LDCs include:

- The Australian Government's E-commerce Aid for Trade Fund supported LDCs in the Indo-Pacific region to address barriers to engaging in e-commerce and digital trade, covering issues such as policy reform, capacity development in cybersecurity technology solutions such as blockchains, online dispute resolution mechanisms, and guidelines to accelerate e-commerce adoption (WTO, 2022).
- Australia supported internet connectivity in Kiribati to address barriers to engaging in e-commerce and help the country build greater e-commerce capabilities in order to leverage digital trade opportunities (WTO, 2022).
- The Enhanced Integrated Framework (EIF) supported e-commerce readiness projects in The Gambia, Kiribati, Lesotho, Malawi, Nepal, Rwanda, Solomon Islands, Tanzania and Tuvalu. In addition, it supported Rwanda to develop an e-commerce data collection and reporting tool to monitor and support digital trade development (EIF, 2022).
- In Bangladesh, the United Nations Development Programme, and the Bangladesh a2i Programme developed the ekShop, gathering all major e-commerce companies and bringing them into a single platform. The e-commerce platform has the potential to grow to a global level and enable merchants to access international markets; and has already established international logistics systems with 131 countries in collaboration with Bangladesh Post and the Universal Postal Union.
- AfDB supported the Connect Africa Initiative to develop broadband infrastructure in several African countries, including Rwanda, Tanzania, and Uganda as LDCs. As part of this initiative, the East African Broadband Infrastructure Network seeks to establish ICT infrastructure networks in the region to provide cross-border connectivity between Burundi, Rwanda, Tanzania, and Uganda (Mbise et al., 2018).
- China supported information technology projects in Togo to enable the country to provide a high-quality and reliable telecommunication system, and an optical cable transmission system in Tanzania.

Digitalization and digital trade facilitation, supported by AfT interventions, offer new opportunities for businesses to expand to new markets. For example, a 10% increase in digital connectivity between countries has the potential to raise trade in goods and trade in services by 2% and 3%, on average, respectively (WTO, 2022). However, digitalization and digital trade facilitation is not only about improving access to the internet but also about the availability of sufficient knowledge and skills and suitable tools to participate effectively in trade. By helping enhance access to electricity, develop sustainable infrastructure, provide affordable and reliable internet connections, and grow access to ICT goods and services, AfT can help LDCs and other developing countries participate more effectively in traditional goods and services trade and in digital trade.

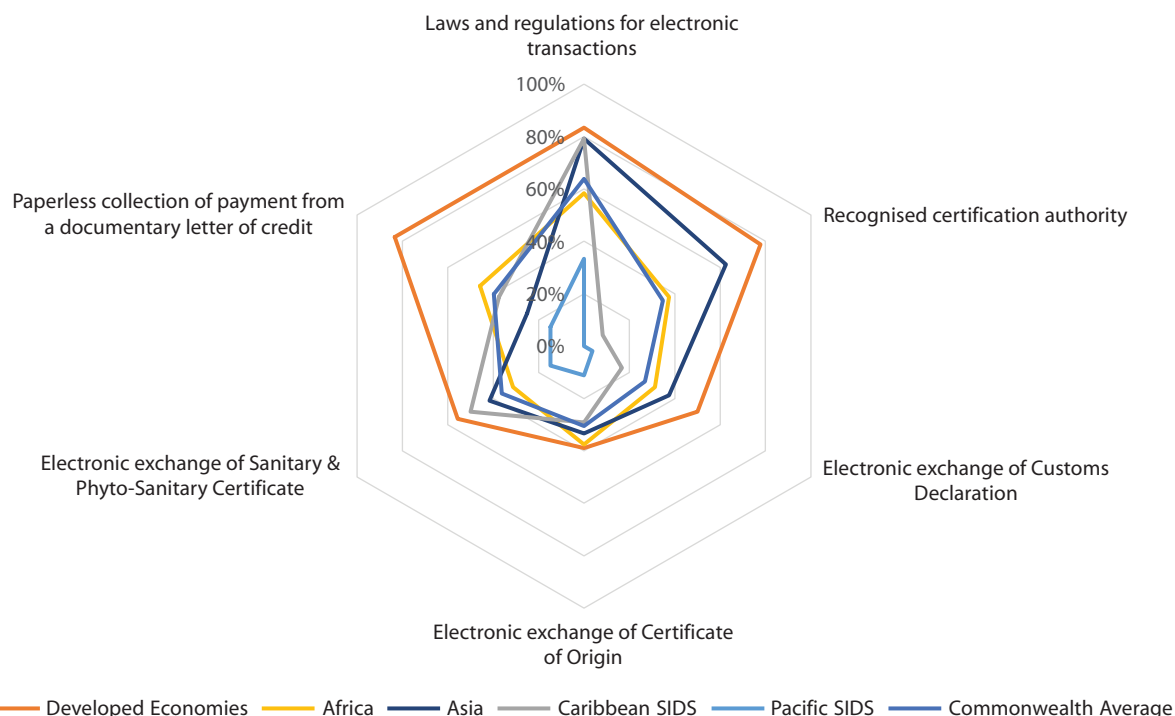
3.6. Cross-border paperless trade

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 are the establishment of ‘laws and regulations for electronic transactions’ and ‘recognized 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. In Commonwealth countries, the average implementation rates of these two measures stand at 64% and 35%, respectively. 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 Commonwealth countries, the average implementation rate of ‘cross-border paperless trade’ stands at 39%, with the rates for Caribbean SIDS (37%) and Africa (40%) standing at similar levels to the Commonwealth average, and the developed economies (65%) and Asia (47%) ahead of other subregions. Pacific SIDS have a very low implementation rate at only 13% (figure 16).

Figure 17 illustrates that 85% of Commonwealth countries have implemented the measure ‘laws and regulations for electronic transactions,’ either fully, partially, or on a pilot stage, making it the most frequently implemented measure (see box 9 on the UK’s Electronic Trade Documents Acts (ETDA) 2023). Moreover, 53% of the countries have yet to start implementing the ‘electronic exchange of Customs declarations’ and ‘recognized certification authority.’



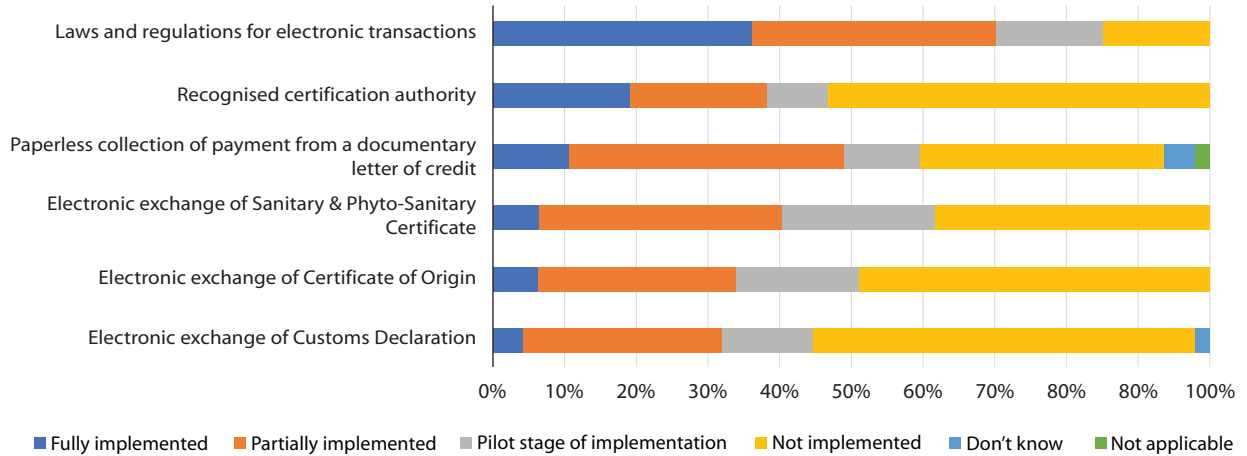
State of implementation of ‘cross-border paperless trade’ by Commonwealth region



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



Figure 17 State of implementation of ‘cross-border paperless trade’ by implementation status



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



Box 9 The UK’s Electronic Trade Documents Act 2023: A major step towards trade digitalization

The UK’s Electronic Trade Documents Act (ETDA)⁸, enacted in July 2023, places certain digital trade documents on an equal legal footing – with the same legal protections and benefits – as their paper counterparts. Aligned with the United Nations Commission on International Trade Law (UNCITRAL) Model Law on Electronic Transferable Records (MLETR), this Act is expected to radically simplify trade processes and reduce inefficiencies and associated costs.

Under previous law, only things that could be physically held were considered capable of being possessed. The ETDA recognizes the possibility of electronic possession, bringing the industry up to date, while ensuring security, addressing transferability issues and guaranteeing the legal concept of ‘possession.’ It gives full legal force to the creation and exchange of any and all trade and trade finance documents where such creation and exchange is done digitally. Adoption of the ETDA is a particularly significant achievement for trade digitalization given the frequent choice of English law⁹ for documents of title used in cross-border financing and transport operations.

The ETDA offers increased efficiency and enhanced environmental sustainability. The ICC estimates that it will reduce trade processing time by 70%, generate US\$31.8 billion in new economic growth by 2024 and enable efficiency savings amounting to \$284.5 billion. The UK Law Commission estimates that it will result in a huge reduction in paper waste from the current usage of 28.5 billion paper-based trade documents annually. The use of electronic trade documents will also make transactions more secure and limit the risk of losing confidential information. The benefits of greater efficiency and improved security could increase trade for current but also new participants, by

⁸ <https://bills.parliament.uk/bills/3344>

⁹ The ICC estimates that 80% of trade documents worldwide are based on English law.

Box 9 (continued)

removing trade barriers for smaller businesses and improving access to trade finance. This would make markets more accessible for those who do not currently export internationally. This, in turn, could boost the UK's international trade by providing benefits to UK businesses amounting to £1.1 billion over the next 10 years (Clyde and Co., 2023).

Since its royal assent on 20 September 2023, an international consortium of industry and technical experts, supported by government, business, and other organizations, have completed the world's first quantum-secure cross-border electronic trade document transaction, delivering a verifiable, secure, and legally recognizable solution for future digital trade transactions (ICC, 2023). Three institutions – the ICC UK, the Centre for Digital Trade and Innovation (on behalf of the UK Government), and Infocomm Media Development Authority (a Singapore Government agency) – transported a sample product from the UK to Singapore using traditional paper documentation, but also electronic trade documents, including an electronic bill of lading and a digital promissory note, simultaneously reconciled using a Distributed Ledger in both jurisdictions.

This landmark transaction was made possible following the signing of a Digital Economy Agreement between the UK and Singapore in 2022, with the ambition to facilitate cheaper trade through the adoption of digital trading systems between the two nations, which followed on from a 2021 Memorandum of Understanding on Digital Trade Facilitation. A quantum-secure 'seal' was placed around the electronic trade documents using Arqit's symmetric key agreement and quantum notary technology, ensuring the documents were protected from current and future cyber-threats including the risk posed by quantum computers. This practical demonstration shows that paper-based documents can be securely and effectively replaced by electronic trade documents. Focusing on their transferability, verifiability and legal recognition can pave the way to adapt and adopt these kinds of technologies worldwide.

In addition to the need to advance paperless and cross-border paperless trade in Commonwealth countries overall, with the greater emphasis on sustainable trade, implementation of paperless and cross-border paperless trade facilitation measures could make trade more sustainable and climate-smart (box 10).

**Climate-smart trade facilitation**

Climate-smart trade facilitation refers to trade facilitation measures that aim to make trade greener, in line with SDG 13 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 (ESCAP, 2019). Paperless and cross-border paperless trade measures can have positive impacts on protecting the environment and making trade more sustainable by reducing greenhouse gas 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 (Duval and Hardy, 2021).

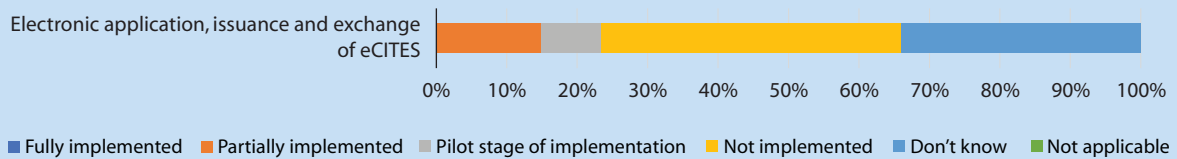
Box 10 (continued)

One example of climate-smart trade facilitation utilizing trade digitalization is the Electronic permits of the Convention on International Trade in Endangered Species of Wild Fauna and Flora, known as CITES. This 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 CITES 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 measure, ‘trade facilitation and wildlife protection’, covered implementation of eCITES. Commonwealth countries have a low rate of implementation of this measure (figure 18).



Figure 18 State of implementation of ‘trade facilitation and wildlife protection’ in Commonwealth



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

Although not signatory to the CPTA, many African countries have taken steps to facilitate a cross-border payment system (see box 11). This instant payment system is also being piloted in the Caribbean region.



Box 11 The Pan-African Payment and Settlement System

The high cost of cross-border payments, long processing times and limited accessibility are key challenges to expanding regional trade in developing countries, particularly in Africa. Currency convertibility payments among Africa’s 42 currencies, estimated at more than US\$5 billion annually, also substantially raise the cost and time involved in trading with other African markets (ISPI, 2022). To address this constraint, Afreximbank and the African Union have created the Pan-African Payment and Settlement System (PAPSS).¹⁰ This system, launched in January 2022, facilitates cross-border payments through common African market digital infrastructure for all stakeholders, from governments, commercial banks and payment providers to corporates, small enterprises and individuals.

¹⁰ <https://papss.com/>

Box 11 (continued)

PAPSS ensures instant or near-instant transfers of funds between originators in one African country and beneficiaries in another. Simplified, fast, and transparent processing reduces the costs and complexities of foreign exchange for cross-border transactions between African markets. PAPSS started with six countries in West Africa (Gabon, Ghana, Guinea, Liberia, Nigeria and Sierra Leone). Later, two Southern African members (Zambia and Zimbabwe) and two East African countries (Djibouti and Kenya) joined. PAPSS works in collaboration with Africa's central banks to provide a payment and settlement service to which commercial banks, payment service providers and fintech companies across the region can connect as 'Participants.' In the initial phase, commercial banks are authorised to process these transactions; in the next stage, the system would be extended to fintech services providers.

Prior to PAPSS, over 80% of African cross-border payment transactions originating from African banks had to be routed offshore for clearing and settlement using international banking relationships. That posed multiple challenges, ranging from payment delays to operational inefficiencies and compliance concerns for the disparate regional payment systems. PAPSS will save Africa more than US\$5 billion annually in these payment-related transaction costs (Afreximbank, 2022) and offer numerous other benefits for African markets, governments and the business community, including:

- At a time when cross-border trading is high on the agenda, with the AfCFTA Agreement now a reality, PAPSS is primed to facilitate the expected increased volumes in cross-border payments. It supports the implementation of the AfCFTA by enabling fast and secure payments in national currencies, thereby reducing foreign currency transfer costs.
- Governments and central banks partnering with PAPSS benefit from an easing of the pressure on current accounts and demands for foreign exchange liquidity, and increased transparency of cross-border trade activity. This brings greater oversight of cross-border transactions and increased potential to generate revenue as well as enhanced financial inclusion opportunities and improved economic growth through intra-African trade.
- Corporates, SMEs, and individuals benefit from instant or near-instant payments for cross-border transactions without the hassle of currency conversion; improved working capital through payment certainty and faster transactions; and access to various payment-facilitating options through a growing network of financial intermediaries.

Successful scaling-up of the PAPSS will enhance interoperability, promote financial access and inclusion, and support successful implementation of the AfCFTA. This requires addressing underlying challenges, which include a lack of interoperability between existing digital payment infrastructure, and changes in rules and regulations. These policy reforms are quite challenging as cross-border payments are mainly the domain of central banks. In the absence of unified monetary policy or monetary unions, Africa does not have any single central bank or regional bank to supervise and administer this process.

Caribbean central banks and Afreximbank have also initiated a pilot project to expand the implementation of this system in the Caribbean region. Depending on the outcome of this pilot phase, PAPSS could be deployed commercially by the end of 2024. Afreximbank will provide valuable guidance and support throughout the entire implementation process in the Caribbean.

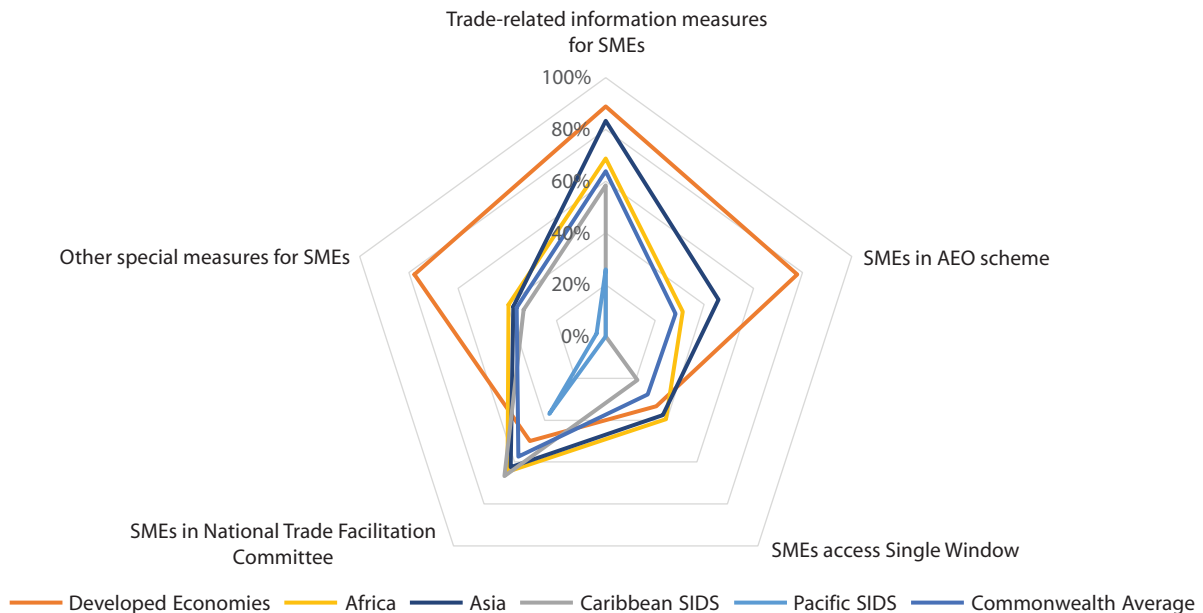
3.7. Trade facilitation for SMEs

Among Commonwealth countries, there is considerable variation in the level of implementation of all five measures in ‘trade facilitation for SMEs,’ as figure 19 shows. The average implementation rate of these measures stands at 43%, varying across subregions. The developed economies and Asia subregions are ahead of others with implementation rates of 66% and 53%, respectively. For African countries and Caribbean SIDS, the rates stand at 49% and 36%, respectively. The Pacific SIDS lag significantly behind with 13%.

It is worth noting that most Commonwealth countries have implemented ‘SMEs in national trade facilitation committee,’ either fully, partially or on a pilot stage, with an average implementation rate of 81%. Another measure, ‘trade-related information measures for SMEs,’ also shows a strong implementation rate, of 64%, much higher than the Commonwealth regional average. On ‘other special measures for SMEs,’ putting aside an implementation rate below the regional average, of 36%, it is noticeable that 55% of Commonwealth countries have implemented this measure either fully, partially or on a pilot stage. The least implemented measures are ‘SMEs in AEO scheme’ and ‘SMEs access to single window,’ which are not implemented in 60% and 55% of the countries and have average implementation rates of 28%, as figure 20 shows. 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 (see box 12).



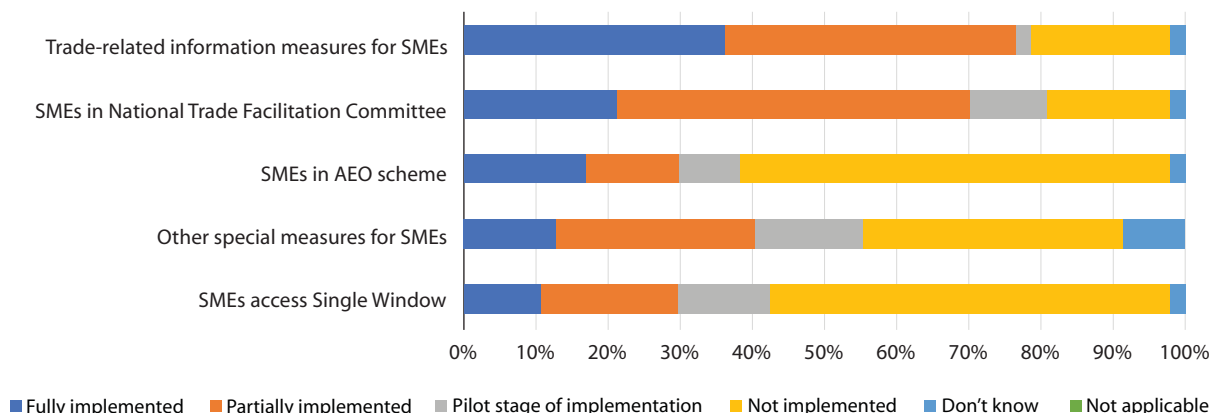
State of implementation of ‘trade facilitation for SMEs’ by Commonwealth region



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023.

Figure 20

State of implementation of ‘trade facilitation for SMEs’ by implementation status



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

Box 12

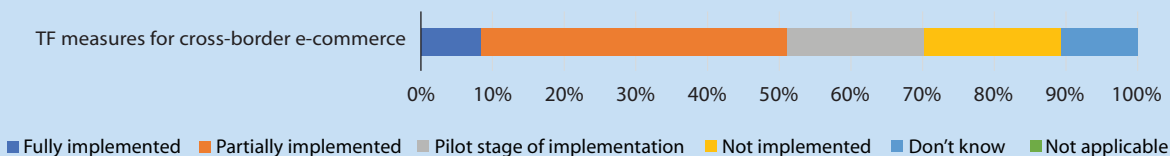
Trade Facilitation for e-commerce and SMEs

Electronic commerce (e-commerce) accounts for a significant proportion of business transactions among Commonwealth 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.

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 Commonwealth countries have at least pilot stage implementation, demonstrating their commitment to digital trade development (figure 21). However, there is still room for improvement, not only in the specific areas indicated in the measure but also in the broader scope discussed in this report regarding the relevance of “Digital Trade Facilitation” and its positive impact on sustainable trade.

Figure 21

State of implementation of ‘trade facilitation for e-commerce’ by implementation status



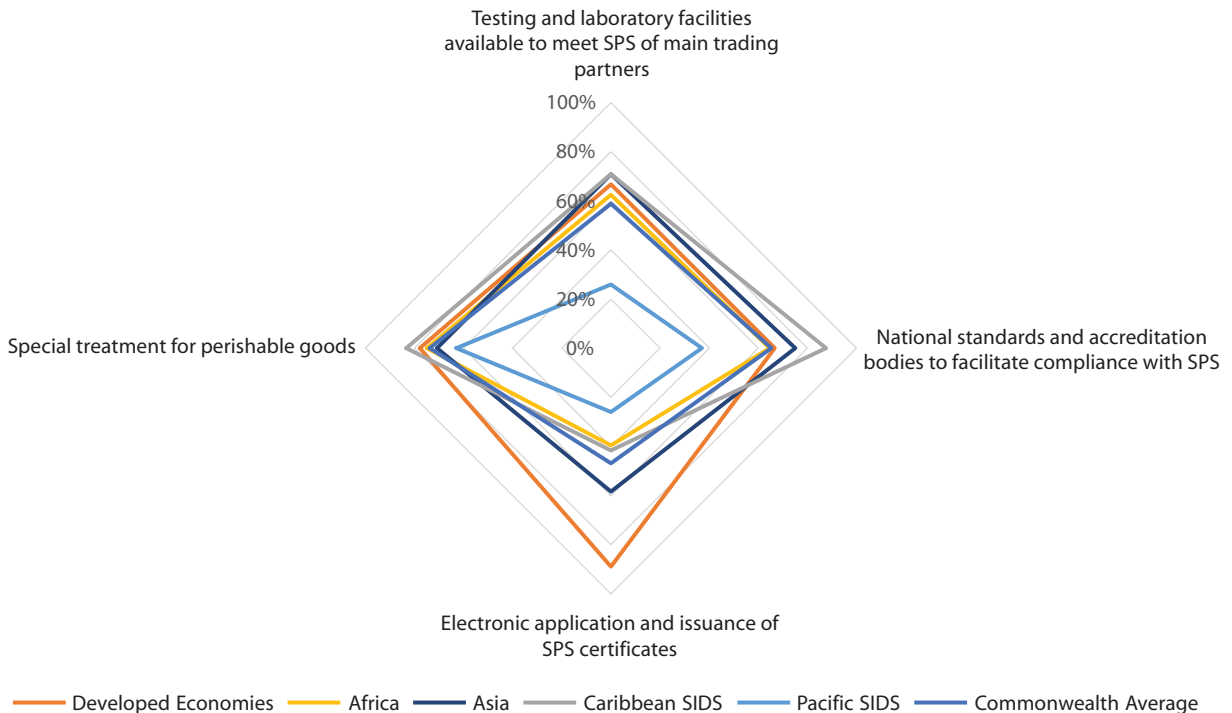
Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

3.8. Agricultural trade facilitation

The implementation rate of ‘agricultural trade facilitation’ in Commonwealth countries stands at 61%, with Africa (60%) standing at level similar to the Commonwealth average, while the developed economies (75%), Caribbean SIDS (71%) and Asia (69%) are above the average. Pacific SIDS have the lowest implementation rate among the groups of countries at 38%.

The measure ‘special treatment for perishable goods’ has the highest implementation rate, at 74%, followed by the measure ‘national standards and accreditation bodies to facilitate compliance with SPS,’ which stands at 65% (figure 22). Following closely is the presence of ‘testing and laboratory facilities available to meet SPS of main trading partners’ with an implementation rate of 59%. The measure with the lowest implementation rate in this sub-group is the ‘electronic application and issuance of SPS certificates,’ with an implementation rate of 47%. Implementation of this measure is often incomplete, and only 21% of countries within the Commonwealth have fully implemented it (figure 23). These measures can be well implemented when supported by reliable data; in order to support the agricultural sector in national data management, the Commonwealth Secretariat has launched an initiative dealing with national data infrastructure (see box 13). Given the important role that agricultural trade facilitation can play in enhancing food security, 46 net-food importing Commonwealth countries might consider expediting implementation of these measures.

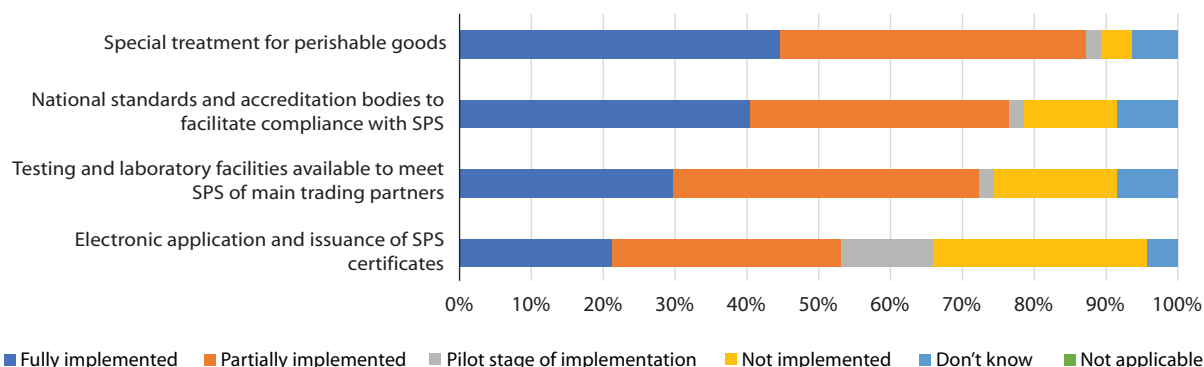
Figure 22 State of implementation of ‘agricultural trade facilitation’ by Commonwealth region



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



Figure 23 State of implementation of ‘agricultural trade facilitation’ by implementation status



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



Box 13 Agricultural trade facilitation: National data infrastructure to boost trade and investment in agriculture

Agricultural trade facilitation, whether physical or digital, is underpinned by data. The sharing of data can create social and economic value for people, organizations, and the wider economy (Keller and Stiglich, 2023). The average farmer generates 500,000 data points every day and, by 2036, the amount of data collected daily is expected to increase by 800%, a growth driven largely by the proliferation of sensors and other connected technologies (Cory, 2022). A discussion paper by the UK Government argues that, alongside maintaining a secure, trusted data environment, the government has an important role in laying the foundations for a flourishing data-driven economy, including pursuing policies that improve the flow of data and ensuring companies that want to innovate have appropriate access to high-quality and well-maintained data (HM Treasury, 2018).

As a result, the Commonwealth Secretariat, through its Commonwealth Connectivity Agenda for Trade and Investment programme, launched an initiative in September 2023 to enable countries to design and build national data infrastructure for their agriculture sectors in support of climate-resilient food systems transformation. The goal of the initiative is to stimulate demand for a national approach to agricultural data management through a model of Digital Public Infrastructure (DPI) for agricultural data. This will act as the bedrock for digital innovations to boost trade and investment into Commonwealth countries. For each country, the initiative has three components: (i) diagnosis with multiple stakeholders on current situations of agricultural data management; (ii) policy dialogues on the need for a nationally coordinated approach to agricultural data management; and (iii) advocacy for the establishment of national agricultural data infrastructure.

The initiative is very important as countries with robust public infrastructure are better equipped to meet the needs of their people and accelerate action towards the SDGs (UNPD, n.d.). The initiative is also in line with the outcome of the Commonwealth Trade Ministers Meeting, held in London in June 2023,¹¹ at which Ministers called for the development of robust DPI to facilitate accessible and affordable digital technologies for all.

¹¹ Outcome Statement: <https://thecommonwealth.org/events/commonwealth-trade-ministers-meeting-2023>

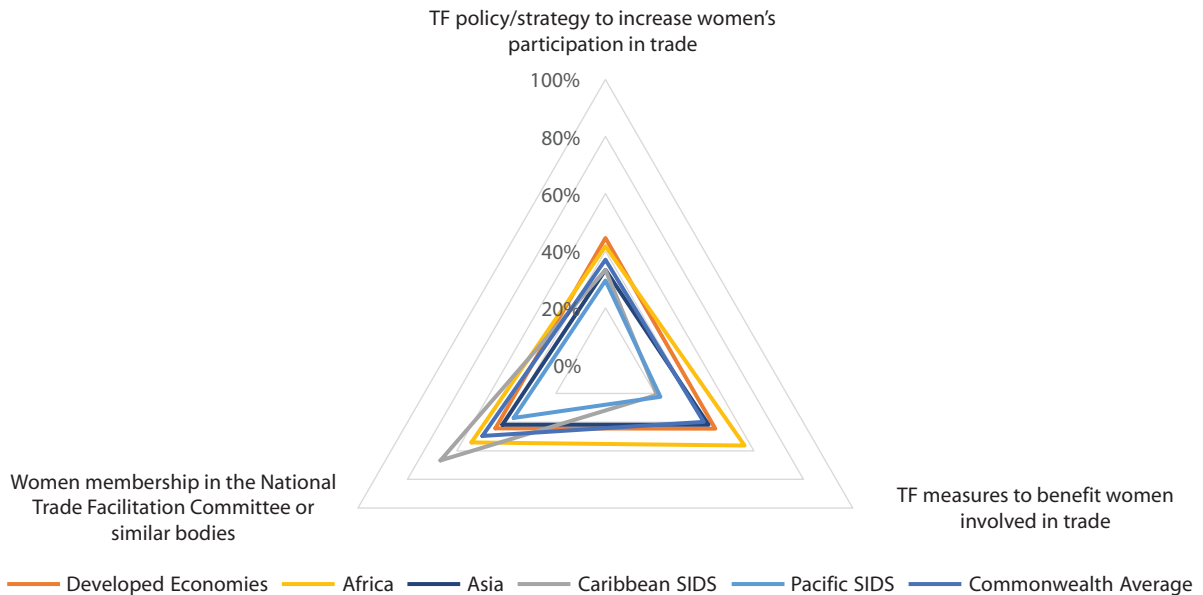
3.9. Women in trade facilitation

The implementation level of the three ‘women in trade facilitation’ measures in Commonwealth countries stands at 42%, with the Developed Economies (44%) and Asia (39%) standing at a level similar to the Commonwealth average. The subregion with the highest average implementation rate is Africa (51%). Overall, the implementation level across all subregions is relatively low, indicating that gender equality has been integrated into a limited number of policy initiatives and that there is still room for improvement to address the specific concerns of women traders regarding trade facilitation in Commonwealth countries.

The measure with the highest implementation rate is ‘women membership in the national trade facilitation committee or similar bodies,’ which stands at 50%, well above the implementation rate in the Developed Economies (44%), Pacific SIDS (37%) and Asia (42%). Moreover, the implementation rates for the other two measures in this category, ‘TF measures to benefit women involved in trade’ and ‘TF policy/strategy to increase women’s participation in trade,’ have lower scores, with 40% and 37%, respectively (figure 24).



State of implementation of ‘women in trade facilitation’ by Commonwealth region

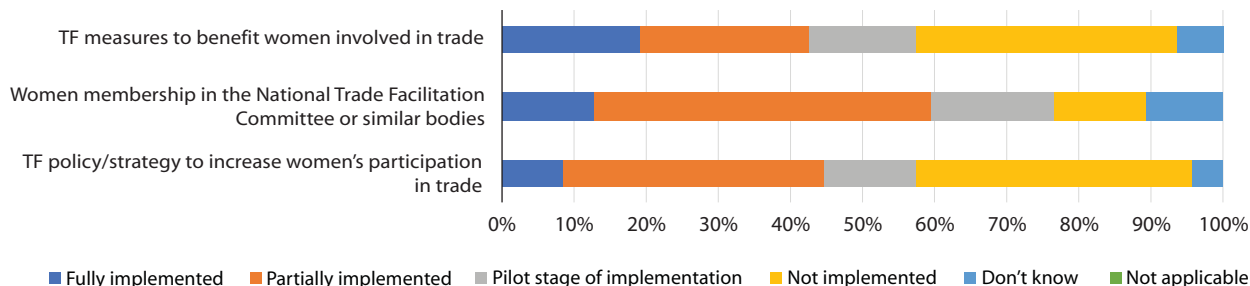


Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2023. Available at untfsurvey.org

Overall, 77% of Commonwealth countries have introduced ‘women membership in the national trade facilitation committee or similar bodies’ at least as a pilot stage. This measure ensures the structural and permanent inclusion of women traders to actively contribute to shaping trade policies and initiatives. Moreover, ‘TF policy/strategy to increase women’s participation in trade’ and ‘TF measures to benefit women involved in trade’ have been implemented by 57% of the Commonwealth countries fully, partially or on a pilot stage (figure 25).

Several regional and national efforts are noted in this regard. In 2018, the Thematic Working Group on Gender and SDGs was formed, addressing gender and economic matters, sharing effective approaches to integrate gender into economic policies, initiating national projects, and fostering connections with other areas of Commonwealth activities.

Figure 25 State of implementation of ‘women in trade facilitation’ by implementation status



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

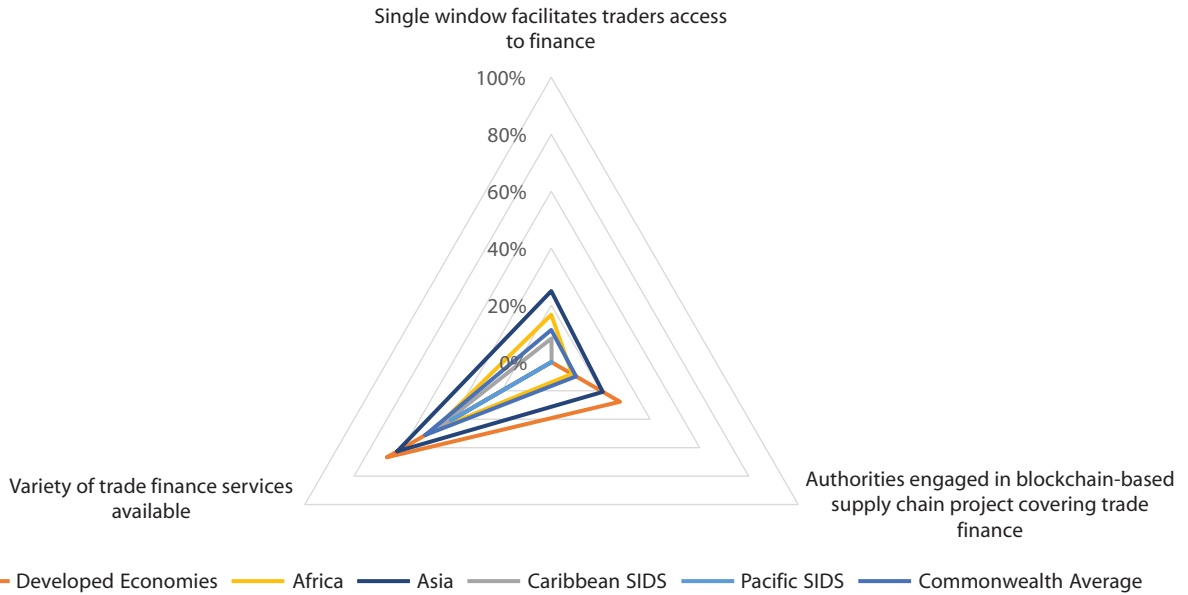
3.10. Trade finance facilitation

Among Commonwealth countries, across all the sub-groups of measures, ‘Trade finance facilitation’ has the lowest implementation rate, of 24%. The most widely implemented measure is ‘variety of trade finance services available,’ with 74% of countries reporting at least a pilot stage of implementation. However, the rates of implementation for measures such as ‘Single Window facilitates traders access to finance’ and ‘authorities engaged in blockchain-based supply chain projects covering trade finance’ are relatively low, standing at 11% and 10%, respectively. It is noteworthy that none of the Commonwealth countries has fully implemented either of these two measures (each is only partially implemented by 13% of the countries) (figures 26 and 27).

It is worth noting that data collection on this topic during the Survey proved 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.

Figure 26

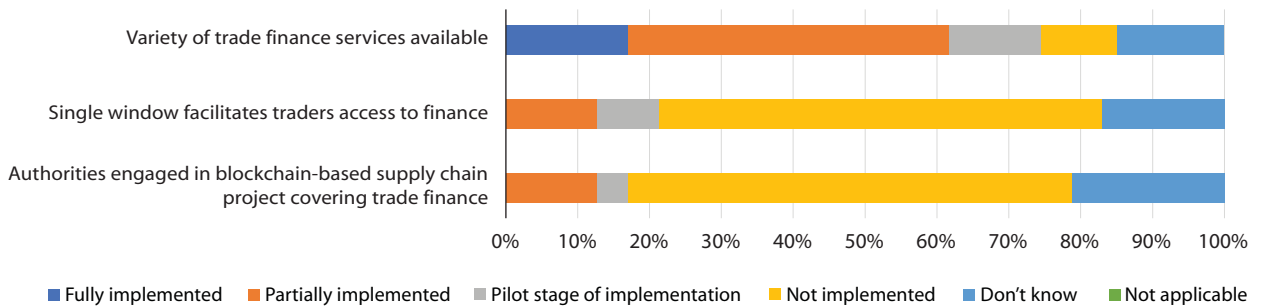
State of implementation of ‘trade finance facilitation’ by Commonwealth region



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

Figure 27

State of implementation of ‘trade finance facilitation’ by implementation status



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

3.11. Trade facilitation in times of crisis

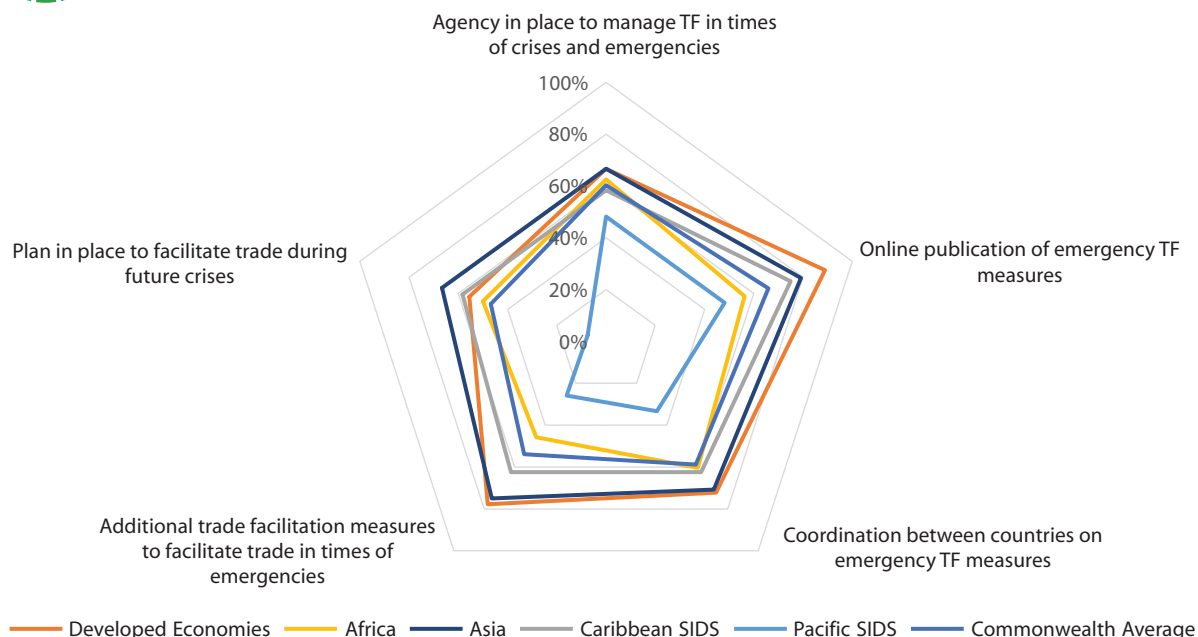
In the 2021 Survey, a new category, called ‘trade facilitation measures in times of crisis,’ was introduced in response to the COVID-19 pandemic, and the 2023 Survey continued to include measures addressing both immediate crisis responses and long-term resilience strategies. Commonwealth countries have achieved an implementation level of 57% in this sub-group, with the average in Africa (55%) and the Pacific SIDS (33%) lagging behind in this category. The implementation rates of the developed economies and Asia (both at 72%), and Caribbean SIDS (63%) are higher than the Commonwealth average (see box 14 for good practices).

Among all measures in this sub-group, the measure ‘online publication of emergency TF measures’ has the highest implementation rate, at 66% and has been fully or partially implemented by 77% of Commonwealth countries. It is followed by ‘agency in place to manage TF in times of crises and emergencies,’ with an implementation rate of 60%, and ‘coordination between countries on emergency TF measures,’ at 59% (figures 28 and 29).

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.

For ‘additional trade facilitation measures to facilitate trade in times of emergencies,’ Commonwealth countries’ overall average is higher than that for Africa (46%) and the Pacific SIDS (26%), but lower than the average for the developed economies, Caribbean SIDS and Asia, with 66% of the countries having fully or partially implemented these measures (figures 28 and 29).

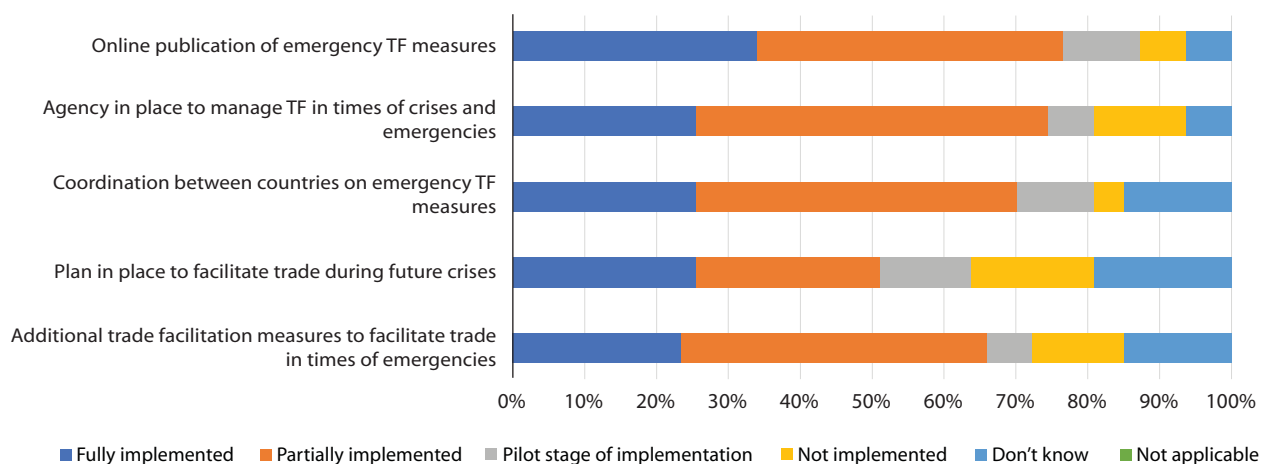
Figure 28 State of implementation of ‘trade facilitation in times of crisis’ by Commonwealth region



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



Figure 29 State of implementation of ‘trade facilitation in times of crisis’ by implementation status



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



Box 14 Examples of Commonwealth trade facilitation measures in response to COVID-19

- The Commonwealth Secretariat joined other multilateral organizations to develop an online COVID-19 Trade Facilitation Repository. This platform consolidates information on trade facilitation measures and provides institutional guidance material on responses to the pandemic.
- The UK Government introduced temporary changes to its Customs border processes, including transit and export procedures, which allowed traders, agents, and Border Force staff to exchange documents electronically by email, fax and digital photographs (HM Revenues & Customs, 2020).
- The South African Government adopted measures to permit the submission of electronic veterinary health certificates for importers of live animals and animal products in lieu of hard copies, subject to further verification of the documents directly with the veterinarian authorities of the exporting countries (WTO, 2020).
- In the Asia-Pacific region, several trade facilitation measures were introduced in areas such as transparency and institutional co-ordination, simplification of Customs procedures and import easing, digital trade, and transport and transit (ESCAP, 2021).
- Grenada, St Vincent and the Grenadines, and Trinidad and Tobago expedited the introduction of ePhyto certificates to avoid delays and disruptions in the movement of fresh produce between them (Government of Trinidad and Tobago, 2020).

Significant gains can be made, and sustained, if these temporary measures are made permanent post-COVID.

Chapter 4

Assessing the impact of trade facilitation in the Commonwealth

To assess the potential impact of the implementation of trade facilitation measures in the Commonwealth, 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 (e.g., distance, “landlockedness” and contiguity), cultural and historical distance (e.g., common official language and/or former colonial relationships), presence of regional trade agreements and maritime connectivity.

The model is based on ESCAP (2023) and captures the changes in trade costs resulting from the implementation of trade facilitation measures by each country.¹² It assesses the overall trade cost reductions expected in the Commonwealth from the implementation of three sets of trade facilitation measures. The first set is limited to the implementation of WTO TFA binding measures only. The second set includes all binding and non-binding WTO TFA measures included in the Survey. The final and most ambitious set is a WTO TFA+ set of measures, including digital implementation of TFA measures and cross-border paperless trade. For each set of measures, the average changes in trade cost achieved if all Commonwealth countries at least partially implement all measures, or if they all fully implement all measures, are calculated.



Table 5 Expected trade cost reductions from alternative trade facilitation reforms

Commonwealth: trade costs model	WTO TFA (binding only)		WTO TFA (binding + non binding)		WTO TFA+ (binding + non-binding + other paperless and cross-border paperless trade)	
	Partially implemented	Fully implemented	Partially implemented	Fully implemented	Partially implemented	Fully implemented
Model 1						
Overall trade facilitation	-1.41%	-4.12%	-3.21%	-7.63%	-8.93%	-15.42%
General trade facilitation measures	-1.10%	-3.10%	-1.83%	-4.81%	-2.22%	-5.38%
Digital trade facilitation measures	–	–	-1.17%	-1.93%	-6.41%	-9.41%

Source: United Nations ESCAP, based on data from www.untfsurvey.org and 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.

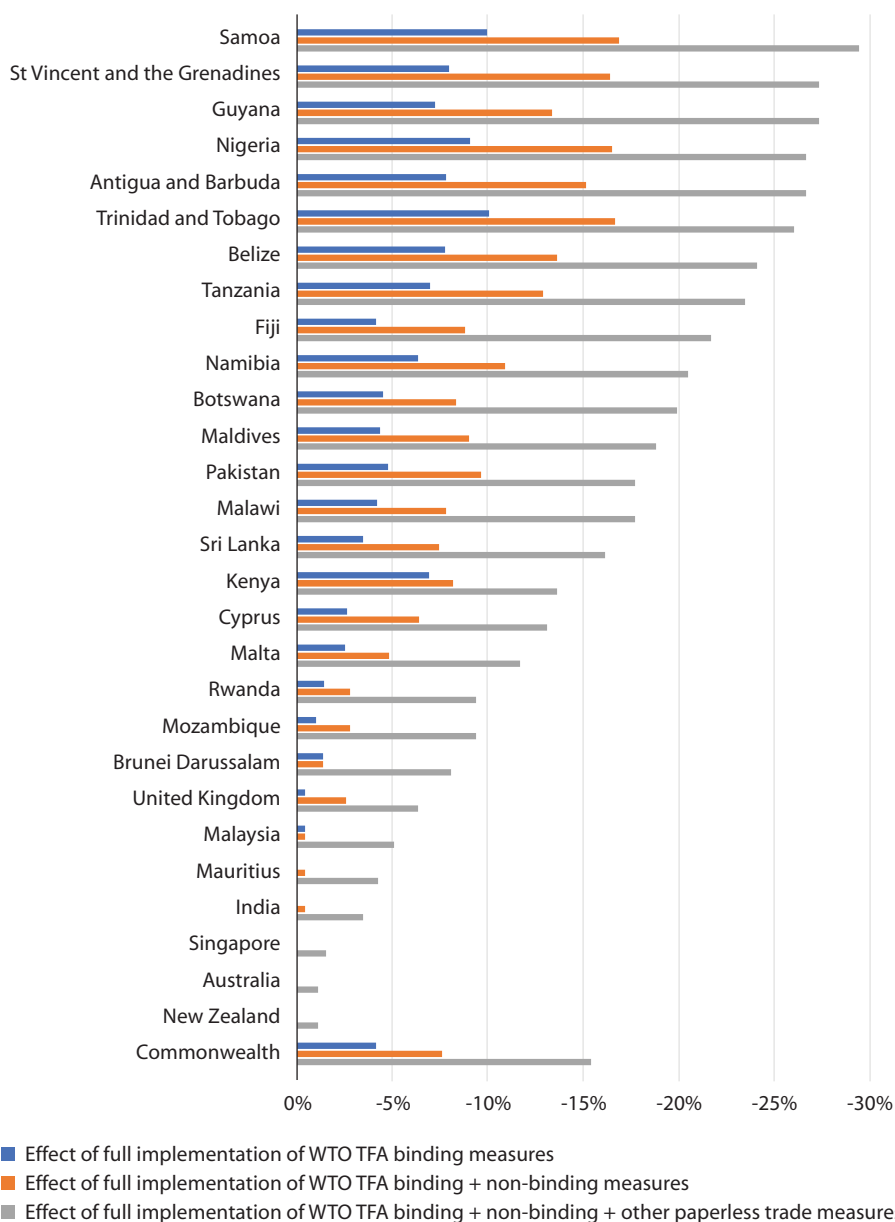
Two main findings emerge from this impact analysis. First, complying with the WTO TFA by implementing binding measures can only slightly reduce trade costs. Full implementation of binding measures in the overall trade facilitation model results in a decrease in trade costs of about 4%, while full implementation of all measures (both binding and non-binding) results in a nearly 8% 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 over 15% for the Commonwealth as a whole. The results of model 2 also suggest that most of the trade cost reductions are associated with digital trade facilitation measures rather than general trade facilitation measures.

¹² See Digital and Sustainable Trade Facilitation: Global Report 2023 for details of the trade cost model.

The Commonwealth economies will reap significant benefits from accelerating the implementation of trade facilitation. As figure 30 shows, the full implementation of the three different sets of trade facilitation measures results in trade cost reductions for all Commonwealth 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 to develop interoperable paperless trade systems, as envisaged in the CPTA (see box 15).



Impact of trade facilitation implementation on trade costs of Commonwealth economies



Source: ESCAP, based on data from United Nations Global Survey on Digital and Sustainable Trade Facilitation 2023 and ESCAP–World Bank Trade Cost database.


**Box
15**
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 (i) enabling the exchange and mutual recognition of trade-related data and documents in electronic form, and (ii) facilitating 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. At the time of publication, 13 countries are Parties to the treaty, including Bangladesh and Tuvalu from the Commonwealth, 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 CPTA 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:

- 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 learned on the implementation of best practices;
- Reduction in overall investment costs and maximization of returns from investments in paperless trade systems, through concurrent development of national paperless trade systems and environments for cross-border trade data exchange;
- 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;
- 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, 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 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 CPTA are available at www.unescap.org/kp/cpta

Switching to paperless trade and digital trade facilitation offers numerous opportunities to expand trade. By one estimate, digital trade facilitation at borders could potentially augment trade across the Commonwealth by approximately US\$90 billion over a five-year period between 2021 and 2026 (Commonwealth Secretariat, 2022). This is thanks to the streamlining of processes, market creation, and the inclusion of more diverse exporters that paperless trade would enable. The research underscores the transformative power of legal reforms supporting the digitalisation of electronic records. Such reforms could potentially unlock as much as \$1.1 trillion in trade value during this five-year period to 2026. Combined with the benefits of digital trade facilitation, the total advantages from paperless trade could approach nearly \$1.2 trillion by 2026.

One of the most striking benefits of shifting to paperless trade is the potential reduction in trade costs for Commonwealth exporters. The analysis suggests a decrease in their cost base by an average of 75%. This reduction is particularly significant for small island and African economies, compensating for their currently high costs of trade relative to revenue earned. Shifting to paperless trade also offers solutions to broader trade challenges, such as overreliance on manual processes and inefficiencies owing to incorrect paperwork. Transitioning to digital and paperless processes offers a solution to these issues, enhancing efficiency and reducing errors.

The research also emphasises the potential for paperless trade to foster inclusive economic growth. By eliminating or significantly reducing non-tariff barriers and facilitating greater access to finance, paperless trade can drive trade growth, especially benefiting LDCs and SIDS. Overall, the transition to paperless trade, backed by legal reforms and digital trade facilitation measures, presents a robust business case for Commonwealth countries. The potential benefits, in terms of both trade growth and cost reductions, make transitioning to paperless trade a promising and achievable tool for Commonwealth countries to support the sustainable and inclusive growth of their economies.

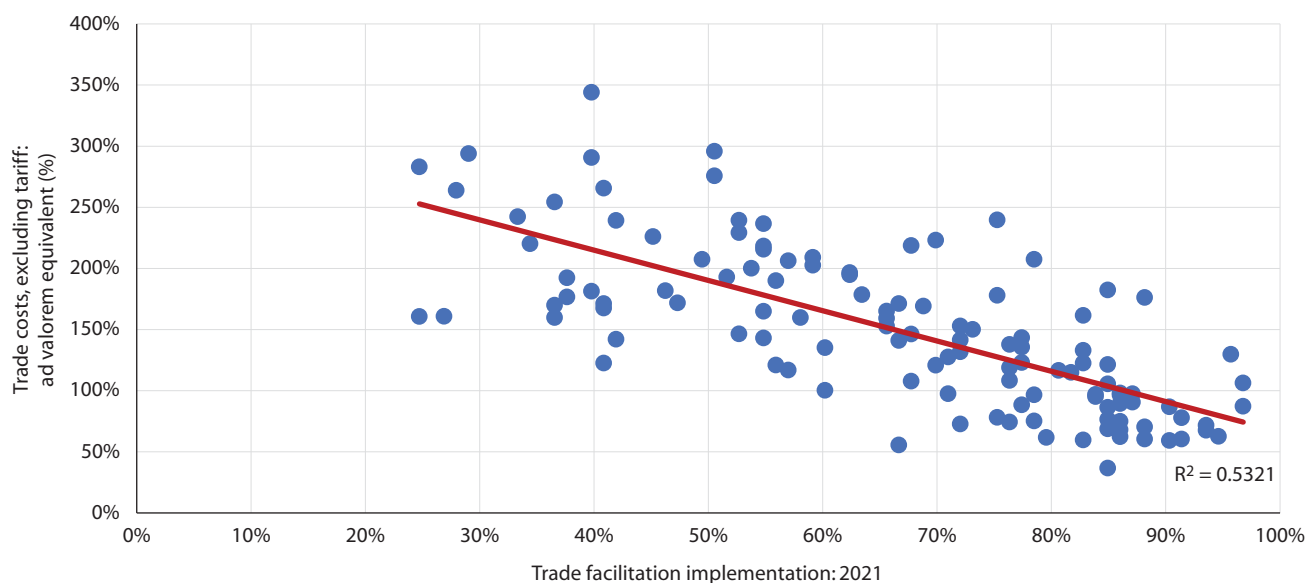
Chapter 5

Conclusion and the way forward

This report provides data on the implementation of digital and sustainable trade facilitation across the Commonwealth. The Survey encompasses general trade facilitation measures, as outlined in the WTO TFA, and includes digital trade facilitation measures. In addition, it covers measures targeting the agricultural sector, SMEs, women traders, trade finance, and emergency situations. Figure 31 reaffirms the significant correlation between the cost of international trade in Commonwealth countries and their level of trade facilitation implementation.



Trade facilitation implementation and trade costs of Commonwealth economies



Source: UN Trade Facilitation Survey and ESCAP/World Bank Trade Cost.

Based on an initial set of 31 general trade facilitation measures, the Survey reveals an average implementation rate of 66% in the Commonwealth (compared with 59% in 2021).

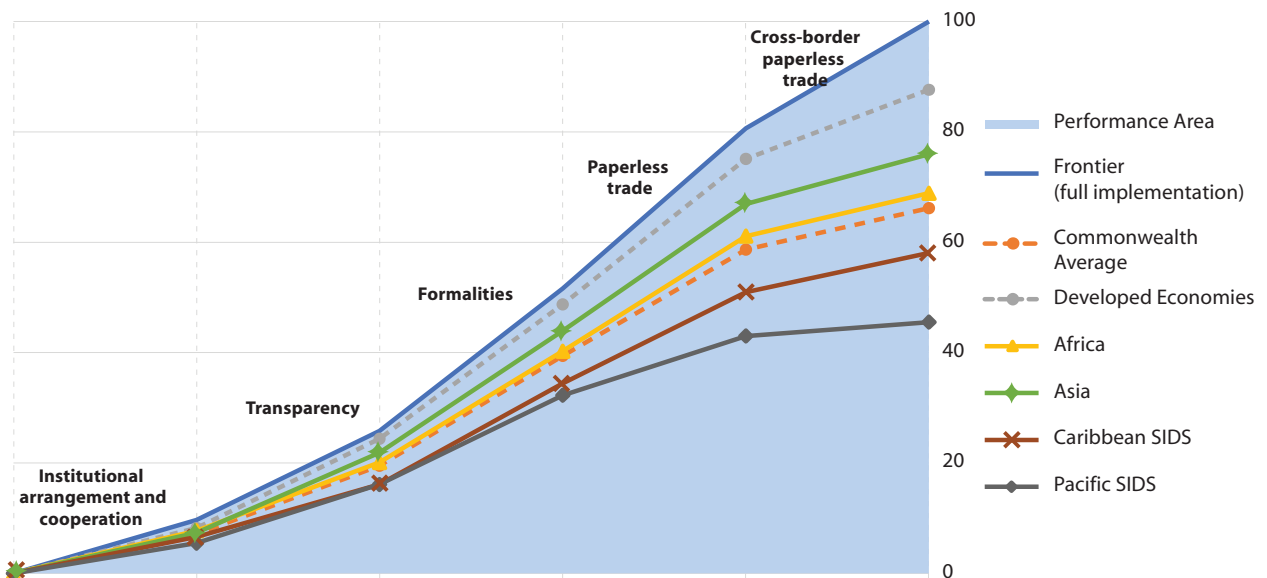
The Survey results reveal that, in Commonwealth subregions, countries have implemented some measures to improve transparency and simplify trade-related costs and procedures, but to varying degrees. The average implementation level of ‘paperless trade’ stands at 66%, but with significant disparity among measures, ranging from 38% to 91%. Commonwealth countries have relatively well implemented Customs-related measures, but further improvements are needed, such as in ‘electronic application and processing for Customs refunds’ and trade finance. Moreover, countries in the Commonwealth should further develop electronic submission and application processes.

In terms of ‘cross-border paperless trade,’ there has been a notable increase of 10 percentage points compared with 2021, indicating significant progress, especially in the implementation of ‘laws and regulations for electronic transactions’ and ‘recognized certification authority,’ over the past two years. Still the implementation rate for ‘cross-border paperless trade’ is at 39%, much lower than the average implementation rate of 31 TF measures for the overall Commonwealth at 66%, indicating significant room to improve.

Trade facilitation is a continuous process, linked with advancements in technology and evolution of business practices. Figure 32 illustrates key stages of this process. Trade facilitation begins with establishing the ‘institutional arrangements and cooperation’ 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 reengineered 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 the 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.



Figure 32 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 32 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 Commonwealth countries to expedite the advancement of digital trade facilitation. The impact analysis of trade facilitation measures on Commonwealth trade costs strongly emphasizes the necessity of implementing paperless trade and establishing seamless electronic exchange of trade data and documents between the Commonwealth and its trading partners. An ambitious trade digitalization strategy is projected to reduce trade costs by approximately 15%, whereas achieving basic compliance with the WTO TFA would only result in a reduction of around 4% in trade costs. In this regard, the CPTA 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. Therefore, all Commonwealth 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.¹³

Digitalization can also support ‘inclusive’ trade facilitation; be it in relation to e-commerce, gender responsive TF or taking SMEs along. While digitally enabled reforms offer huge dividends on account of transparency and efficiency, they must be supported by necessary legislation. The implementation rate of laws and regulations of digital measures is relatively low (39% in Commonwealth countries), reflecting the urgent need to focus on this aspect of digitalization. Regarding “Sustainable Trade Facilitation,” the adoption of inclusive measures to support SMEs and women remains limited. Commonwealth countries exhibit low implementation rates in ‘trade facilitation for SMEs’ and women in trade facilitation measures, standing at 43% and 42%, respectively. 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. Also, recognizing the importance of the 2030 Agenda for Sustainable Development, further efforts are necessary to enhance the participation and contribution of women in trade facilitation throughout the Commonwealth. Considering women’s pivotal role in fostering sustainable and inclusive economic development, trade facilitation strategies should be designed holistically and inclusively.

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. Furthermore, results of the recently added ‘trade facilitation in times of crisis’ sub-group show that countries have implemented some measures related to emergencies and crises, possibly during the COVID-19 crisis, but still lack long-term preparedness for building resiliency to pandemics and other crises. Therefore, it is crucial for Commonwealth countries to prioritize these areas and foster collaborative efforts to embrace forward-looking trade facilitation policies that benefit all stakeholders. By doing so, the Commonwealth can pave the way for a sustainable and prosperous future while simultaneously working towards achieving the SDGs.

TF implementation is not a one time exercise but rather a continuous process. This could be seen from the breadth of the measures implemented as well as their depth and user friendliness. ‘Moving up the Trade Facilitation ladders’ can be good model to follow adding qualitative aspects to it. Moreover, the impact of the implementation of any TF measures depends upon the qualitative aspects of the implementation as simply being ‘legally compliant’ with the implementation obligations might not produce the desired results. In this regard, developing mechanisms to measure qualitative aspects of implementation might be useful, and the WCO maturity model for Single Window implementation could form the basis for these aspects.

¹³ So far, two Commonwealth members, Bangladesh and Tuvalu, have joined it: https://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg_no=X-20&chapter=10&clang=en

References

- Afreximbank (Africa Export–Import Bank) (2022) ‘Pan-African Payment and Settlement System Launched by President Akufo-Addo Foreseeing \$5 billion Annual Savings for Africa’. Press Release, 13 January. www.afreximbank.com/pan-african-payment-and-settlement-system-launched-by-president-akufo-addo-foreseeing-5-billion-annual-savings-for-africa/
- Ahmad, O. (2016) ‘Is India Endangering Its Relationship with Closet Foreign Ally Bhutan?’ *The Wire*, 22 August. <https://thewire.in/uncategorised/endangering-our-closest-foreign-relationshipendangering-our-closest-foreign-relationship>
- AUDA-NEPAD (African Union Development Agency-NEPAD) and JICA (Japan International Cooperation Agency) (2022) ‘One-Stop Border Post Sourcebook’. Midrand: African Union Development Agency-NEPAD. www.nepad.org/file-download/download/public/134689
- Ayele, Y., Calabrese, L., Mohamed, G. and Mendez-Parra, M. (2023) ‘One-Stop Border Posts (OSBPs): An Assessment of the Economic and Social Impact’. Report. London: ODI. https://cdn.odi.org/media/documents/Report_-_One-stop_border_posts_-_an_assessment_of_the_economic_and_social_impact_m38bFVe.pdf
- Clyde & Co. (2023) ‘Electronic Trade Documents Act (ETDA) 2023: A Move to Digitalize Trade Documentation under English Law’. 4 September. www.clydeco.com/en/insights/2023/08/electronic-trade-documents-act-etda-2023
- Cory, A. (2022) ‘The Problem, Potential and Promise of a Data Revolution in Agriculture’. IDC blog, 12 October. <https://blogs.idc.com/2022/10/12/the-problem-potential-and-promise-of-a-data-revolution-in-agriculture/>
- Desiderio Consultants (2023) ‘Another Step toward the Creation of the African Continental Market: First Multi-Border Customs Transit Bond Issued in Zambia’. 25 October. www.ddcustomslaw.com/index.php?option=com_content&view=article&id=814%3Aanother-step-toward-the-creation-of-the-african-continental-market-first-multi-border-customs-transit-bond-issued-in-zambia&catid=1%3Aultime&Itemid=50&lang=it
- Duval, Y., and Hardy, S. (2021). A primer on quantifying the environmental benefits of cross-border paperless trade facilitation. ARTNeT Working Paper Series No. 2016. Bangkok: ESCAP. <https://www.unescap.org/kp/2021/primer-quantifying-environmental-benefits-cross-border-paperless-trade-facilitation>
- EAC (East African Community) (2023) ‘EAC Unveils an Online Tool to Measure Performance of One Stop Border Posts’. Media Release, 23 July. www.eac.int/press-releases/152-investment-promotion-private-sector-development/2842-eac-unveils-an-online-tool-to-measure-performance-of-one-stop-border-posts
- EIF (Enhanced Integrated Framework) (2022) ‘Annual Report 2022’. https://enhancedif.org/system/files/uploads/EIF_Annual_Report_2022_E_Web.pdf
- ESCAP (United Nations Economic and Social Commission for Asia and the Pacific) (2019) *Non-Tariff Measures towards Sustainable Development*. Asia-Pacific Trade and Investment Report 2019. Bangkok: ESCAP.
- ESCAP (2023) *Digital and Sustainable Trade Facilitation: Global Report 2023*. Bangkok: ESCAP.

- First Post (2016) 'Bhutan's Upper House Blocks BBIN MVA Pact: Is It a Strategic Setback for India?' 18 November. www.firstpost.com/india/bhutans-upper-house-blocks-bbin-mva-pact-is-it-a-strategic-setback-for-india-3112034.html
- Gain, B. (2022) 'Measuring Impact of TFA Implementation beyond Notifications'. Washington, DC: World Bank.
- HM Treasury (2018) 'The Economic Value of Data'. Discussion Paper, August. London: HM Treasury.
- ICC (International Chamber of Commerce) (2023) 'Consortium Delivers World's First Cross-Border Quantum-Secure Digital Trade Transaction'. 20 June. <https://iccwbo.uk/blogs/press-releases/consortium-delivers-world-s-first-cross-border-quantum-secure-digital-trade-transaction>
- ISPI (Italian Institute for International Political Studies) (2022) 'The AfCFTA: A Game-Changer for Africa's Continental and Global Trade'. 11 April. www.ispionline.it/en/publication/afcfta-game-changer-africas-continental-and-global-trade-34556
- Lacey, S. (2021) 'Digital Reboot: The Case for a Newly Invigorated Aid for Digital Trade Initiative'. International Trade Working Paper 2021/10. London: Commonwealth Secretariat.
- Mbise, T., Taal S. and Roberts, M., Lammersen, F. (2018) 'Digital Connectivity and E-commerce: Overview of Financing Flows and Examples of Aid for Trade Support'. Staff Working Paper ERSD-2018-08. Geneva: WTO.
- Mehndiratta, S. and Nora, E. (2022) 'What Will It Take To Connect the BBIN Sub-Region?' World Bank blog, 24 January. <https://blogs.worldbank.org/endpovertyinsouthasia/what-will-it-take-connect-bangladesh-bhutan-india-nepal-bbin-sub-region>
- Mendez-Parra, M. and Calabrese, L. (2023) 'One-Stop Border Posts in East Africa: Impact on Transport Costs and Issues for Further Analysis'. Report. London: ODI. https://cdn.odi.org/media/documents/Report_-_One-stop_border_posts_in_East_Africa_-_July_2023.pdf
- Prasain, K. (2022) 'BBIN Motor Vehicles Pact Has a Bumpy Ride ahead for Lack of Policies, Regulations'. Kathmandu Post, 8 June. <https://kathmandupost.com/money/2022/06/08/bbin-motor-vehicles-pact-has-a-bumpy-ride-ahead-for-lack-of-policies-regulations>
- Spence, C. (2023) 'Jamaica Trade Information Portal to Be Updated and Expanded', Jamaica Information Services'. Jamaica Information Service, 22 May. <https://jis.gov.jm/jamaica-trade-information-portal-to-be-updated-and-expanded-2/>
- Keller, J. and Stiglich, L. (2023) 'Understanding the Social and Economic Value of Sharing Data'. The ODI Report, 4 April. <https://theodi.org/insights/reports/understanding-the-social-and-economic-value-of-sharing-data-report/>
- UNDP (United Nations Development Programme) (nd) 'Digital Public Infrastructure'. www.undp.org/digital/digital-public-infrastructure
- UNECA (United Nations Economic Commission for Africa) (2022) 'Implications of the African Continental Free Trade Area for Demand for Transport Infrastructure and Services'. Fifth Africa Business Forum 2022. https://archive.uneca.org/sites/default/files/uploaded-documents/abf/abf2022/eng-summary_of_ecas_report_on_implications_of_afcfta_on_transport_services_.pdf
- World Bank (2019) 'Jamaica: Pioneering Trade Facilitation Improvements in the Caribbean'. Feature Story, 16 May. www.worldbank.org/en/news/feature/2019/05/16/jamaica-pioneering-trade-facilitation-improvements-in-the-caribbean

World Bank (2023) 'Global Economic Prospects, January'. Washington, DC: World Bank.

WTO (World Trade Organization) (2006) 'Recommendations of the Task Force on Aid for Trade'. Document WT/AFT/1, 27 July. Geneva: WTO.

WTO (2022) 'Eighth Global Review of Aid for Trade: Empowering Connected Sustainable Trade'. Document WT/COMTD/AFT/W/93, 21 December. Geneva: WTO.

Annex 1. List of participating countries

Annex 1.1. List of participating Commonwealth countries, by subregion

Country	Subregion
Antigua and Barbuda	Caribbean SIDS
Australia	Developed Economies
Bangladesh	Asia (South Asia)
Belize	Caribbean SIDS
Botswana	Africa
Brunei Darussalam	Asia (South-East Asia)
Cameroon	Africa
Canada	Developed Economies
Cyprus	Developed Economies
Fiji	Pacific SIDS
Gabon	Africa
Ghana	Africa
Guyana	Caribbean SIDS
India	Asia (South Asia)
Jamaica	Caribbean SIDS
Kenya	Africa
Kiribati	Pacific SIDS
Malawi	Africa
Malaysia	Asia (South-East Asia)
Maldives	Asia (South Asia)
Malta	Developed Economies
Mauritius	Africa
Mozambique	Africa
Namibia	Africa
Nauru	Pacific SIDS
New Zealand	Developed Economies
Nigeria	Africa
Pakistan	Asia (South Asia)
Papua New Guinea	Pacific SIDS
Rwanda	Africa
Saint Lucia	Caribbean SIDS
Samoa	Pacific SIDS
Seychelles	Africa
Sierra Leone	Africa
Singapore	Asia (South-East Asia)
Solomon Islands	Pacific SIDS

Country	Subregion
Sri Lanka	Asia (South Asia)
St Kitts and Nevis	Caribbean SIDS
St Vincent and the Grenadines	Caribbean SIDS
Tanzania	Africa
Togo	Africa
Tonga	Pacific SIDS
Trinidad and Tobago	Caribbean SIDS
Tuvalu	Pacific SIDS
United Kingdom	Developed Economies
Vanuatu	Pacific SIDS
Zambia	Africa

Note: The Bahamas, Barbados, Dominica, Eswatini, The Gambia, Lesotho, South Africa, and Uganda did not participate in the Survey and are thus not part of the data.

Annex 1.2. Commonwealth countries with special development needs

The following countries are included in the three groups of economies with special needs considered in the Survey.

- **Least developed countries (11):** Bangladesh, Kiribati, Malawi, Mozambique, Rwanda, Sierra Leone, Solomon Islands, Tanzania, Togo, Tuvalu, and Zambia.
- **Landlocked developing countries (4):** Botswana, Malawi, Rwanda, and Zambia.
- **Small island developing states (20):** Antigua and Barbuda, Belize, Fiji, Guyana, Jamaica, Kiribati, Maldives, Mauritius, Nauru, Papua New Guinea, St Kitts and Nevis, Saint Lucia, St Vincent and The Grenadines, Samoa, Seychelles, Solomon Islands, Tonga, Trinidad and Tobago, Tuvalu, and Vanuatu.

Annex 1.3. Trade facilitation implementation: Full dataset vs limited dataset

To track the progress countries made in implementing trade facilitation measures (Figure 4), the analysis was limited to 41 countries that participated in both the 2021 and the 2023 Surveys (figure 4) and 38 countries that participated in all Surveys since 2019 (figure 5).

Developed Economies	Africa	Asia	Caribbean SIDS	Pacific SIDS
Australia	Botswana	South Asia	Antigua and Barbuda	Fiji
Canada	Cameroon	Bangladesh	Belize	Kiribati
Cyprus	Ghana*	India	Guyana	Nauru
Malta	Gabon	Maldives	Jamaica*	Papua New Guinea
New Zealand	Kenya	Pakistan	St Kitts and Nevis**	Samoa
United Kingdom	Malawi	Sri Lanka	Saint Lucia*	Solomon Islands
	Mauritius	South-East Asia	St Vincent and the Grenadines*	Tonga
	Mozambique	Brunei Darussalam		Tuvalu
	Namibia	Malaysia	Trinidad and Tobago	Vanuatu
	Nigeria**	Singapore		
	Rwanda**			
	Sierra Leone			
	Tanzania			
	Togo			
	Zambia			
	Seychelles*			

Notes:

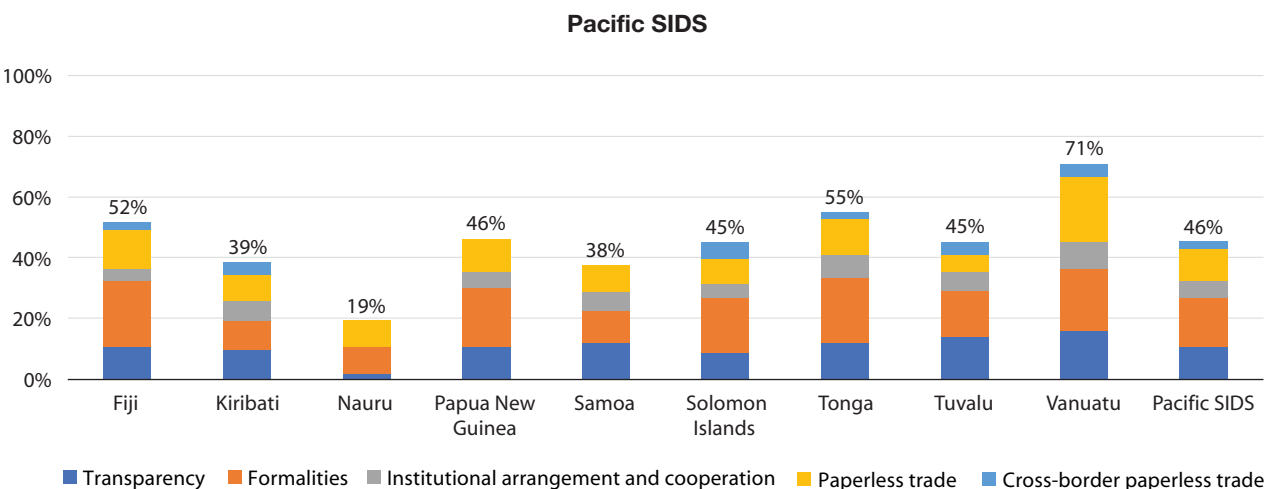
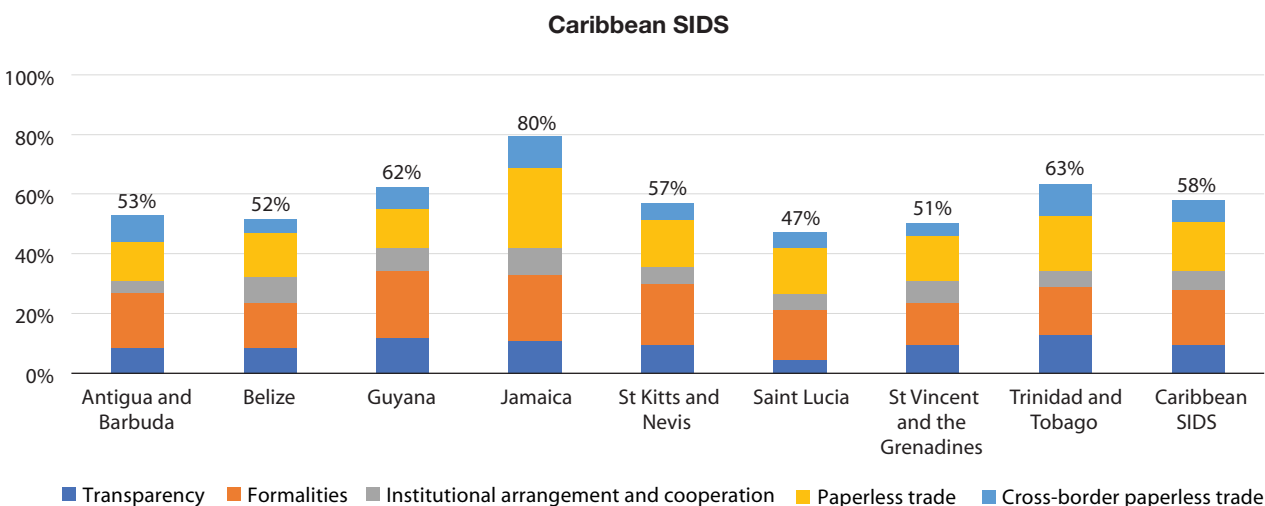
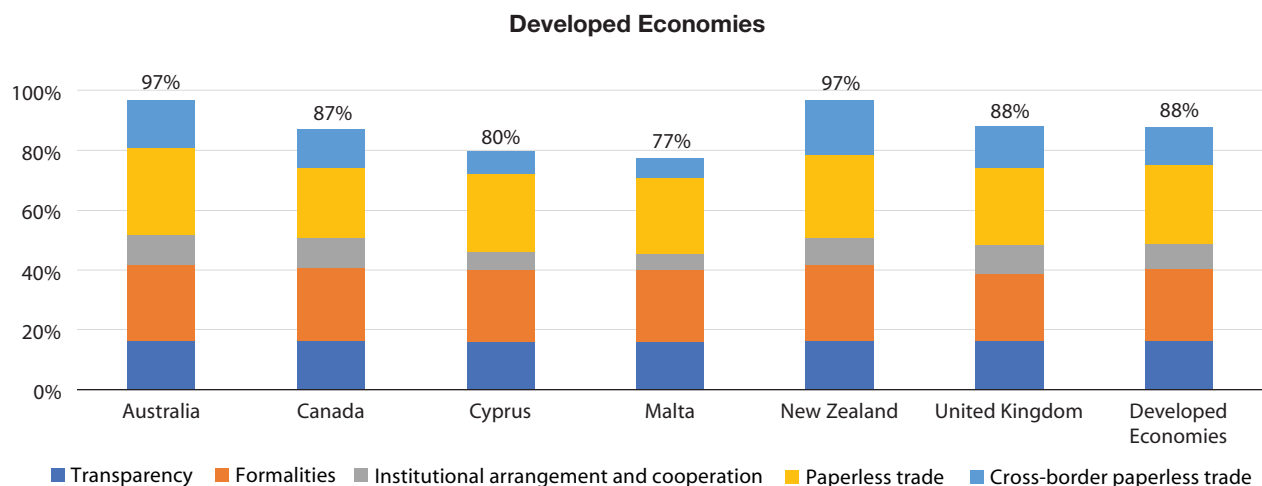
* Countries that participated in the 2023 Survey but not in the 2021 and 2019 Surveys.

** Countries that participated in the 2023 and 2021 Surveys but not in the 2019 Survey.

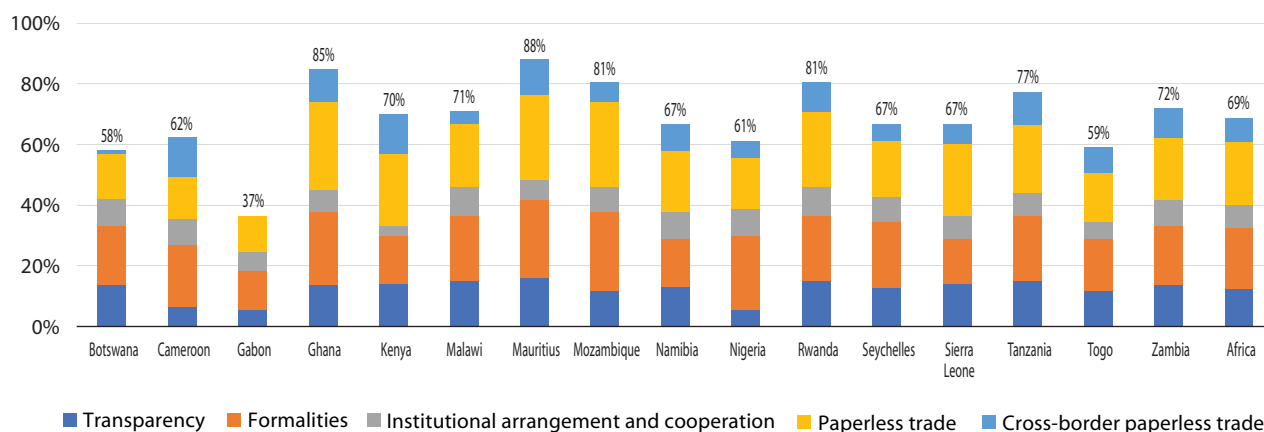
Annex 2. Definition of each stage of implementation

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, the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) Recommendations or the WTO 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 LDC member within one year of the TFA coming into force. If a country registers a positive response for all sub-questions concerning a given trade facilitation measure, that measure should be considered fully implemented.</p>	3
<p>Partial implementation: A measure is considered partially implemented if at least one of the following is true: (i) the trade facilitation measure is in partial – but not in full – compliance with commonly accepted international standards, recommendations and conventions; (ii) the country is still in the process of rolling out the implementation of the measure; (iii) the measure is being used but on an unsustainable, short-term or ad hoc basis; (iv) the measure is implemented in some – but not all – targeted locations (such as key border crossing stations); or (v) 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 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

Annex 3. Implementation rates of trade facilitation measures for individual countries for each subregion



Africa



Asia

