

# Framework agreement on facilitation of cross-border paperless trade in Asia and the Pacific

**Tengfei Wang**

**Economic Affairs Officer**

**Trade, Investment and Innovation Division**

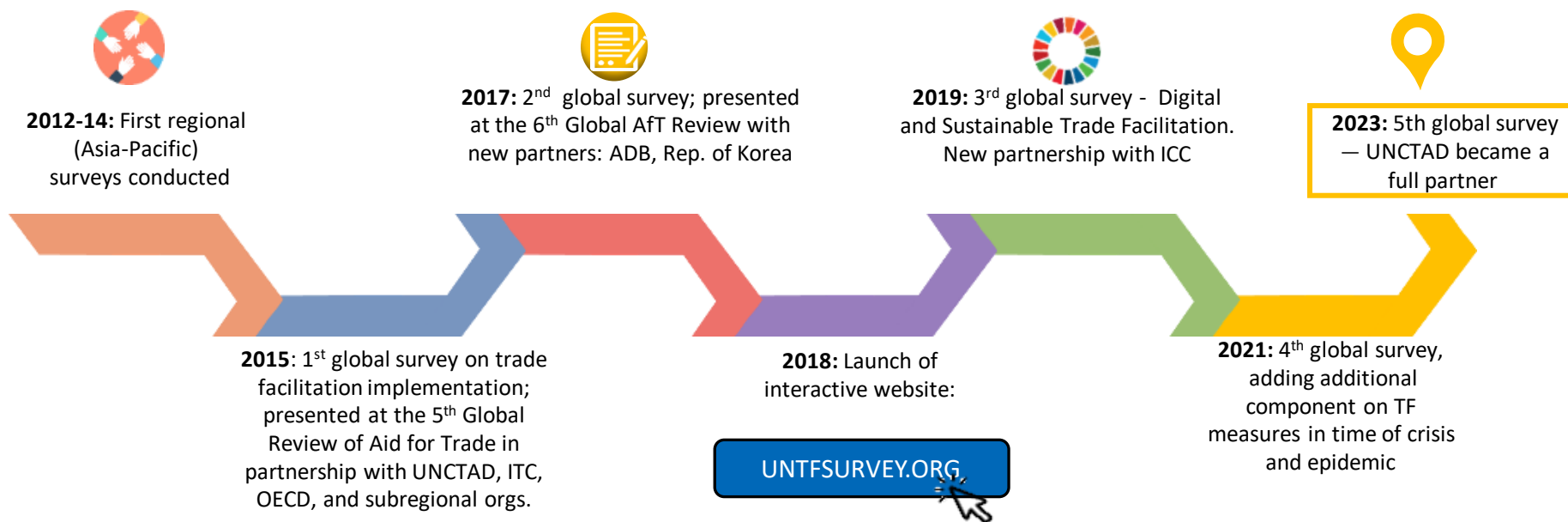
**wangt@un.org**

# • UN Global Digital and Sustainable TF Survey

- Joint efforts of United Nations Regional Commissions (ECA, ECE, ECOWAS, ESCAP, ESCWA) and UNCTAD

- Objectives:

- » Monitor progress on trade facilitation (TF), including paperless trade and forward-looking measures toward SDGs
- » Enable evidence-based policy-making, capacity building and tech assistance



# Supporting the Digital TF: Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific (CPTA)

## ❑ A UN Treaty: enabling and action-oriented

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

## ❑ Objective

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



# Survey Scope: WTO TFA+



60 trade facilitation (TF) measures in 163 countries

1  
**General:** WTO TFA-related measures

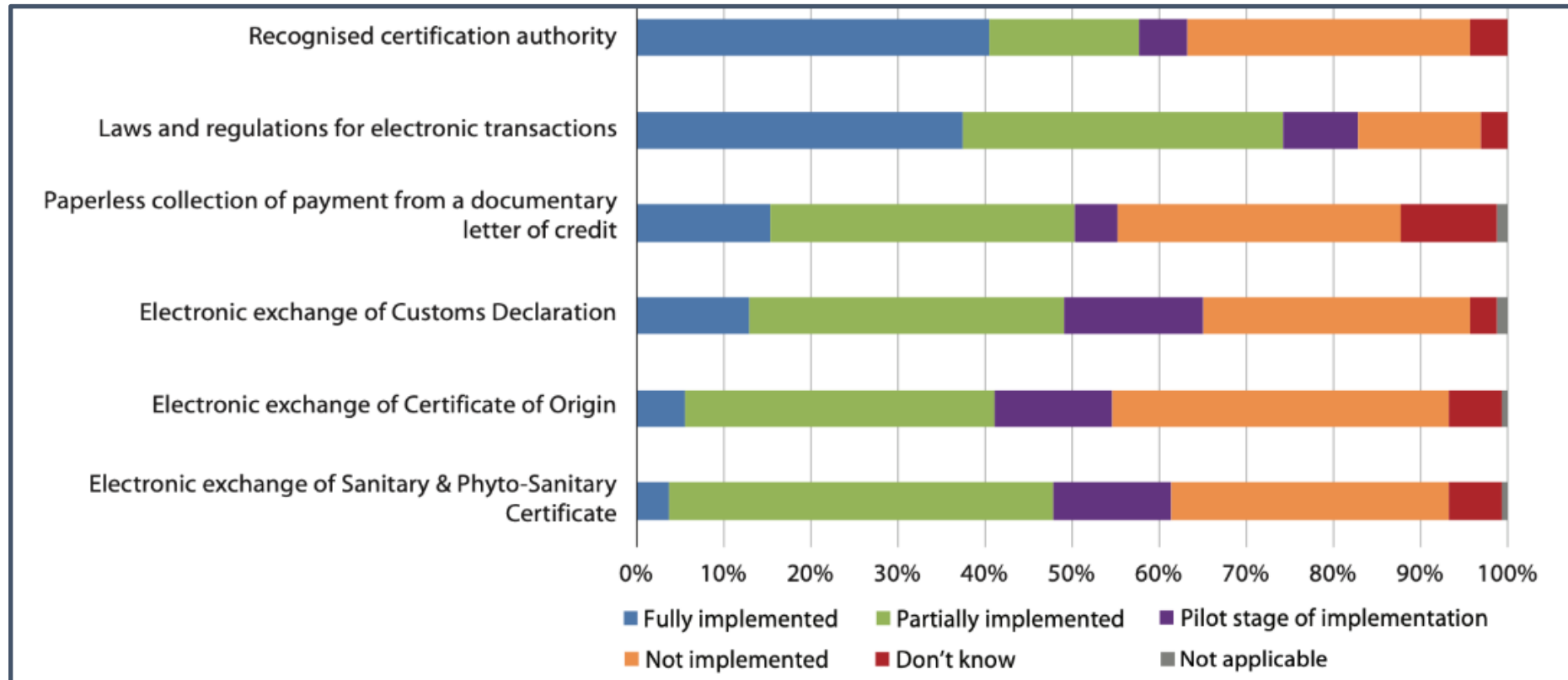
+ 2  
**Digital TF:** paperless trade & cross-border paperless trade

+ 3  
**Sustainable TF:** for SMEs, Agriculture, and Women

+ 4  
**Other TF:** trade finance, TF in times of crisis

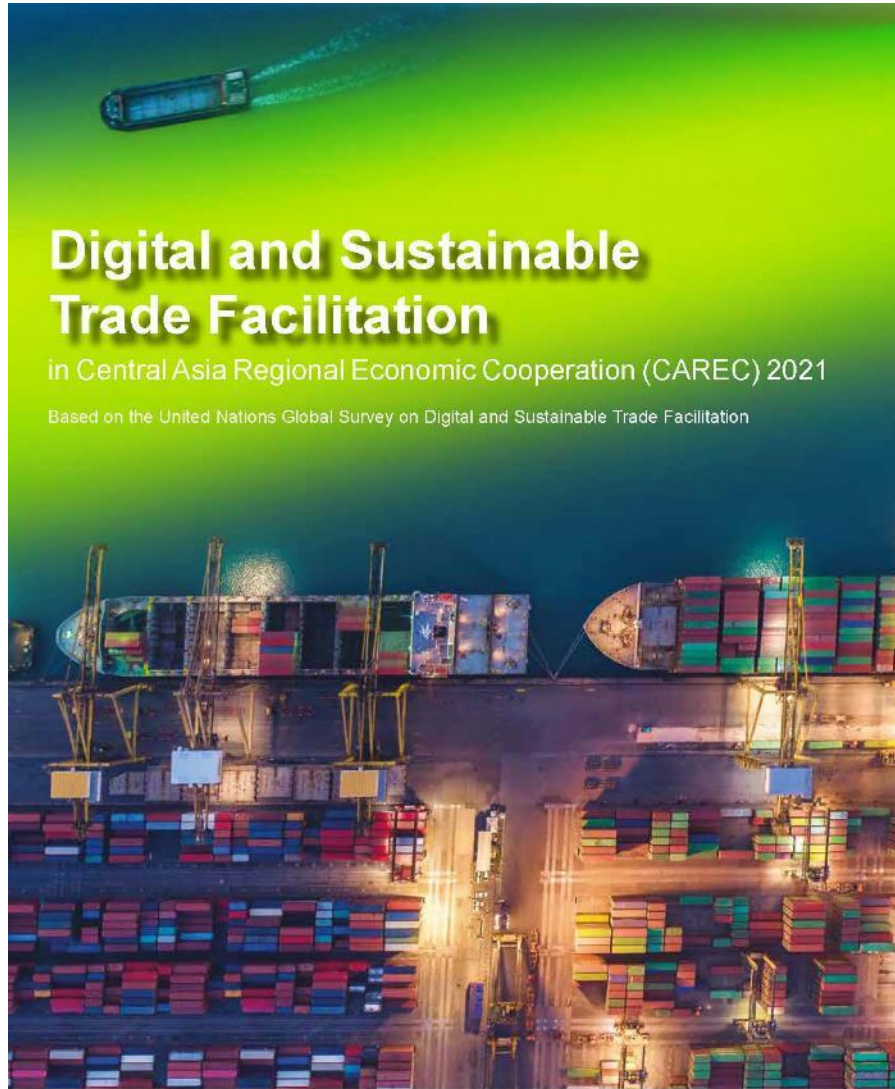
# Implementation of cross-border paperless trade measures remains low

## State of implementation of cross-border paperless trade measures globally



*\*Note:* In this context, 'percentage' refers to the proportion of countries that have either partially or fully implemented these measures, or are currently in the pilot testing phase for their implementation.

Source: UN Global Survey Report on Digital and Sustainable Trade Facilitation 2023



# Digital and Sustainable Trade Facilitation

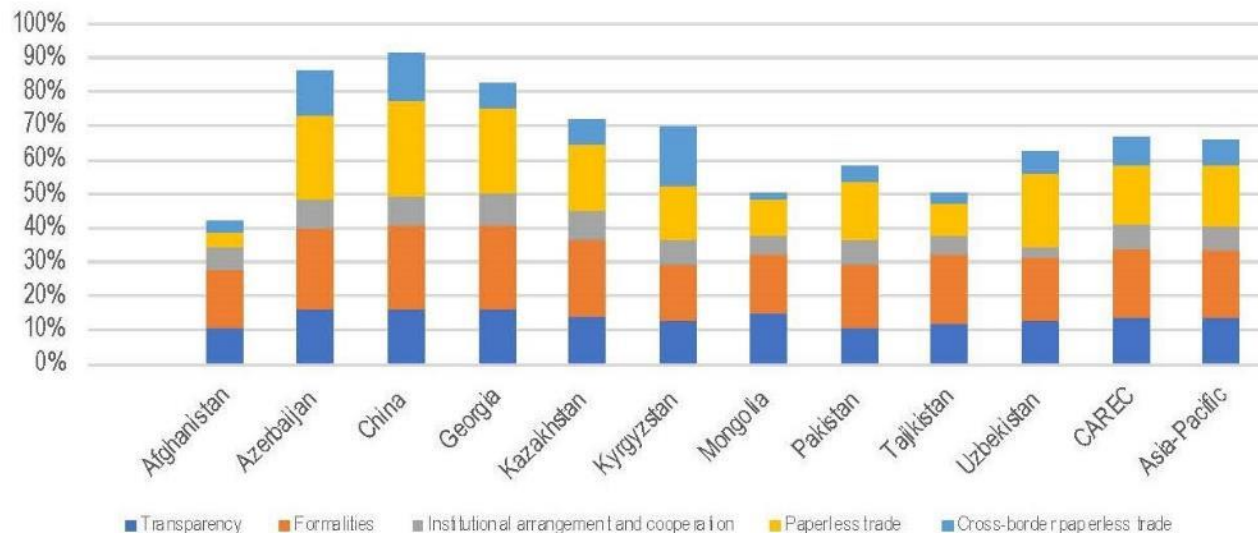
in Central Asia Regional Economic Cooperation (CAREC) 2021

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



[UNTFSURVEY.ORG](https://untfsurvey.org)

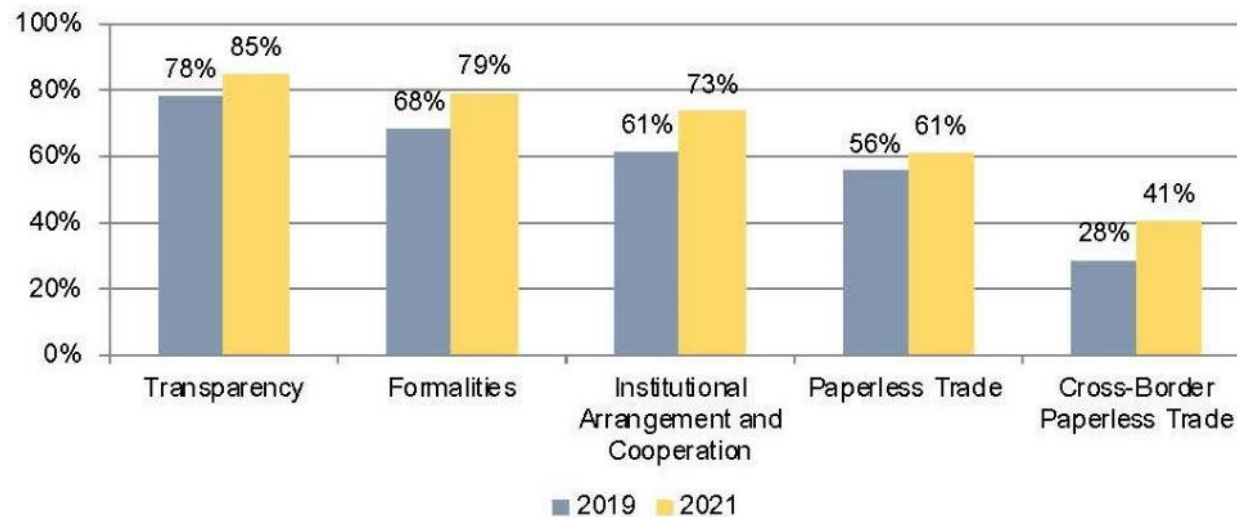
# Implementation of some common measures by CAREC countries (1)



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, [unftrsurvey.org](http://unftrsurvey.org), 2021

Note: Implementation rate based on a WTO TFA+ set of 31 trade facilitation and paperless trade measures from the UN Global trade facilitation survey.

# Implementation of some common measures by CAREC countries (2)



Source: UN Global Survey on Digital and Sustainable Trade Facilitation, [untfsurvey.org](https://untfsurvey.org), 2021



# Cost reduction through trade facilitation implementation



CAREC: 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	-2.85%	-5.91%	-4.14%	-8.91%	-10.39%	-16.91%
Model 2						
General trade facilitation measures	-0.90%	-1.90%	-1.10%	-2.54%	-1.33%	-2.83%
Digital trade facilitation measures			-2.17%	-3.86%	-12.05%	-16.81%

Source: ADB/ESCAP, 2021, Asia-Pacific Trade Facilitation Report, 2021

## Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

- The UN treaty entered into force on 20 February 2021
- ESCAP is the secretariat of the treaty
- 12 countries have acceded to the treaty.
- More countries will join the treaty soon



# Framework Agreement: Current Status

Participant	Signature	Ratification, Acceptance(A), Approval(AA), Accession(a)
Armenia	22 Sep 2017	
<a href="#">Azerbaijan</a>		2 Mar 2018 a
Bangladesh	29 Aug 2017	13 Oct 2020
Cambodia	29 Aug 2017	
<a href="#">China</a>	29 Aug 2017	22 Nov 2020 AA
Iran (Islamic Republic of)	29 Sep 2017	29 May 2020
Mongolia		27 Jul 2022 a
Philippines		23 Dec 2019 a
Republic of Korea		28 Nov 2022 a
<a href="#">Russian Federation</a>		18 Aug 2023 a
Tajikistan		8 Dec 2022 a
Timor-Leste		5 Apr 2022 a
Turkmenistan		4 May 2022 a
Tuvalu		8 Dec 2022 a

Updated in September 2023.

Further info: [https://treaties.un.org/Pages/ViewDetails.aspx?src=IND&mtdsg\\_no=X-20&chapter=10&clang=\\_en](https://treaties.un.org/Pages/ViewDetails.aspx?src=IND&mtdsg_no=X-20&chapter=10&clang=_en)

# Implementation of the UN treaty





Events

## Second session of the Standing Committee of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

19 to 21 June 2023 | By invitation only

UNCC, Bangkok, Thailand

ADD TO CALENDAR

DOWNLOAD ICS

OVERVIEW	PROGRAMME	SIDE EVENTS	DOCUMENTS	INFORMATION NOTE
----------	-----------	-------------	-----------	------------------

The Standing Committee is tasked to coordinate the implementation of the Framework Agreement on Facilitation of Cross-border Paperless in Asia and the Pacific (CPTA). During this session, the Committee will initiate work on tasks prioritized during its first session, building on the background documents prepared earlier by the Interim Intergovernmental Steering Group on Cross-Border Paperless Trade Facilitation. It may decide on establishing working groups on specific tasks and issues to facilitate implementation. The outcome of discussions will be reported to the [Second session of the Paperless Trade Council](#) to be held on 22-23 June 2023.

To enrich the discussion, Capacity-Building [Workshops](#) will be arranged during the week.

- [Tentative Programme of the Standing Committee](#)
- [Provisional Agenda of the Standing Committee](#)
- [Report of the Second session of the Standing Committee](#)

### Presentations

- [Introduction to Agenda item 2](#)
- [Agenda item 2\(a\): National Policy Framework for Cross-border Paperless Trade](#)
- [Agenda item 2\(b\): Capacity building strategy for implementing CPTA](#)
- [Agenda item 2\(c\): An effective national committee for implementing CPTA](#)
- [Agenda item 2\(d\): Cross-Border Paperless Trade Database](#)
- [Agenda item 2\(e\): On pilot project\(s\)](#)
- [Agenda item 2\(f\): How to develop a guide to help facilitate concurrent implementation of national and cross-border paperless trade systems](#)
- [Agenda item 2\(g\): Develop a model memorandum of understanding and service-level agreement to be used by parties at the bilateral and multilateral levels](#)
- [Agenda item 2\(h\): how to prepare a guide on engaging in a cross-border exchange of trade-related data and documents in electronic form consistent with regional and international laws and regulations and best practices](#)
- [Agenda item 2\(i\): Review the draft document on the technologically neutral mutual recognition mechanism](#)
- [Agenda item 2\(j\): Review the draft Reference Map for Cross-border Paperless Trade Processes](#)

# Actions and priorities

- Among all tasks, identifying pilot projects and comparing the costs and benefits of conducting cross-border paperless trade for some trade documents are top priorities.
- Capacity building support is essential for empowering all parties, especially the least developed countries and small economies.



Our-Work

## Readiness Assessments for Cross-Border Paperless Trade

Readiness Assessments for Cross-border Paperless Trade enables countries to conduct self-assessments of legal and technical readiness, leading to recommendations and individual actions plans for countries to move towards trade digitalization. It is based on the Legal and Technical Readiness Checklists developed to support the implementation of the [Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific](#).



An interactive guide to support self-assessments can be found [here](#).

### Readiness Assessments for Cross-Border Paperless Trade - Country Reports:

The country reports can serve as a valuable foundation for more detailed activities at the national and agency level in this area, with identifiable timelines and budget sources.

- [Armenia](#)
- [Azerbaijan](#)
- [Bangladesh](#)
- [Cambodia](#)
- [Georgia](#)
- [Kazakhstan](#)
- [Lao PDR](#)
- [Mongolia](#)
- [Myanmar](#)
- [Nepal](#)
- [Philippines](#)
- [Tajikistan](#)
- [Timor-Leste](#)
- [Tonga](#)
- [Turkmenistan](#)
- [Tuvalu](#)
- [Uzbekistan](#)
- [Viet Nam](#)

### Non-ESCAP countries

- Mexico (supported by ECLAC) - [Spanish](#)

If any member States of ESCAP is interested in conducting readiness assessment for cross-border paperless trade, please contact Trade, Investment and Innovation Division, United Nations ESCAP (Email: [duvaly@un.org](mailto:duvaly@un.org); copied to [kim51@un.org](mailto:kim51@un.org)).

The financial support from China, the Republic of Korea and the Enhanced Integrated Framework (EIF) as well as under the UN Development Account project "Transport and trade connectivity in the age of pandemics: contactless, seamless and collaborative UN solutions" is gratefully acknowledged.

### Programme of Work

- Macroeconomic Policy and Financing for Development
- Trade, Investment and Innovation
- Transport
- Environment and Development

### Our Offices

- Subregional Offices
- Regional Institutions

### ESCAP Websites

- Asia-Pacific SDG Gateway
- SDG Helpdesk
- ARTNeT
- More

### Contact

The United Nations Building  
Rajadamnern Nok Avenue  
Bangkok 10200  
Thailand

Telephone (66-2) 288-1234

# Some misunderstandings

- **My country is not ready to accede to the Framework Agreement**
- **My country needs to carry out legal reforms in order to accede to the Framework Agreement**



# Quiz

**How many CAREC countries have acceded to the Framework Agreement?**

- A) None
- B) 3
- C) 5
- D) 9



# Conclusions

**Empirical analysis by ESCAP provides solid evidence that TFA, paperless trade and Framework Agreement will substantially reduce trade cost and bring environmental benefits**

**Partnership is crucial to continue the efforts in promoting TFA, paperless trade and the Framework Agreement**

