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Economic and Social Commission for Asia and the Pacific

5th meeting of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation

Bangkok, 12 and 13 March 2019

Report of the 5th meeting of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation

I. Matters calling for action by the Commission or brought to its attention

- 1. The Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation notes the progress made by member States in ratifying or acceding to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific and requests the secretariat to provide technical assistance and capacity-building to those member States seeking support, subject to resource availability.
- 2. The Steering Group notes the progress made by the Legal and Technical Working Groups and requests them to continue improving the supporting documents for the draft road map for the implementation of the substantive provisions of the Framework Agreement for further review at the 6th meeting of the Steering Group.
- 3. The Steering Group decides to continue its operation, with support from the Legal and Technical Working Groups, until the Framework Agreement enters into force, focusing on improving the supporting documents of the draft road map.

II. Proceedings

A. Report on progress made on the implementation of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

(Agenda item 2)

4. The meeting had before it the report on progress made on the implementation of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (ESCAP/PTA/IISG/2019/1) and the introduction to a cross-border paperless trade database (ESCAP/PTA/IISG/2019/CRP.1). The Chief of the Trade Policy and Facilitation Section made a presentation on the use of the cross-border paperless trade database. The Chair invited representatives of participating

member States to report on their status with respect to becoming parties to the Framework Agreement.

- 5. Representatives of the following members and associate members of the Economic and Social Commission for Asia and the Pacific (ESCAP) made status reports: Armenia; Bangladesh; Bhutan; China; France; Georgia; India; Indonesia; Iran (Islamic Republic of); Kiribati; Kyrgyzstan; Lao People's Democratic Republic; Malaysia; Maldives; Mongolia; Myanmar; Nepal; Pakistan; Papua New Guinea; Republic of Korea; Russian Federation; Solomon Islands; Sri Lanka; Tajikistan; Thailand; Timor-Leste; Turkey; United Kingdom of Great Britain and Northern Ireland; Uzbekistan; and Viet Nam.
- 6. Armenia informed the meeting that the Framework Agreement was still in the domestic ratification process due to structural change at the Government. The process was expected to be completed by the end of 2019.
- 7. Bangladesh informed the meeting that it had signed the Framework Agreement in 2017 and that the Ministry of Commerce was coordinating the ratification process. Bangladesh also informed the meeting that it would carry out a legal and technical readiness assessment as part of the project implemented by ESCAP.
- 8. Bhutan informed the meeting that it had submitted the Framework Agreement to the previous Cabinet. However, given the change of Government, it would submit the Framework Agreement to the new Cabinet within a few months.
- 9. China informed the meeting that it had signed the Framework Agreement in 2017 and that the Ministry of Commerce was coordinating the ratification process. It expressed its hope that the ratification process would be completed soon.
- 10. France informed the meeting that before considering being part of the Framework Agreement, the French Constitution required a certified true copy to be available in the French language, as it had reported at the previous meeting. It requested the secretariat to explore ways to address that issue without renegotiating the text.
- 11. Georgia informed the meeting that the Ministry of Economy and Sustainable Development planned to present the Framework Agreement to the Committee on Trade Facilitation in order to obtain a mandate to submit a proposal to join the Framework Agreement to the Government. It also expressed its confidence that it could complete the process within the year.
- 12. India informed the meeting that it was in the process of stakeholder consultations in order to join the Framework Agreement. It further informed the meeting that it was at an advanced stage of developing a common digital platform for issuance of electronic certificates of origin and expressed its confidence in the Framework Agreement.
- 13. Indonesia informed the meeting that it planned to carry out a comprehensive study with all relevant stakeholders before the Government made the final decision to join the Framework Agreement. It also expressed its appreciation to the secretariat for support in organizing a national consultation workshop in February 2019.

- 14. The Islamic Republic of Iran informed the meeting that a proposal for ratification had been confirmed by the Cabinet and had been referred to the Parliament for approval. The associated expert commission of the Parliament had confirmed it and the proposal was under discussion in the Parliament's public meeting, with an expected final confirmation by mid-2019.
- 15. Kiribati informed the meeting that it did not have any progress to report because it was the first time it had joined the meeting. It also informed the meeting that paperless trade was in line with its national policy and expressed its wish to receive technical assistance on paperless trade, pointing to capacity gaps as its key challenge.
- 16. Kyrgyzstan informed the meeting that it was at the stage of inter-agency consultations and translating the Framework Agreement into the national language.
- 17. The Lao People's Democratic Republic informed the meeting that it had no concerns with regard to joining the Framework Agreement but would need more time to complete the domestic process. It also informed the meeting that it was implementing a pilot project on a single window system.
- 18. Malaysia informed the meeting that it had conducted domestic stakeholder consultations and would carry out a study to assess the readiness of domestic systems and the alignment of national priorities with the Framework Agreement. It also expressed its commitment to ongoing participation in ESCAP activities related to the Framework Agreement.
- 19. Maldives informed the meeting that it had had a change of Government in November 2018 and that a decision on joining the Framework Agreement was expected to be submitted to the Cabinet for approval by the third quarter of 2019.
- 20. Mongolia informed the meeting that it had completed the formal translation of the text of the Framework Agreement and was ready to commence the domestic procedure for acceding to the Agreement. It also expressed its appreciation for the capacity-building support of the secretariat and the substantive work of the Legal and Technical Working Groups.
- 21. Myanmar informed the meeting that it was conducting national stakeholder consultations with regard to joining the Framework Agreement. It also informed the meeting that the National Committee on Trade Facilitation would most likely lead the discussions for acceding to the Framework Agreement as relevant working groups are under the Committee.
- 22. Nepal informed the meeting that it was at the stage of legal assessment with stakeholders with regard to joining the Framework Agreement, including a review of domestic laws in preparation for accession. It also informed the meeting that it was implementing relevant initiatives on trade facilitation such as a single window system.
- 23. Pakistan informed the meeting that it was conducting stakeholder consultations to accede to the Framework Agreement, under the coordination of the Ministry of Commerce. It also informed the meeting that it was actively implementing the Agreement on Trade Facilitation of the World Trade Organization, including a single window system.
- 24. Papua New Guinea informed the meeting that the Ministry of Commerce, Trade and Industry had submitted an information paper on

accession to the Framework Agreement together with a draft bill on electronic commerce to the Cabinet. The Cabinet had decided to process a draft bill on electronic commerce first and then consider accession to the Framework Agreement.

- 25. The Republic of Korea informed the meeting that it would continue its capacity-building support on paperless trade and would also continue to review the legal and technical aspects of the Framework Agreement.
- 26. The Russian Federation informed the meeting that it was continuing its efforts to complete the domestic process for joining the Framework Agreement, including creating relevant domestic conditions. It also informed the meeting of its efforts to carry out paperless trade with other countries, including as part of the Eurasian Economic Union.
- 27. Solomon Islands informed the meeting that it had domestic readiness for automation and paperless trade and would consider joining the Framework Agreement soon.
- 28. Sri Lanka informed the meeting of its progress in implementing relevant trade facilitation measures, including the establishment of a national committee on trade facilitation and a single window system blueprint. It informed the meeting that it would work further on the domestic process in 2019 for accession to the Framework Agreement.
- 29. Tajikistan informed the meeting that it had established the Trade Facilitation Committee and six working groups under it. It also informed the meeting that, as this was the first time it had participated in the Steering Group, it would begin internal review of the Framework Agreement.
- 30. Thailand informed the meeting that it was consulting with domestic stakeholders. It would provide information on the progress of consultations at the next meeting.
- 31. Timor-Leste informed the meeting that it was at an early stage of considering joining the Framework Agreement and expressed its wish to work closely with the secretariat to understand the accession process.
- 32. Turkey informed the meeting that it had nothing to report on progress towards accession but emphasized its commitment to trade facilitation.
- 33. The United Kingdom of Great Britain and Northern Ireland informed the meeting that it had nothing to report as this was the first time it had participated in the meeting. It expressed its commitment to trade facilitation.
- 34. Uzbekistan informed the meeting that it had continued to consider joining the Framework Agreement. It further informed the meeting that it would review the possibility of expediting accession after completing its legal and technical readiness assessment, conducted with the support of the secretariat.
- 35. Viet Nam informed the meeting that it had found low awareness of the Framework Agreement and its benefits among stakeholders during a consultation workshop that had been held in 2018. It further informed the meeting that it would carry out more awareness-raising activities and other related activities before joining the Framework Agreement.

B. Report on progress made by the Legal and Technical Working Groups

(Agenda item 3)

- 36. The meeting had before it the report on progress made by the Legal and Technical Working Groups in their mandated tasks (ESCAP/PTA/IISG/2019/2), the note by the secretariat entitled "Cross-border paperless trade: a legal readiness checklist" (ESCAP/PTA/IISG/2019/3), the note by the secretariat entitled "Cross-border paperless trade: a technical readiness checklist" (ESCAP/PTA/IISG/2019/4), the conference room paper on the mechanism for cross-border mutual recognition of trade-related data and documents in electronic form (ESCAP/PTA/IISG/2019/CRP.2) and the conference room paper containing the template for individual action plans (ESCAP/PTA/IISG/2019/CRP.3).
- 37. The Chair of the Legal and Technical Working Groups reported on progress made during the 6th meeting of the Legal and Technical Working Groups, held on 11 March 2019. The Working Groups had reviewed the supporting documents of the draft road map, in particular the legal and technical readiness checklists, the mechanism for cross-border mutual recognition of trade-related data and documents in electronic form and the template for individual action plans. The Working Groups had also shared experiences and lessons from selected countries in the implementation of cross-border paperless trade. The Working Groups had decided to continue their operation with more frequent meetings to expedite delivery of their mandated tasks, subject to a decision of the Steering Group at the current meeting.
- 38. The representative of the Russian Federation emphasized that the supporting documents should not include any obligatory measures, with which the meeting concurred.
- 39. The representative of Tajikistan sought clarification on the difference between notifications of implementation commitments under the Agreement on Trade Facilitation of the World Trade Organization and implementation requirements of the Framework Agreement. The secretariat referred to article 12 of the Framework Agreement and the template for individual action plans developed by the Working Groups. It explained that the implementation of specific actions and measures would be self specified by each party when preparing its individual action plan after joining the Framework Agreement, with the possibility of updating its implementation schedule and requesting capacity-building and technical assistance before implementation, based on evolving domestic constraints and needs.
- 40. The meeting noted the progress made by the Legal and Technical Working Groups in their mandated tasks.

C. Discussion on future operations of the Steering Group (Agenda item 4)

41. The secretariat proposed that the Steering Group and its Working Groups should continue their operation until the Framework Agreement entered into force. The 6th meeting of the Steering Group would tentatively be held in March or April 2020.

D. Other matters

(Agenda item 5)

42. The secretariat introduced the United Nations Global Survey on Digital and Sustainable Trade Facilitation 2019 and encouraged the representatives to contribute to it and complete the related questionnaire.

E. Adoption of the report of the meeting

(Agenda item 6)

43. The meeting adopted the present report on 13 March 2019.

III. Organization

A. Opening, duration and organization of the meeting

- 44. The 5th meeting of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation was held in Bangkok on 12 and 13 March 2019.
- 45. The Executive Secretary of ESCAP delivered the opening statement. The Deputy Minister of the Ministry of Economy and Finance, Republic of Korea, gave a keynote speech.

B. Attendance

- 46. The meeting was attended by representatives of the following members and associate members: Armenia; Bangladesh; Bhutan; China; France; Georgia; India; Indonesia; Iran (Islamic Republic of); Kiribati; Kyrgyzstan; Lao People's Democratic Republic; Malaysia; Maldives; Mongolia; Myanmar; Nepal; Netherlands; Pakistan; Papua New Guinea; Republic of Korea; Russian Federation; Solomon Islands; Sri Lanka; Tajikistan; Thailand; Timor-Leste; Turkey; United Kingdom of Great Britain and Northern Ireland; Uzbekistan; and Viet Nam.
- 47. Representatives of the United Nations Commission on International Trade Law attended.
- 48. Eighteen observers also attended.

C. Election of officers

49. The following officers were elected:

Chair: Mr. Yusuf Riza (Maldives)

Vice-Chairs: Ms. Rama Dewan (Bangladesh)

Mr. Ali Rahbari (Islamic Republic of Iran)

D. Agenda

- 50. The meeting adopted the following agenda:
 - 1. Opening of the meeting:
 - (a) Opening statements;
 - (b) Election of officers;
 - (c) Adoption of the agenda.

- 2. Report on progress made on the implementation of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific.
- 3. Report on progress made by the Legal and Technical Working Groups.
- 4. Discussion on future operations of the Steering Group.
- 5. Other matters.
- 6. Adoption of the report of the meeting.

Annex

List of documents

Symbol	Title	Agenda item
General series		
ESCAP/PTA/IISG/2019/1	Report on progress made on the implementation of the Framework Agreement on Facilitation of Crossborder Paperless Trade in Asia and the Pacific	2
ESCAP/PTA/IISG/2019/2	Report on progress made by the Legal and Technical Working Groups in their mandated tasks	3
ESCAP/PTA/IISG/2019/3	Cross-border paperless trade: a legal readiness checklist	3
ESCAP/PTA/IISG/2019/4	Cross-border paperless trade: a technical readiness checklist	3
ESCAP/PTA/IISG/2019/5	Report of the 5th meeting of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation	
Conference room papers		
ESCAP/PTA/IISG/2019/CRP.1	Introduction to a cross-border paperless trade database	2
ESCAP/PTA/IISG/2019/CRP.2	Mechanism for cross-border mutual recognition of trade-related data and documents in electronic form	3
ESCAP/PTA/IISG/2019/CRP.3	Template for individual action plans	3
Limited series		
ESCAP/PTA/IISG/2019/L.1	Annotated provisional agenda	1 (c)
ESCAP/PTA/IISG/2019/L.2	Draft report	6