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**Economic and Social Commission for Asia and the Pacific**

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

Bangkok, 22 and 23 March 2018

Item 2 of the provisional agenda\*

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

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

**Note by the secretariat**

*Summary*

The present document is a report on progress made on the implementation of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific. The secretariat facilitated five national consultations on accession and ratification of the Framework Agreement at the request of individual member States, and organized a signing ceremony in Bangkok. Five countries had signed the treaty by 30 September 2017, while a number of other countries had expressed commitment to accede to it.

**I. Progress made**

1. Since the third meeting of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation, held in March 2017, the secretariat has been providing support to member States of the Economic and Social Commission for Asia and the Pacific (ESCAP) that are interested in becoming parties to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific. The secretariat provided support in organizing national consultations on the Framework Agreement to Fiji (June 2017), Papua New Guinea (July 2017), Bhutan (September 2017), Sri Lanka (September 2017) and Mongolia (November 2017), giving a briefing that covered an overview and the benefits of the Framework Agreement as well as procedures for and implications of becoming a party.

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\* ESCAP/PTA/IISG/2018/L.1.

\*\* Reissued for technical reasons on 29 January 2018; previously issued under the symbol E/ESCAP/PTA/IISG(4)/1.

2. In accordance with a decision of the third meeting of the Steering Group, the secretariat organized a signing ceremony for ESCAP member States that wished to become parties to the Framework Agreement in Bangkok on 29 August 2017, back to back with the High-level Dialogue on Enhancing Regional Trade through Effective Participation in the Digital Economy. Bangladesh, Cambodia and China signed the Framework Agreement during the event. Several other member States joined the signing ceremony and expressed their commitment to join the Framework Agreement soon.

3. As of 30 September 2017, the last day on which the Framework Agreement could be signed in New York, five ESCAP member States had signed it: Armenia, Bangladesh, Cambodia, China and the Islamic Republic of Iran. Other member States are in the process of completing their domestic procedure for becoming parties to the Framework Agreement through accession. The Agreement will enter into force once five member States have ratified or acceded to it.<sup>1</sup>

4. As part of its advocacy work on trade facilitation and regional integration, the secretariat presented the Framework Agreement at several regional and subregional events that it organized. These events included: (a) a side event to the Global Review on Aid for Trade on implementing trade facilitation and paperless trade for sustainable growth, held on 12 July 2017 in Geneva, Switzerland; (b) the Asia-Pacific Trade Facilitation Forum, held on 5 and 6 September 2017 in Yogyakarta, Indonesia; (c) the Regional Consultation on eCommerce for Sustainable Development, held on 30 October 2017 in Bangkok; (d) a capacity-building workshop, co-organized with the Enhanced Integrated Framework, on emerging priorities in least developed countries on trade and development, held on 2 and 3 November 2017 in Bangkok; (e) a meeting on building the innovation and technological capacities of least developed countries in Asia and the Pacific, held on 6 and 7 November 2017 in Bangkok; (f) the International Seminar on Trade Facilitation in North-East Asia, held on 16 November 2017 in Ulaanbaatar; (g) the International Conference on Cross-border Paperless Trade: Single Window in the Context of the New Technological Wave, held on 7 and 8 December 2017 in Moscow; and (h) a side event to the Eleventh Ministerial Conference of the World Trade Organization (WTO) on advancing trade facilitation and paperless trade for sustainable growth, held on 9 December 2017 in Buenos Aires.

5. The secretariat also continued to conduct research and analysis related to the Framework Agreement. The secretariat led the Global Survey on Trade Facilitation and Paperless Trade Implementation in 2017, in cooperation with other regional commissions, collecting data on the implementation of 47 trade facilitation measures, including in particular paperless trade measures in 44 Asia-Pacific countries. The survey results have been made available through an interactive web interface and show that, while the region has made excellent progress on implementation of many measures related to the WTO Agreement on Trade Facilitation, implementation of single windows and measures to enable the exchange and legal recognition of electronic data and documents across borders remains relatively low.<sup>2</sup>

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

<sup>2</sup> The survey reports and online database are available from <https://unnext.unescap.org/content/un-global-survey-trade-facilitation-and-paperless-trade-implementation-2017>.

6. Using the latest estimates from the ESCAP-World Bank Trade Cost Database, it was found that full implementation of the cross-border paperless trade measures included in the Survey could help reduce trade costs by more than 25 per cent on average across the ESCAP region, resulting in savings of about \$1.2 trillion. Trade cost reductions ranged from 10 per cent to more than 40 per cent depending on each country's current state of implementation of digital trade facilitation.<sup>3</sup> An analysis of paperless trade provisions in existing bilateral and regional trade agreements in Asia and the Pacific also showed that many countries had already made commitments on advancing paperless trading, with the Framework Agreement a useful tool in supporting implementation of provisions in those agreements.<sup>4</sup>

7. Several ESCAP member States have provided funding to the secretariat to support facilitation of cross-border paperless trade and implementation of the Framework Agreement. The Republic of Korea renewed its support in 2016 to a dedicated trust fund in ESCAP and committed to further increasing funding in the next phase (2019 onward). The Russian Federation funded a capacity-building project on single-window interoperability in Central Asia and another on pilot testing of cross-border paperless data exchange in North-East Asia. China approved funding for a project on conducting legal and technical readiness assessments on cross-border paperless trade along the corridors of the Belt and Road Initiative.

## II. Consideration by the Steering Group

8. The Steering Group may wish to consider taking the following action:

(a) Note the progress made since its third meeting, and encourage participating representatives to proactively support their Governments in becoming parties to the Framework Agreement as soon as possible;

(b) Note with appreciation the trust fund and projects on facilitation of cross-border paperless trade established by China, the Republic of Korea and the Russian Federation, and call upon other members also to consider contributing financially or in kind to the implementation of the Framework Agreement;

(c) Discuss ways to accelerate and promote accession to and ratification of the Framework Agreement by as many countries as possible, so as to maximize its benefits and impact.

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<sup>3</sup> See *Digital Trade Facilitation in Asia and the Pacific* (ST/ESCAP/2811), chapter 2; available from [www.unescap.org/publications/digital-trade-facilitation-asia-and-pacific-studies-trade-investment-and-innovation-87](http://www.unescap.org/publications/digital-trade-facilitation-asia-and-pacific-studies-trade-investment-and-innovation-87). See also Asian Development Bank, *Trade Facilitation for a More Inclusive and Connected Asia and Pacific Region: Progress and Way Forward* (Manila, 2017); available from [www.adb.org/publications/trade-facilitation-inclusive-connected-asia-pacific-way-forward](http://www.adb.org/publications/trade-facilitation-inclusive-connected-asia-pacific-way-forward).

<sup>4</sup> See *Digital Trade Facilitation*, chapters 3 and 4.