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Economic and Social Commission for Asia and the Pacific

First Meeting of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation

Bangkok, 1-3 April 2015 Item 2 of the provisional agenda* Update on the implementation of Commission resolutions 68/3 and 70/6

Update on the implementation of Commission resolutions 68/3 and 70/6

Note by the secretariat**

Summary

The present note provides an update on progress made in the implementation of Commission resolution 68/3 on enabling paperless trade and cross-border recognition of electronic data and documents for inclusive and sustainable intraregional trade facilitation and resolution 70/6 on implementation of the decision of the Ad Hoc Intergovernmental Meeting on a Regional Arrangement for the Facilitation of Cross-border Paperless Trade. It contains an introduction to the resolutions and an account of progress made in their implementation, including the conduct of supporting capacity-building activities.

I. Introduction to Commission resolutions 68/3 and 70/6

1. In adopting resolution 68/3, the Economic and Social Commission for Asia and the Pacific (ESCAP) sought to enable paperless trade and cross-border recognition of electronic data and documents for inclusive and sustainable intraregional trade facilitation. Member States were invited to work towards the development of regional arrangements on the facilitation of cross-border paperless trade and encouraged to take relevant actions. At the same time, the Executive Secretary was requested to support and facilitate the process for the development of regional arrangements on the facilitation of cross-border paperless trade, and to continue and further strengthen the secretariat's support for capacity-building activities related to trade facilitation and paperless trade, particularly with regard to least developed and landlocked developing countries and for the preparation, in consultation with member States, of such regional arrangements.

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^{*} E/ESCAP/PTA/IISG(1)/L.1.

^{**} The present note was submitted late owing to the need to ensure that the information it contains is as up to date as possible.

¹ See E/ESCAP/68/24.

- 2. In adopting resolution 70/6,² the Commission welcomed the successful outcome of the Ad Hoc Intergovernmental Meeting on a Regional Arrangement for the Facilitation of Cross-border Paperless Trade, which had been held in Bangkok from 22 to 24 April 2014 as a result of the implementation of resolution 68/3. The Commission endorsed the recommendation of the Meeting to establish the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation, noting that the work of the Steering Group would not duplicate but complement the work being done in relation to the implementation of the World Trade Organization's Trade Facilitation Agreement.
- 3. The Commission also requested the Executive Secretary to support and facilitate the establishment and operation of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation in accordance with the terms of reference that appear in the annex to this report, and to report to the Commission annually on the progress made in the implementation of the resolution until the work of the Steering Group had been completed.

II. Progress made in the implementation of the resolutions

- 4. In accordance with the mandates given in resolution 68/3, the secretariat supported and facilitated the process for the development of regional arrangements on the facilitation of cross-border paperless trade. A study was conducted by two regional experts with extensive experience in customs and trade negotiations through a comprehensive review of relevant literature and projects as well as face-to-face interviews with the relevant stakeholders. The study incorporated contributions from regional experts and nominated national focal points through two rounds of peer review. The study, ³ completed in 2013, provided (a) potential options for regional arrangements and recommended as the best option for the Asia-Pacific region a regional agreement that each ESCAP member or associate member could voluntarily decide to join and (b) a flexible trade data exchange mechanism to be developed jointly by the parties to the agreement.
- 5. The findings of the study went through expert review in the form of two expert group meetings between March and May 2013, resulting in refinement of the proposed draft text of the regional arrangement and development of an explanatory note to the draft text. In order to maximize input from member States, the secretariat organized a series of consultations on the draft text of the regional arrangement and accompanying explanatory note, including three subregional consultation meetings in July 2013 and one regional meeting in September 2013. The secretariat also consulted the Treaty Section of the Office of Legal Affairs, which provided comments on the final clauses of the draft text and other matters relating to the law of treaties; the comments received were integrated into the draft text.
- 6. The secretariat submitted a report on the implementation of the resolution to the Committee on Trade and Investment at its third session, which was held from 20 to 22 November 2013. The Committee noted the progress achieved in implementation and supported the desire of member States for a regional arrangement on cross-border paperless trade. The Committee agreed to continue negotiation of the arrangement and, having taken note of the need for further discussion, requested the secretariat to

² E/ESCAP/RES/70/6.

³ www.unescap.org/sites/default/files/0 - Full Report_35.pdf.

organize another consultation among member States in the form of an ad hoc intergovernmental meeting prior to the seventieth session of the Commission, so as to incorporate the relevant revisions to the existing draft text.

- 7. In accordance with the mandates established by the decision of the Committee on Trade and Investment at its third session, the secretariat organized the Ad Hoc Intergovernmental Meeting on a Regional Arrangement for the Facilitation of Cross-border Paperless Trade in Bangkok from 22 to 24 April 2014. The meeting, attended by representatives of 30 ESCAP members, discussed and revised the draft text of the regional arrangement. In recognition of the need for further work in finalizing the draft text of the regional arrangement, the meeting decided to establish the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation under the auspices of the ESCAP secretariat: (a) to further improve the draft text of the regional arrangement as a potential intergovernmental agreement; (b) to prepare a draft road map for the implementation of substantive provisions in the draft text; and (c) to perform other functions as agreed by the Steering Group.
- 8. Following that decision, which was subsequently endorsed by the Commission at its seventieth session in the form of resolution 70/6,⁴ the secretariat proceeded with the organization of the first meeting of the Steering Group from 1 to 3 April 2015.
- 9. In accordance with the mandate specified in paragraph 3(c) of resolution 68/3, the secretariat has also continued its support for capacity-building activities on trade facilitation and paperless trade. A list of the capacity-building activities organized by ESCAP with the support of the United Nations Network of Experts for Paperless Trade in Asia and the Pacific (UNNExT)⁵ and relevant partner organizations since the third session of the Committee on Trade and Investment is provided below.⁶

Number	Capacity-building activities	Date and venue
1	Inception Workshop of the ESCAP-Asian Development Bank (ADB) Project on Trade and Transport Facilitation Performance Monitoring in the South Asia Subregional Economic Cooperation countries	26-27 November 2013, Bangkok
2	ADB-ESCAP National Training Workshop on Trade and Transport Facilitation Monitoring Mechanism	10-14 March 2014, Phuentsholing, Bhutan
3	National Capacity Building Workshop: Implementing Mongolian National Single Window	13-14 March 2014, Ulaanbaatar
4	UNNExT Training of Analysts on Business Process Analysis for Single Window Environment	18-20 March 2014, Male
5	ADB-ESCAP National Training Workshop on Trade and Transport Facilitation Monitoring Mechanism	15-17 April 2014, Dhulikhel, Nepal

⁴ See E/ESCAP/RES/70/6.

⁵ See http://unnext.unescap.org

⁶ For capacity-building activities organized after the adoption of the resolution up to the third session of the Committee on Trade and Investment, see E/ESCAP/PTA/IGM.1/1.

Number	Capacity-building activities	Date and venue
6	Capacity Building Workshop on Facilitation of Crossborder Paperless Trade	22-24 April 2014, Bangkok
7	ADB-ESCAP National Training Workshop on Trade and Transport Facilitation Monitoring Mechanism	28-29 April 2014, Dhaka
8	Training on Electronic Traceability for Agricultural Trade Facilitation and Smallholder Integration	26-28 May 2014, Kathmandu
9	Training on Electronic Traceability for Agricultural Trade Facilitation and Smallholder Integration	16-18 June 2014, Thimpu
10	Training on Electronic Traceability for Agricultural Trade Facilitation and Smallholder Integration	2-4 July 2014, Yangon, Myanmar
11	Training on Electronic Traceability for Agricultural Trade Facilitation and Smallholder Integration	13-15 August 2014, Vientiane
12	Training on Electronic Traceability for Agricultural Trade Facilitation and Smallholder Integration	18-20 August 2014, Phnom Penh
13	ESCAP-Bangladesh Foreign Trade Institute-United Nations Industrial Development Organization Training on Electronic Traceability for Agricultural Trade Facilitation and Smallholder Integration in Bangladesh	7-9 September 2014, Dhaka
14	Asia-Pacific Trade Facilitation Forum 2014	24-25 September 2014, Bangkok
15	Asia-Pacific Trade Facilitation Forum Capacity Building Workshop on Implementing Trade Facilitation: Perishable Goods and Single Window	26 September 2014, Bangkok
16	Asia Workshop on Good Practices in Agricultural Trade Facilitation in South and South-East Asia organized by the Network for Knowledge Transfer on Sustainable Agricultural Technologies and Improved Market Linkages in South and Southeast Asia	26 September 2014, Bangkok
17	Workshop on Enabling Cross-border Paperless Trade	26 September 2014, Bangkok
18	International Seminar on Trade Facilitation in North- East Asia	18 November 2014, Vladivostok, Russian Federation
19	Regional Training of Trainers Workshop on Trade Facilitation and Paperless Systems for Agrifood Products	15-17 December 2014, Bangkok
20	UNNExT Capacity Building Workshop on Data Harmonization and Modelling for Single Window Environment in Maldives	16-18 December 2014, Male
21	Second UNNExT Masterclass: Single Window in the Context of the World Trade Organization Trade Facilitation Agreement	12-21 January 2015, Cheon-An, Republic of Korea
22	UNNExT Workshop on Paperless Trade Facilitation for Small and Medium-sized Enterprises	2-4 February 2015, Bangkok

10. Most of the capacity-building activities have been implemented in close partnership with the relevant regional and global organizations, which helped enhance the number of participants that benefited from the activities, in particular least developed and landlocked developing countries. Some of the activities listed above have also been supported by a trust fund established by the Republic of Korea in May 2013.

Annex^a

Terms of reference for the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation

1. Name

This body shall be called the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation.

2. Membership

National focal points for the implementation of Commission resolution 68/3 from ESCAP members or official nominees of seats of Government of ESCAP members shall have an open invitation to participate in all the activities of the Steering Group.

3. Function

The Steering Group shall have the following duties:

- (a) To further improve the draft text of the regional arrangement as a potential intergovernmental agreement;
- (b) To prepare a draft road map for the implementation of substantive provisions in the draft text;
 - (c) Other functions as agreed by the Steering Group.

4. Mode of operation

- 1. In carrying out its function, the Steering Group shall convene regularly, either physically or virtually, but at least once every six months.
- 2. The Steering Group may elect officers, a chair and vice-chair(s) in the first meeting to conduct its regular meetings.
- 3. Participation in the meetings of the Steering Group shall be on a self-financed basis. However, participation of ESCAP least developed and landlocked developing countries in physical meetings may be supported by the secretariat on request, subject to the availability of the necessary financial resources.
- 4. To the extent possible, physical meetings shall be held in conjunction with capacity-building events.
- 5. The Steering Group may invite relevant regional experts, including experts from the United Nations Network of Experts for Paperless Trade in Asia and the Pacific, in conducting its duties.
- 6. Decisions by the Steering Group will be made based on standard ESCAP practices in intergovernmental meetings.

6 B15-00118

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The terms of reference reproduced below are contained in chap. I.B of the report of the Ad Hoc Intergovernmental Meeting on a Regional Arrangement for the Facilitation of Cross-border Paperless Trade (E/ESCAP/PTA/IGM.1/2).

7. The Steering Group will cease operation once it has completed its duties.

5. Reporting

The Steering Group shall report progress made in carrying out its duties to the Commission at each of its sessions.

6. Secretariat

The ESCAP secretariat, specifically the Trade and Investment Division, shall serve as the secretariat of the Steering Group.