

8th Asia-Pacific Trade Facilitation Forum (APTFF)

Yogyakarta, Indonesia, 7-8 September 2017

Summary & Highlights

The theme of APTFF 2017 was "Trade Facilitation Innovations for Sustainable Development in Asia and the Pacific" and brought together over 200 trade facilitation experts, practitioners and policy makers from over 30 countries. As part of the opening session of the Forum, ADB and ESCAP launched a new regional study on *Trade Facilitation and Better Connectivity for an Inclusive Asia and Pacific*. The report evaluates the impact of implementation of different trade facilitation and paperless trade measures and initiatives. It highlights the need for improving institutional coordination for successful trade facilitation, also requiring improving the business climate and governance to ensure that trade facilitation measure are inclusive and consistently implemented. It also recommends digitalization of procedures as a way to further reduce trade costs in Asia and the Pacific.¹

The high-level panel session on re-thinking trade facilitation for sustainable development highlighted the need to pay more specific attention to addressing procedural barriers faced by SMEs. International payment and financing processes are key bottlenecks for SMEs and consideration should be given to mainstreaming these issues in trade facilitation reform agendas. More work is also needed on achieving seamless Business-to-Business and Government-to-Government exchange of electronic data and documents across borders so that the original data can be used and re-used, improving the reliability of transaction data throughout the value chain, leading to lower trade costs and better regulatory compliance.

Session 1 provided an update on trade facilitation implementation in the Asia and the Pacific region, based on the new ADB-ESCAP Study on trade facilitation and the results of the UN Global Survey on Trade Facilitation and Paperless Trade Implementation 2017. The Session revealed that countries of the region were actively engaged in the implementation of the WTO Trade Facilitation Agreement and that full and digital implementation of the WTO TFA provision would be important to ensure significant trade cost reductions across the region. The Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific was highlighted as an enabling platform for the region to make more rapid progress in this area.

Session 2 focused on institutional arrangements for trade facilitation. A key recommendation stressed throughout the session was the need to more effectively engage the private sector given that their input is essential to meaningful trade facilitation reform. While including them in formal institutional arrangements such as national trade facilitation committees would be important, engagements through informal but regular dialogues and pilot projects should also be considered. Importantly, the session noted that ensuring that the private sector engagement should be inclusive given diverging interests and characteristics of different private sector stakeholders.

¹ <https://www.adb.org/publications/trade-facilitation-connectivity-inclusive-asia-pacific>

Session 3 focused on behind-the-border procedures affecting trade. A key take-away from this session was that initiating trade facilitation reform should not be limited to improving procedures at the border but extend to improving the domestic business regulatory environment and enhancing access to efficient trade-related infrastructure and services (e.g., logistics services). This session also highlighted the need to prioritize updating of domestic regulatory frameworks to prepare and benefit from digital trade, with more regional capacity building and information sharing needed in this area.

Session 4 was on agricultural trade facilitation. The session noted the complexity of agri-food trade and associated traceability requirements. It pointed to the fact that the responsible institutions often had limited understanding and/or capacity in developing procedures and systems that can lead to both higher food safety and quality as well as lower transactions costs for agri-food products. In that context, there was consensus that further sector-specific trade facilitation initiatives would be needed, including to develop synergies between electronic traceability and trade regulatory systems, including risk management and single window systems.

Session 5 focused on cross-border e-commerce facilitation. Various innovative trade facilitation solutions and platforms were introduced and discussed, including Malaysia's Digital Free Trade Zone initiative and applications of blockchain and distributed ledger technologies to improve traceability of goods and improve cross-border payment. How information in national single window and related paperless trade system may be used to support SME financing of cross-border trade transaction was also discussed. Session 5 highlighted the need to deepen understanding of how new emerging technologies can be fully harnessed to further facilitate trade.

Session 6 was dedicated to presentation by three winners of the First Asia-Pacific Trade Facilitation Forum Awards. Selected among 15 submitted case studies, the top award was received by Korea International Trade Association for its e-Global Business Services initiative, which included development and operation of its third-generation national single window system (uTradeHub) - bringing together not only the trade control and regulatory agencies but logistics and financial services providers. The runner-up was the Food and Drug Administration, Ministry of Health, Thailand, who presented the development of its e-license system, showing how it was re-engineered in relation to the national single window system. The third award winner was India Customs and CUTS, for a case study on revamping the Customs clearance process in India through establishment of Customs Clearance Facilitation Committee (CCFC) at all major customs seaports and airports in India, complementing national-level institutional arrangements.

More than ten capacity building and other side events were held back-to-back with the APTFF 2017. For details, please visit <https://unnex.unescap.org/content/asia-pacific-trade-facilitation-forum-2017-5-8-september-2017-yogyakarta-indonesia>