

Request for Expression of Interest (EOI)

Research on mutual recognition mechanism for cross-border Paperless Trade

Deadline: 20 January 2019

Background

Recognizing “the importance of trade as an engine for inclusive economic growth and sustainable development” and that “facilitation of cross-border paperless trade makes international trade transactions more efficient and transparent while improving regulatory compliance”, the United Nations Economic and Social Commission for Asia and the Pacific adopted the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (FA-PT)¹ in 2016, a new UN treaty to accelerate and support the digitalization of trade procedures.

The FA-PT includes a dedicated provision on mutual recognition of trade-related data and documents in electronic form in its Article 8, indicating that mutual recognition is to be provided on the basis of a substantially equivalent level of reliability; with substantially equivalent level of reliability to be mutually agreed upon among the Parties after entry into force of the treaty. Article 8 also envisages that parties may enter into additional bilateral and multilateral arrangements to operationalize cross-border mutual recognition, as long as these arrangements do not contradict the Framework Agreement, in particular its General Principles (Article 5).

As part of a larger project aiming to effectively support implementation of cross-border paperless trade in the context of the FA-PT, **the ESCAP Secretariat seeks interested researchers and practitioners of trade facilitation/paperless trade/e-commerce to carry out researches in topics related to mutual recognition mechanism for cross-border Paperless Trade.**

¹ https://treaties.un.org/doc/Treaties/2016/05/20160519%2012-16%20PM/Ch_X-20.pdf

1. Research topics

Each of the of the list topics are related to mutual recognition in and facilitation of cross-border paperless trade and comprises one research respectively. Considering that some topics are closely related each other, you may combine some of the listed topics in your research proposal, if you find it valuable.

- (1) Creating trust in electronic communication environment (transactions based on exchange of electronic data) and importance of mutual recognition mechanism in electronic communication environment:
 - What makes it difficult to create a trust in electronic communication environment, compared to paper-based transaction environment?
 - What is the inherent nature of electronic data that makes it difficult for stakeholders to mutually recognize each other's information?
 - Successful cases of creating electronic communication environment (domestic and/or cross-border) throughout whole process of data cycle (creation, exchange, storage and possibly usage as proof such as in a court). What were the lessons and success factors?
- (2) Lessons from existing practices of cross-border mutual recognition mechanism
 - Analysis on existing practices of cross-border mutual recognition
 - Success factors and lessons learnt from each case
 - Common features of mutual recognition drawn from the analysis of existing practices of cross-border mutual recognition
- (3) Opportunities from emerging technologies to make cross-border mutual recognition of electronic message more effective, economical and/or secure
 - What are current emerging technologies (blockchain, artificial intelligence, internet of things, etc.) that can potentially help mutual recognition of electronic message? Please list them and briefly describe them, including how they help mutual recognition
 - Previous/current cases of application of those emerging technologies in specific domains and lessons/success factors from them.
 - New or potential technologies that may emerge to facilitate cross-border mutual recognition of electronic message in the future
- (4) Legal issues in cross-border mutual recognition and how to address them
 - What are legal issues in cross-border mutual recognition?
 - What are legal requirements/criteria to fulfill for cross-border mutual recognition throughout the whole life-cycle of electronic message (creation, exchange, storage and its usage as proof)?

- What should be done by countries/development partners/international organizations to help address legal issues in cross-border mutual recognition?
- (5) Possible mutual recognition mechanisms under the FA-PT, including how to specify and substantiate mechanism for “substantially equivalent level of reliability”
- What are existing models of and other possible mutual recognition arrangements which could support implementation of FA-PT Article 8? What are pros and cons of each model?
 - Would it be enough to achieve mutual recognition by mutually recognizing only trade-related data and documents in electronic form by parties? If not, what else should be also considered for mutual recognition?
 - How the concept of “substantially equivalent level of reliability” may be specified?
 - What minimum requirement/criteria should be set for all stakeholders to agree on?
- (6) Digitizing attachment documents (B2B) to regulatory documents to maximize trade digitalization.
- What are current practices of submitting those attachment documents, including pros and cons of different practices?
 - How attachment documents, which are inherently from Business-to-Business (B2B) trade transactions, to certain regulatory documents (such as Customs declaration) can also be digitalized?
 - For effective digitalization of attachment documents, what and how trade processes should/can be reengineered?
 - How business models of trade transactions can be innovated to effectively digitalize attachment documents?
- (7) Data exchange across borders among stakeholders may take different forms and arrangements. What are possible different options and models of data exchange for achieving cross-border paperless? For example, it can be a simple exchange of pdf document, verification of information authenticity through online database such as through push or pull mechanism, or exchange of structured data for automated processing, etc. What are pros and cons of each options/models? Under certain circumstances of existing legal, technical and/or capacity gaps, what would be practical transition measures or road map before achieving completely automated data exchange?
- (8) What are essential data elements needed to be exchanged in order to eliminate trade mis-invoicing and reduce illicit financial flows?
- (9) Other topics meaningful/important for mutual recognition in and facilitation of cross-border Paperless Trade

2. Research Duration

Two months (1 February – 31 March 2019)

3. Research Output

A research paper with length of up to A4 30 pages (guidance on writing styles will be provided to the selected proposals).

4. Benefits for the selected proposal

For the selected each proposal, a small consultancy contract with remuneration of 3,000 USD will be issued to support carrying out the research. In addition, the selected proposal will have the following benefit opportunity

- Presentation of research findings as a panelist at the Forum on Trade Digitalization for Sustainable Regional Integration, to be held on 14 – 15 March 2019 in Bangkok (travel expenses for participation will be covered by ESCAP in accordance with the prevail UN rules and regulations);
- Publication of the research findings in ESCAP Studies in Trade, Investment and Innovation Series; and
- Presentations in relevant ESCAP seminar/workshops as a resource person, subject to availability of resources and confirmation of holding such events.

5. EOI Submission (Please apply as soon as possible; deadline: 20 January 2019)

Individual(s) with relevant expertise are invited to submit EOIs to Mr. Yann Duval, Chief, Trade Policy and Facilitation Section, United Nations ESCAP (duvaly@un.org) with a copy to Mr. Sangwon Lim (lim6@un.org)

The EOIs should include:

- (1) An email expressing interest in one of the listed research topics;
- (2) Proposed research plan, including 1) outline and summary of the research, including scope and methodology 2) tentative outcome and work schedule;
- (3) Curriculum Vitae (CV), and any other evidence of relevant work.

6. Selection Criteria

The criteria used to evaluate the proposals will be:

- (1) Feasibility of the proposed research plan (80%): and

(2) Previous work experience in the areas related to the research topic you are applying (20%).

Notes:

1) Only selected candidate(s) would be contacted. If there is no feasible proposal on certain topic, research on that topic would NOT be carried out.

2) Considering specialized nature of topics and tight timeline, it might not be feasible for a proposer to complete the research on time, unless he/she has already worked on the topics as part of her/his previous/current studies/works.

3) You are welcome to make a proposal of your research jointly with other researchers and/or practitioners to maximize synergy and complementarity of expertise. However, consultancy contract will still be issued only to the main proposer (one person).

For further information:

Please email Mr. Sangwon Lim (lim6@un.org), should you have any questions.
