

ESCAP Initiatives and Framework on Trade Facilitation

*Regional Cooperation Dialogue for Trade Facilitation,
3 October 2011, Seoul, Rep. of Korea*

Outline

- APTFF 2009 recommendations
- Introduction to ESCAP
- Overview of ESCAP Trade Facilitation Activities
- UNNE_xT
- ESCAP Trade Cost Database
- ESCAP Trade Facilitation Framework



Relevant APTFF 2009 Recommendations*

- Improve regional/subregional connectivity, including through development of regional/subregional economic and transit corridors and institutional strengthening;
- Harmonize trade-related legal and regulatory systems, including those related to product standards and certification.
- **Share experience on effective and pragmatic subregional approaches to trade facilitation with a view to improve the effectiveness of the existing regional/subregional cooperation initiatives and identify synergies among them.**
- Facilitate collection and exchange of information and expertise in trade facilitation and automation, including through organization of a regular regional trade facilitation forum and/or exhibition and development of regional networks and community of practices in trade facilitation.
- **Consider development of a regional trade facilitation cooperation program and mechanism for the greater Asia-Pacific region, building on existing regional/subregional initiatives;**
- Promote capacity building programs on trade facilitation supported and implemented jointly or in a coordinated manner by relevant global and regional organizations, including ADB, ESCAP and WCO Asia-Pacific Regional Office for Capacity Building.

*http://www.unescap.org/tid/projects/tfforum09_outcome.pdf



Introduction to ESCAP

- Regional (Asia and the Pacific) Branch of the United Nations Secretariat
- 63 member countries covering Central, South, Southeast, East and South Pacific countries
- Mandate: Promote sustainable and inclusive socio-economic development in Asia and the Pacific
 - through facilitation of REGIONAL COOPERATION
- Areas covered: Trade and Investment, Transport, Macroeconomic Policy, Environment, Emerging social issues, Information and Communication Technologies...
 - Trade and Investment: (1) Trade Facilitation; (2) Trade Policy; (3) Investment and Enterprise Development



ESCAP Activities in Trade Facilitation

- Provide regional knowledge-sharing and capacity building platforms:
 - The **United Nations Network of Experts for Paperless Trade in Asia and the Pacific (UNNEXT)**
 - The annual **Asia-Pacific Trade Facilitation Forum & Exhibition (APTFF)**
- Develop guides and training materials to bridge the gap between standards developers and "implementers"
- Deliver specialized national and regional workshops and programmes, as well as on-request advisory services
- Conduct analyses and develop trade facilitation performance indicators,
 - including the **ESCAP Bilateral Trade Cost Database**

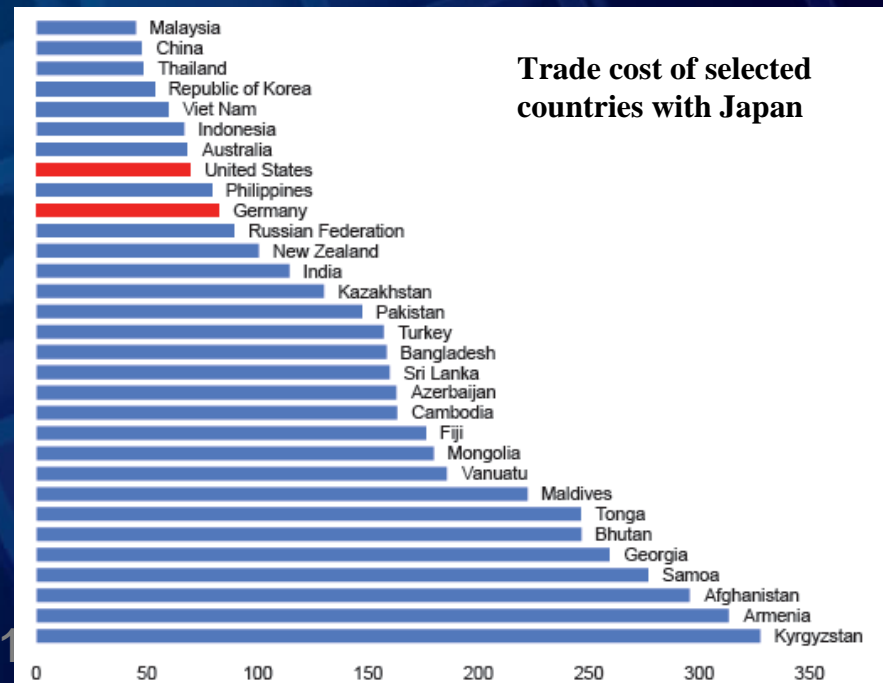


- “*community of knowledge and practice to facilitate the implementation of single window and paperless trade in the region*”
 - Tools and guides development activities
 - Advocacy and Technical Training Workshops
 - Knowledge sharing and peer-to-peer support
- On-going focus:
 - Trade Process Analysis
 - Data Harmonization
 - Legal Framework for Single Window and Paperless Trade



ESCAP Bilateral Trade Cost Database

- Macro-level indicator of Trade Facilitation Performance
 - Measure of all direct and indirect international trade costs between two countries
- Only database providing bilateral trade cost information
 - Directly relevant for intra-regional trade performance monitoring
 - 50+ countries (<http://www.unescap.org/tid/artnet/trade-costs.asp>)
- Version 2.0 under development (in collaboration with the World Bank)
 - 107 countries
 - Enhanced trade cost indicators
 - Disaggregated into:
 - Industry trade costs
 - & Agricultural trade costs
 - To be available by: Dec. 2011



Intra & Inter subregional Trade Costs in Asia

(excluding tariff; 2007 in tariff equivalent; changes since 2003 in parenthesis)

	ASEAN-4	East and North-East Asia	North and Central Asia	SAARC-4	Aus-NZ	EU-5	NAFTA
ASEAN-4	49% (-1%)						
East and North-East Asia	132% (na)	105% (na)					
North and Central Asia	259% (10%)	193% (-5%)	148% (12%)				
SAARC-4	117% (-4%)	201% (na)	258% (-6%)	113% (-5%)			
Aus-NZ	85% (-2%)	143% (na)	313% (-4%)	145% (0%)	61% (3%)		
EU-5	105% (2%)	127% (na)	161% (-3%)	124% (-2%)	122% (0%)	59% (-3%)	
NAFTA	101% (3%)	109% (na)	244% (10%)	137% (-7%)	122%(6 %)	104% (1%)	50% (15%)

→ Intra-Asia trade cost **HIGHER** than trade cost of Asia with non-Asian partners

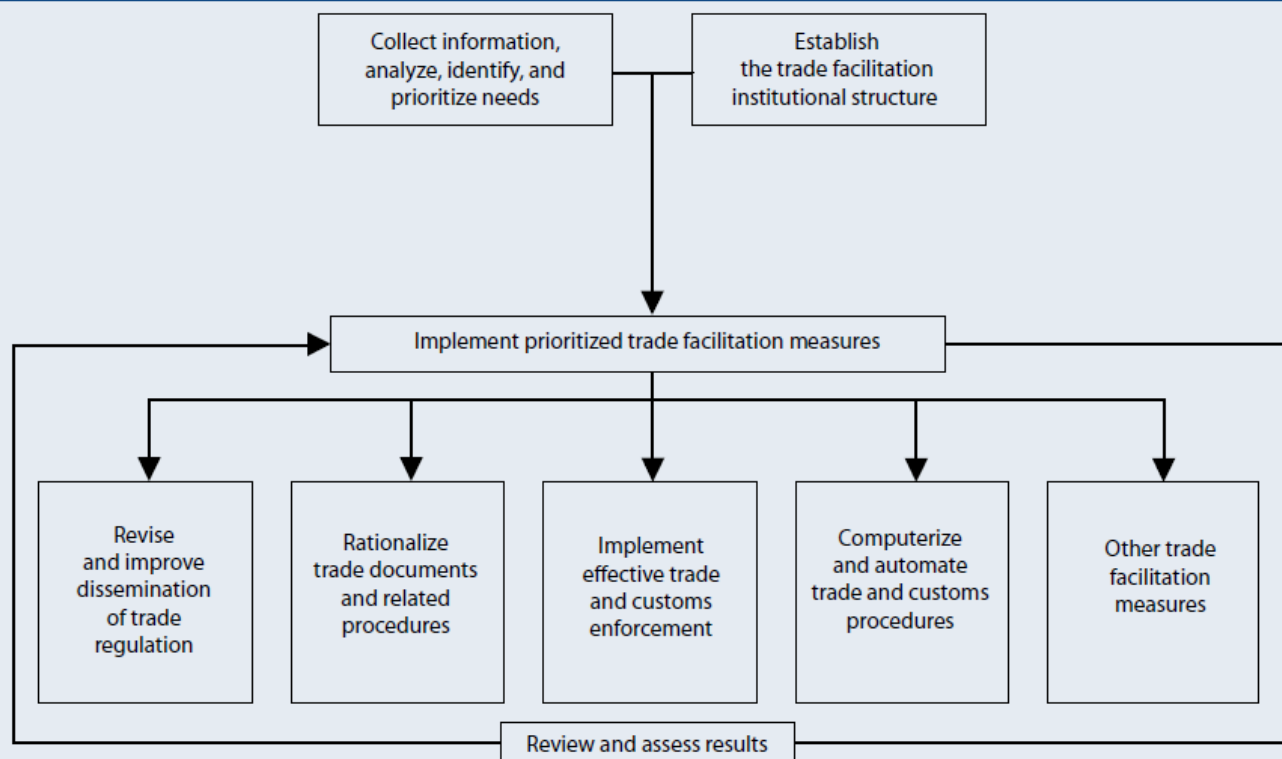
ESCAP Trade Facilitation Framework (1)

- Developed by a regional team of TF experts in 2003/4

- What is it?

- Series of suggested Trade Facilitation implementation steps and sub-steps
- With associated (yes/no) indicators (to assess state of implementation)
- Also include suggested key performance indicators

Figure 3.1: Step-by-Step Trade Facilitation: A Framework for Action



Source: ESCAP, 2004.

– <http://www.unescap.org/tid/publication/t&ipub2327.asp>



ESCAP Trade Facilitation Framework (2)

- (known) Applications so far:
 - Applied in several Central Asian countries on a pilot basis in 2004-5
 - Unclear whether the framework was used for monitoring of TF implementation by individual countries after project ended
 - Used as the basis for development of the ASEAN Trade Facilitation Framework (mandated as part of the ASEAN Trade in Goods Agreement implementation)
 - ASEAN has not made its framework public;
- Simplified and updated version introduced in the ADB-ESCAP Reference Book on “*Designing and Implementing Trade Facilitation in Asia and the Pacific*”, 2009
 - http://www.unescap.org/tid/projects/tfforum_adbescapbook.pdf



Thank You

