

# APEC Trade Facilitation Initiatives

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*Presented by*

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**Asia-Pacific  
Economic Cooperation**

**Advancing** Free Trade for Asia-Pacific **Prosperity**

# About APEC



Asia-Pacific  
Economic Cooperation



# APEC's Vision



## 1994 Bogor Goals

*“Free and open trade and investment in the Asia-Pacific”*

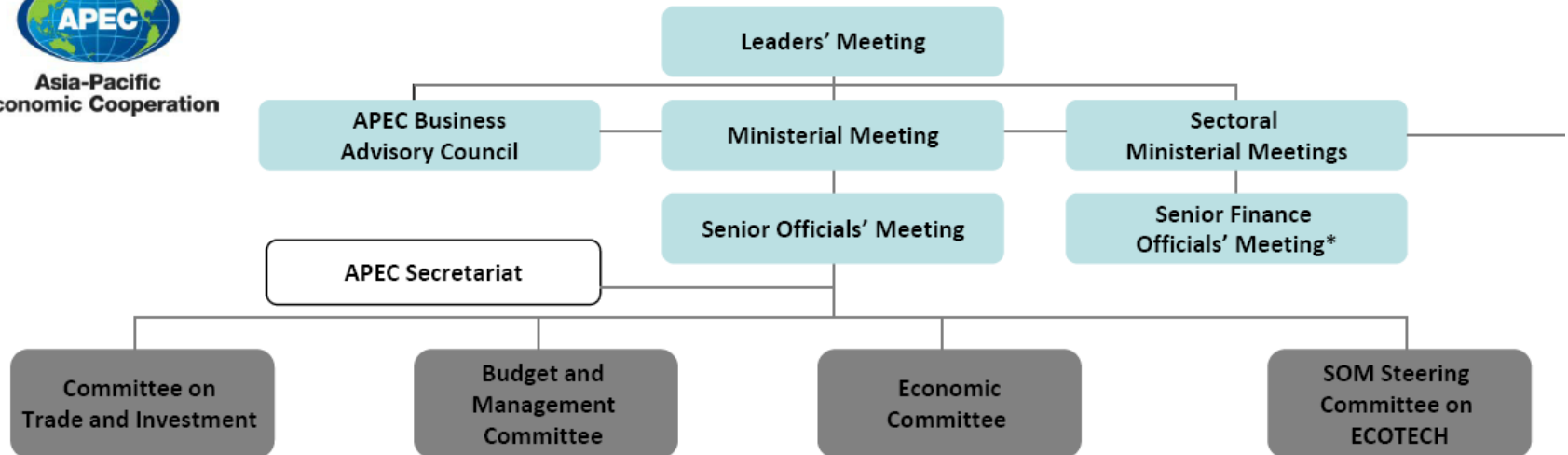
### APEC's Three Pillars

- ☐ Trade and Investment Liberalisation
- ☐ Business Facilitation
- ☐ Economic and Technical Cooperation

# APEC Structure



## ASIA-PACIFIC ECONOMIC COOPERATION



Trade and investment liberalisation and facilitation are the cornerstones of APEC's mission and activities, and the Committee on Trade and Investment (CTI) is the coordinating body for all of APEC's work in these areas.

The CTI provides a forum for APEC's 21 member economies to deliberate trade and policy issues. It works to reduce impediments to business activity in the areas outlined by the [Osaka Action Agenda](#), with the objective of helping APEC economies achieve the [Bogor Goals](#) of free and open trade and investment.

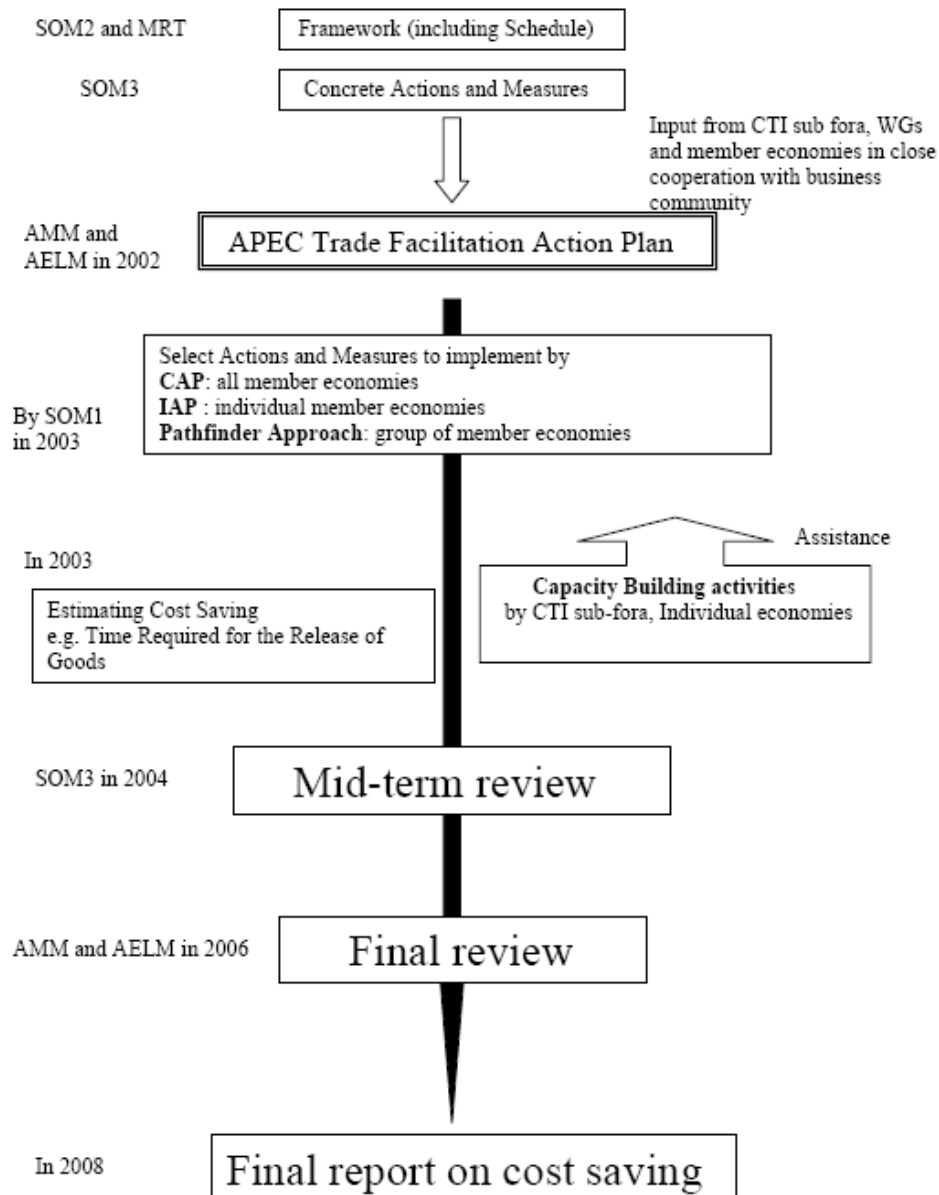
# Trade Facilitation in APEC

- TFAP I : 2001-06
- TFAP II: 2007-10



- 5% Costs Reduction

## Overview of APEC Trade Facilitation Action Plan





# Assessment of TFAP I

## (A) Customs Procedures

1. Public availability of information
2. Appropriate, Transparent and Predictable
3. Harmonization of Tariff Structure with HS
4. Simplification and Harmonization on the Basis of Kyoto Convention
5. Paperless/Automation of procedures
6. Adoption of Standard Electronic Format (WCO)
7. Adoption of WTO Valuation Agreement Principles
8. Clear Appeals Provision
9. Risk Management
10. Guidelines for Express Consignment Clearance
11. Provision for Temporary Importation
12. Other Actions/Measures

# Assessment of TFAP I

## (B) Standards and Conformance

1. Align Regulations, Rules and Procedures, Standards and Codes on the Basis of International Standards
2. Achieve Recognition of Conformity Assessment (CA)
3. Technical Infrastructure Development
4. Ensure the Transparency of the Standards and CA

## (C) Mobility of Business People

1. Streamline and Standardize Procedures
2. Enhance the use of ICT

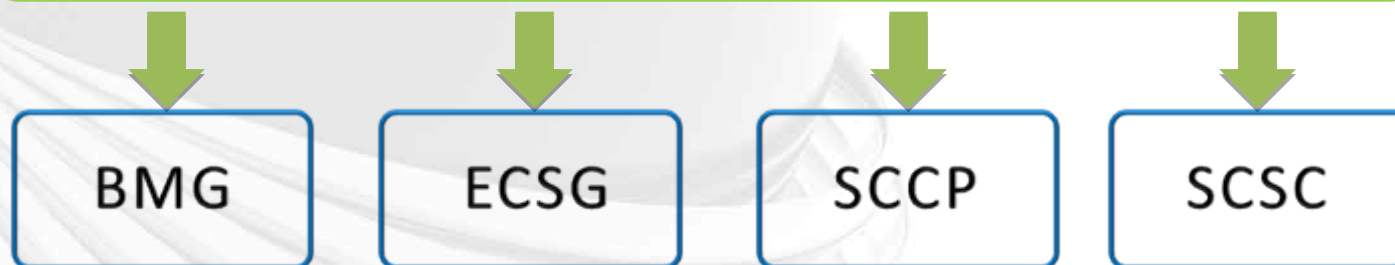
## (D) E-Commerce

1. Removing Barriers to Electronic Commerce
2. Speed the use of E-commerce
3. Others

# TFAP II Assessment

**Part I** - Direct estimation of the reduction in trade transaction costs using Trading Across Borders data (2006-2010)

**Part II** - Contribution of TFAP II sub-fora towards reducing trade transaction costs





# TFAP II Assessment

SCCP (Customs)	Suggested KPI
Time Release Survey of Goods (TRS)	1. Import clearance time (time of lodgement to approval of declaration) 2. Export clearance time (time of lodgement to approval of declaration)
Implement APEC Framework based on the WCO Framework of Standards	3. Number of authorised economic operators 4. Percentage of trade covered by authorised economic operators
Simplification and Harmonization based on the Revised Kyoto Convention	5. Number of documents required by Customs for import of goods 6. Number of documents required by Customs for export of goods
Paperless and/or Automation of Trade-related Procedures	7. Percentage of import declarations lodged and processed electronically 8. Percentage of export declarations lodged and processed electronically

BMG (Business Mobility)	Suggested KPI
Streamline and standardise procedures to enhance the mobility of business people engaged in the conduct of trade and investment	1. Total number of ABTC card holders and variation from previous year 2. Percentage of expired ABTC holders who have re-applied for a new ABTC 3. Total pre-border application time saved by ABTC 4. Total time saved clearing immigration at the border by ABTC (hours/minutes) 5. Total cost savings in business entry fees by ABTC (USD)
	6. Processing time for intra-company transfer applications (average, in days) and change from previous year
Enhance the use of ICT to facilitate movement across borders	7. Processing time for business visa/entry (average, in days/hours) and change from previous year

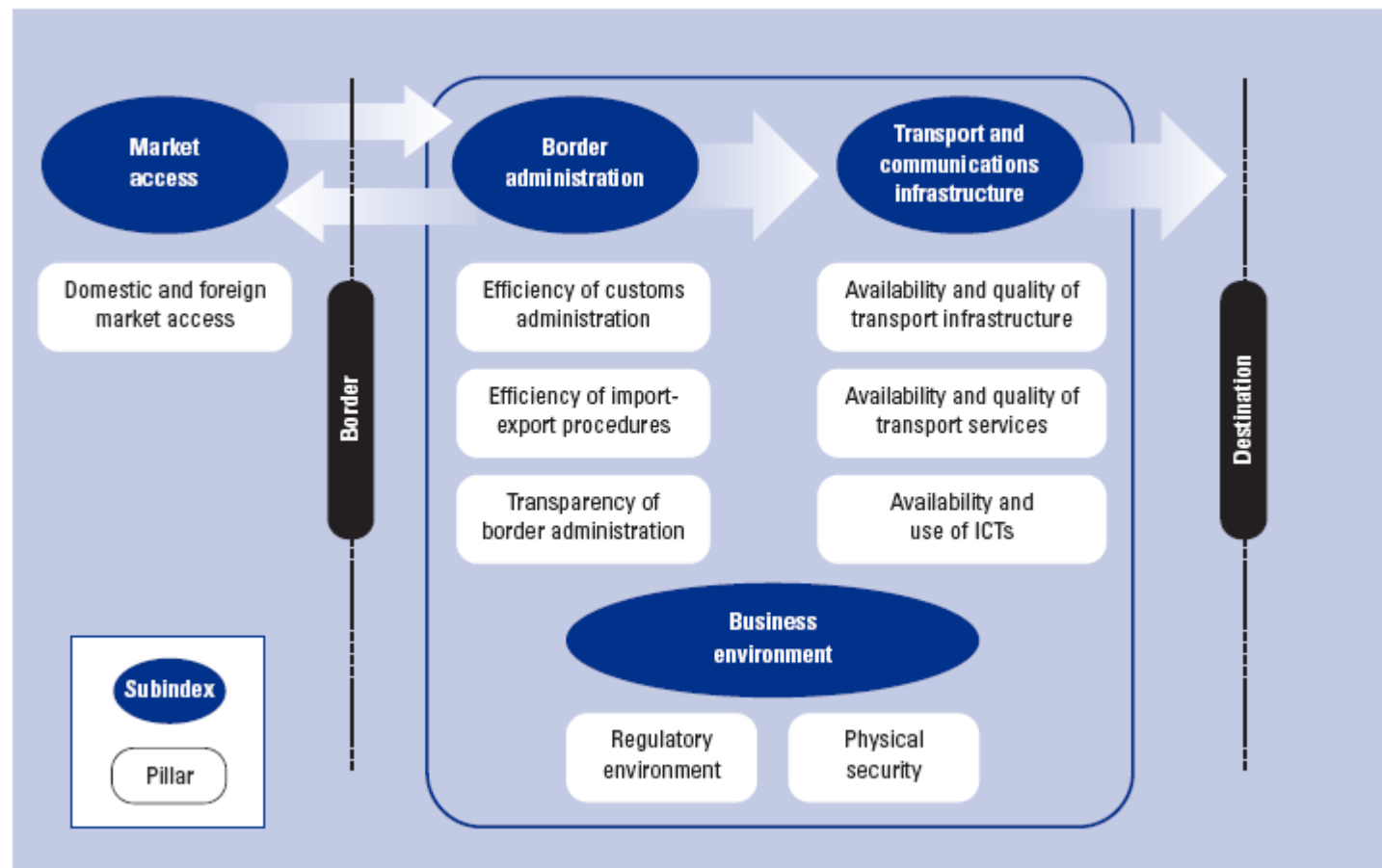
# TFAP II Assessment

SCSC (Standards and Conformance)	Suggested KPI
Align APEC Economies' Domestic Standards with International Standards	1. Percentage of imports of a specific product covered by international standards under IECEE/CB as opposed to domestic standards where imports, like domestic products, are regulated to comply with specified standards (case study)
	2. Reduction in the number of EE products under IECEE/CB scheme that have to have different specifications to enter markets with different regulatory standards
	3. Reduction in comparative cost of getting a representative product to market after adoption of agreed international standards (case study)
Achieve recognition of conformance in regulated and voluntary sectors	4. Change in costs of conformance of products covered by the EEMRA and the IECEE/CB with regulatory standards in import markets

ECSG (Electronic Commerce)	Suggested KPI
Remove barriers to electronic commerce	1. Percentage reduction in operating and service delivery costs
	2. Percentage of relevant data stakeholders can access electronically
	3. Number of stakeholders that have incorporated electronic transactions into their business processes

# The Global Enabling Trade Report 2010

Figure 1: Composition of the four subindexes of the ETI



# Trading Across Borders 2011



## Trading Across Borders Across Regions (Export)

<u>Region</u>	<u>Documents to export (number)</u>	<u>Time to export (days)</u>	<u>Costs to export (US\$ per container)</u>
APEC	5.5	15.0	846.6
East Asia & Pacific (EAP)	6.4	22.7	889.8
European Union (EU)	4.5	11.5	1,025.3
Latin America	7.1	19.0	1,310.6
Organization for Economic Co-Operation and Development (OECD)	4.4	10.9	1,058.7
South Asia (SA)	8.5	32.3	1,511.6

## Trading Across Borders Across Regions (Import)

<u>Region</u>	<u>Documents to import (number)</u>	<u>Time to import (days)</u>	<u>Cost to import (US\$ per container)</u>
APEC	6.0	15.2	912.8
East Asia & Pacific (EAP)	6.9	24.1	934.7
European Union (EU)	5.3	12.1	1,086.5
Latin America	7.5	22.0	1,441.1
Organization for Economic Co-Operation and Development (OECD)	4.9	11.4	1,106.3
South Asia (SA)	9.0	32.5	1,744.5

# Logistics Performance Index 2010

**Table 3.1**    **Typology of countries according to impediments to logistics performance**

<b>Logistics performance impediments</b>	<b>Logistics unfriendly</b>	<b>Partial performers</b>	<b>Consistent performers</b>	<b>Logistics friendly</b>
Trade-related infrastructure	Serious constraint	Major constraint	Capacity bottlenecks to support trade expansion	Few bottlenecks, except rail
Quality and supply of logistics services	Low development	Weak market	Emergence of a diversified supply of logistics services	Industry leaders
Core customs modernization	Often still a major constraint	Potentially a major constraint	No longer a constraint	Best practice
Integration of border management	Comparatively a lesser problem	Major constraint	Typically the final binding constraint	Lesser problem
Regional facilitation and transit	Main issue for landlocked least developed countries	Problematic	Depends on the region	Streamlined

*Source:* Logistics performance survey data, 2009.



# ASIA 2050 (ADB)

Figure 1 | From conflict to cooperation

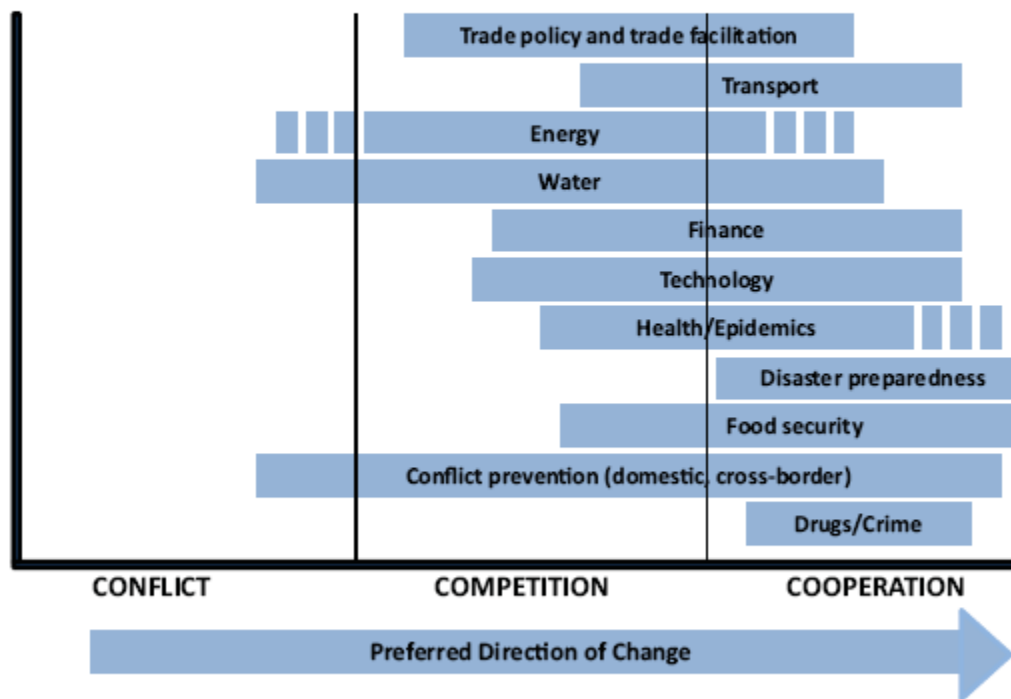
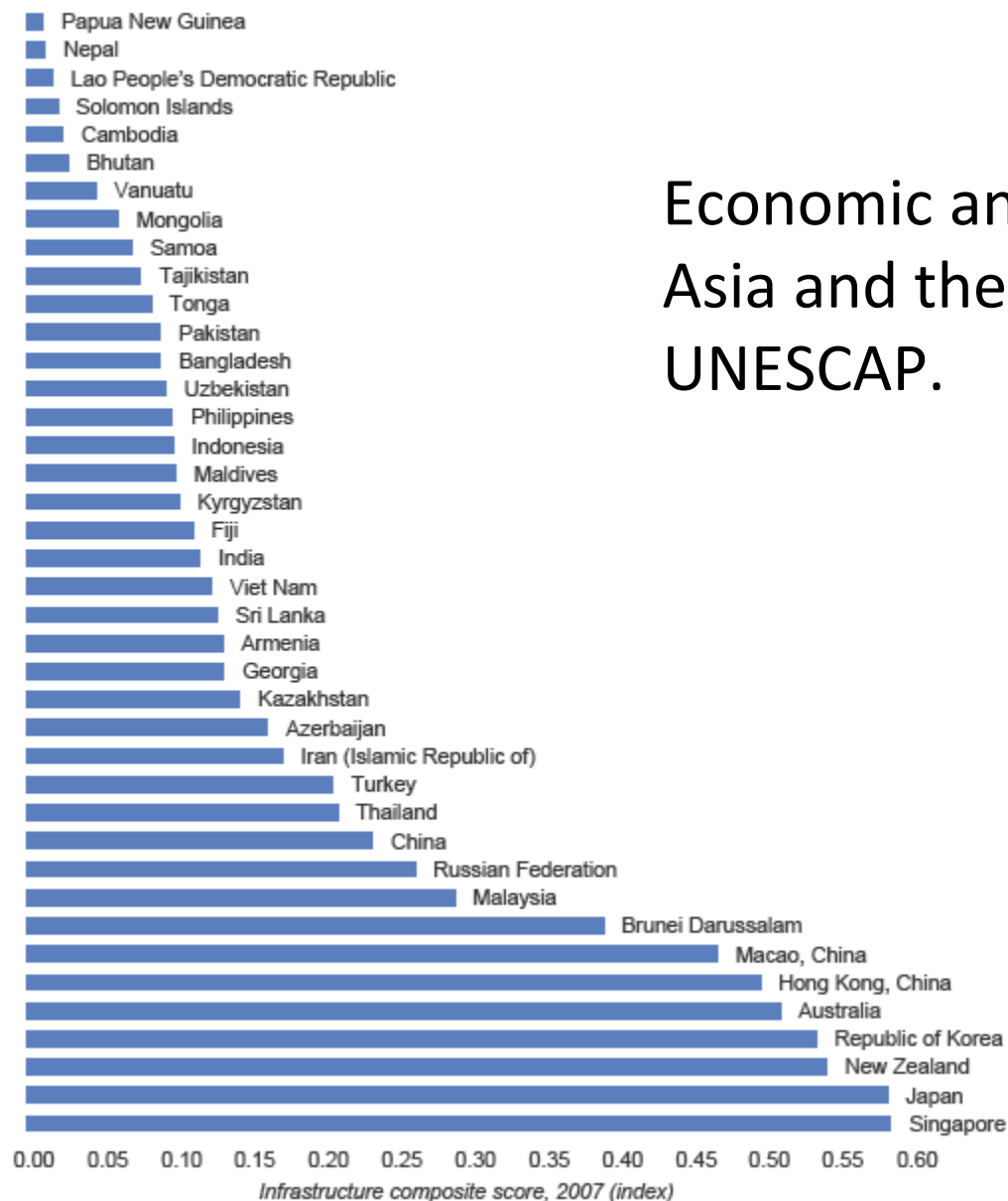


Figure 3.19. Gaps In Infrastructure development In Asia and the Pacific, 2007



Economic and Social Survey of  
Asia and the Pacific 2011,  
UNESCAP.

# Way forward for APEC



- Stronger Regional Economic Integration
- Resist protectionism pressures
- FTAAP (Free Trade Area of the Asia Pacific)
- Supply Chain Connectivity Action Plan
- Identifying 'the low hanging fruit'
- "Next generation" trade and investment issues.
- End of presentation, thank you.