



UNITED NATIONS
ESCAP

Economic and Social Commission for Asia and the Pacific

Paperless Trade and Single Window: How It Improves Trade Competitiveness

ECO-ESCAP Joint Trade Facilitation Forum on Paperless Trade and Single Window

24-25 May 2012

Kish Island, Islamic Republic of Iran

Sangwon Lim

Trade Facilitation Section

Trade and Investment Division, ESCAP

ESCAP Region and ECO



Trade Facilitation is



- ❖ “the simplification and harmonization of international trade procedures.”
- ❖ “Measures that aims to increase the cost-effectiveness of international trade transactions”.

Trade Costs among ECO Countries

	Period	AFG	AZE	IRN	KAZ	KGZ	PAK	TUR	TKM
Afghanistan (AFG)	2000-2004		N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2005-2009		485%	N/A	156%	305%	149%	231%	N/A
Azerbaijan (AZE)	2000-2004	N/A		340%	288%	453%	1008%	310%	291%
	2005-2009	485%		301%	142%	249%	390%	132%	N/A
Iran, Islamic Rep. (IRN)	2000-2004	N/A	340%		147%	185%	167%	173%	163%
	2005-2009	N/A	301%		150%	211%	156%	141%	N/A
Kazakhstan (KAZ)	2000-2004	N/A	288%	147%		84%	383%	126%	145%
	2005-2009	156%	142%	150%		77%	273%	92%	N/A
Kyrgyz Republic (KGZ)	2000-2004	N/A	453%	185%	84%		542%	189%	117%
	2005-2009	305%	249%	211%	77%		392%	156%	N/A
Pakistan (PAK)	2000-2004	N/A	1008%	167%	383%	542%		192%	N/A
	2005-2009	149%	390%	156%	273%	392%		157%	N/A
Turkey (TUR)	2000-2004	N/A	310%	173%	126%	189%	192%		112%
	2005-2009	231%	132%	141%	92%	156%	157%		
Turkmenistan (TKM)	2000-2004	N/A	291%	163%	145%	117%	N/A	112%	
	2005-2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

Source: ESCAP Trade Cost Database

Intra & Inter subregional Trade Costs in Asia

Regional Group	period	ECO	CLMV	non-CLMV	East	EU-3	NA	PE
ECO	2000-2004	255%	410%	350%	270%	215%	263%	351%
	2005-2009	208%	281%	281%	196%	160%	197%	310%
South-east Asia: CLMV	2000-2004	410%	122%	169%	161%	156%	186%	225%
	2005-2009	281%	94%	150%	139%	140%	145%	187%
South-east Asia: non-CLMV	2000-2004	350%	169%	94%	93%	114%	106%	117%
	2005-2009	281%	150%	83%	83%	108%	97%	103%
East Asia (East)	2000-2004	270%	161%	93%	72%	98%	84%	105%
	2005-2009	196%	139%	83%	61%	86%	76%	93%
Europe-3 (EU-3)	2000-2004	215%	156%	114%	98%	48%	83%	118%
	2005-2009	160%	140%	108%	86%	37%	73%	103%
North America (NA)	2000-2004	263%	186%	106%	84%	83%	29%	110%
	2005-2009	197%	145%	97%	76%	73%	27%	100%
Pacific Economies (PE)	2000-2004	351%	225%	117%	105%	118%	110%	60%
	2005-2009	310%	187%	103%	93%	103%	100%	49%

Economic Cooperation Organization (ECO): Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Turkey, and Turkmenistan (data for Tajikistan and Uzbekistan is not available)

South-east Asia: CLMV (CLMV): Cambodia, and Vietnam

South-east Asia: non-CLMV (non-CLMV): Indonesia, Malaysia, Philippines, and Thailand

North America (NA): Canada, and the USA

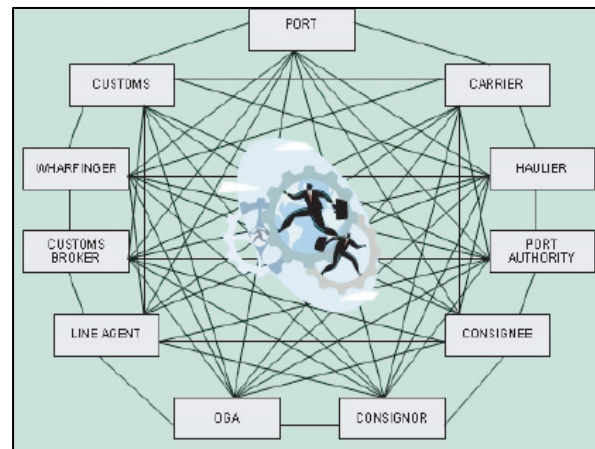
Europe-3 (EU-3): France, Germany, and the UK

Pacific Economies (PE): Australia, and New Zealand

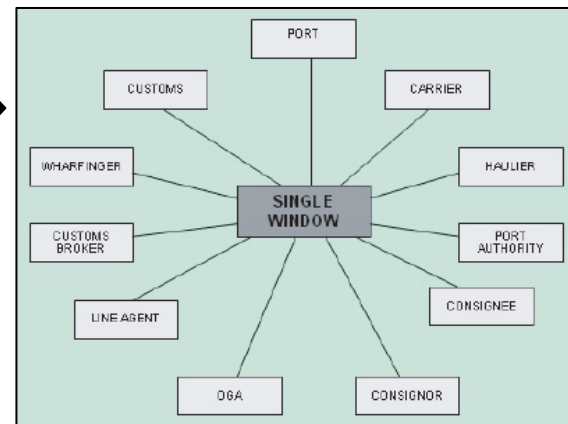
Paperless Trade

- A trade transaction typically involves at least **15 different parties** and well **over 20 different documents**
- Procedures related to preparation and exchange of trade documents create **huge direct and indirect costs** (up to **15% of the cost of goods**)
- Enabling paperless trade, e.g., through operation of electronic single window facilities, can dramatically reduce these costs

From

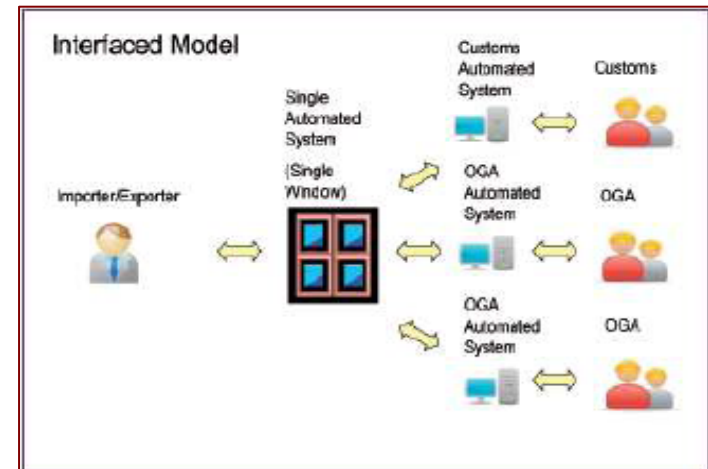
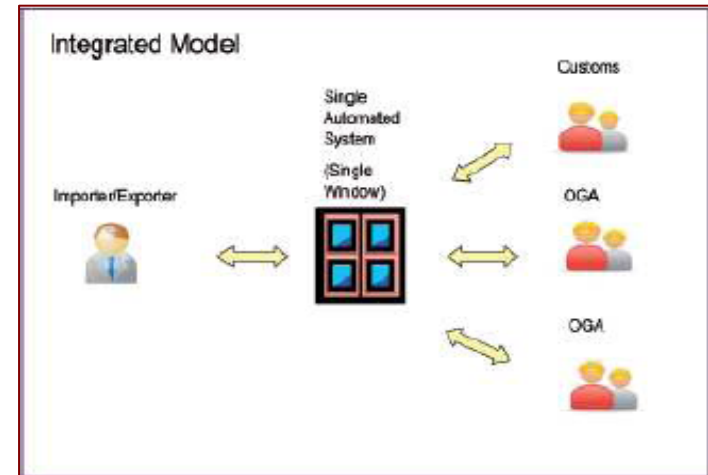
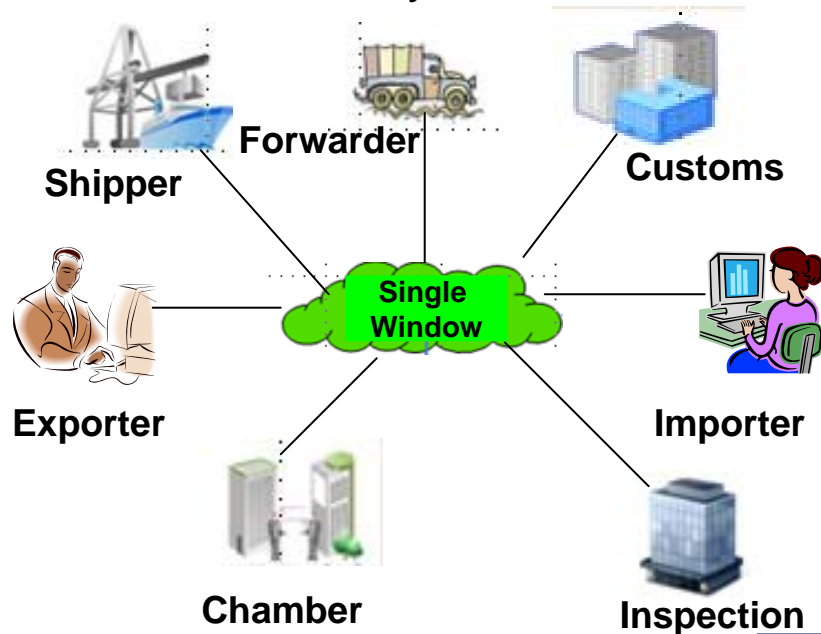


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Single Window

“A facility that allows parties involved in trade and transport to lodge standardized information and documents with a **single entry point** to fulfill all import, export, and transit-related regulatory requirements. If information is electronic, then individual data should only be submitted once.”



Source: UNECE Rec. 33, APEC Report

Benefits of Single Window

Government

Effective & Efficient
Deployment of
Resources

Correct
Revenue
Yield

Improved
Trader
Compliance

Enhanced
Security

Increased
Integrity &
Transparency

Traders

Cutting Costs
through
Reducing Delays

Faster
Clearance &
Release

Predictable
Application and
Explanation of Rules

Effective & Efficient
Deployment of
Resources

Increased
Transparency

*Single
Window*

Benefits Materialized through Implementation of Paperless Trade and Single Window

- ❑ After introducing the SW in Singapore, the time to process trade documents was reduced from 4 days to 15 minutes.
- ❑ Thailand has implemented a number of trade facilitation measures such as procedural reforms and customs modernization as groundwork for SW development. These measures have eliminated redundant processes and reduced the number of days for export from 24 days (in 2006) to 14 days (in 2009).
- ❑ In Hong Kong, China annual savings from the automated information transaction system are estimated at HK\$1.3 billion.
- ❑ The total savings for the business community from the use of the uTradeHub, which provides an automated information transaction system in the Republic of Korea, estimate to be 1 billion and 818.9 million USD. These include savings from transmission cost by using e-documents, improving productivity by automating administrative work and improved management, storage and retrieval of information and documents through use of Information Technology.

Source: UNNExT Brief #1

Single Window and Trade Efficiency

Country	Single Window	Logistics Performance Index	Trading Across Borders*
Singapore	Yes	1 (4.13)	1
Hong Kong SAR, China	Yes	2 (4.12)	2
Mongolia	No	140 (2.25)	159
Nepal	No	151 (2.04)	162
Afghanistan	No	135 (2.30)	179
Azerbaijan	No	116 (2.48)	170
Iran	No	112 (2.49)	138
Kazakhstan	No	86 (2.69)	176
Kyrgyz Republic	No	130 (2.35)	171
Pakistan	No	71 (2.83)	75
Tajikistan	No	136 (2.28)	177
Turkey	No	27 (3.51)	80
Turkmenistan	No	-	-
Uzbekistan	No	117 (2.46)	183

Source: World Bank LPI 2012 & Doing Business 2012

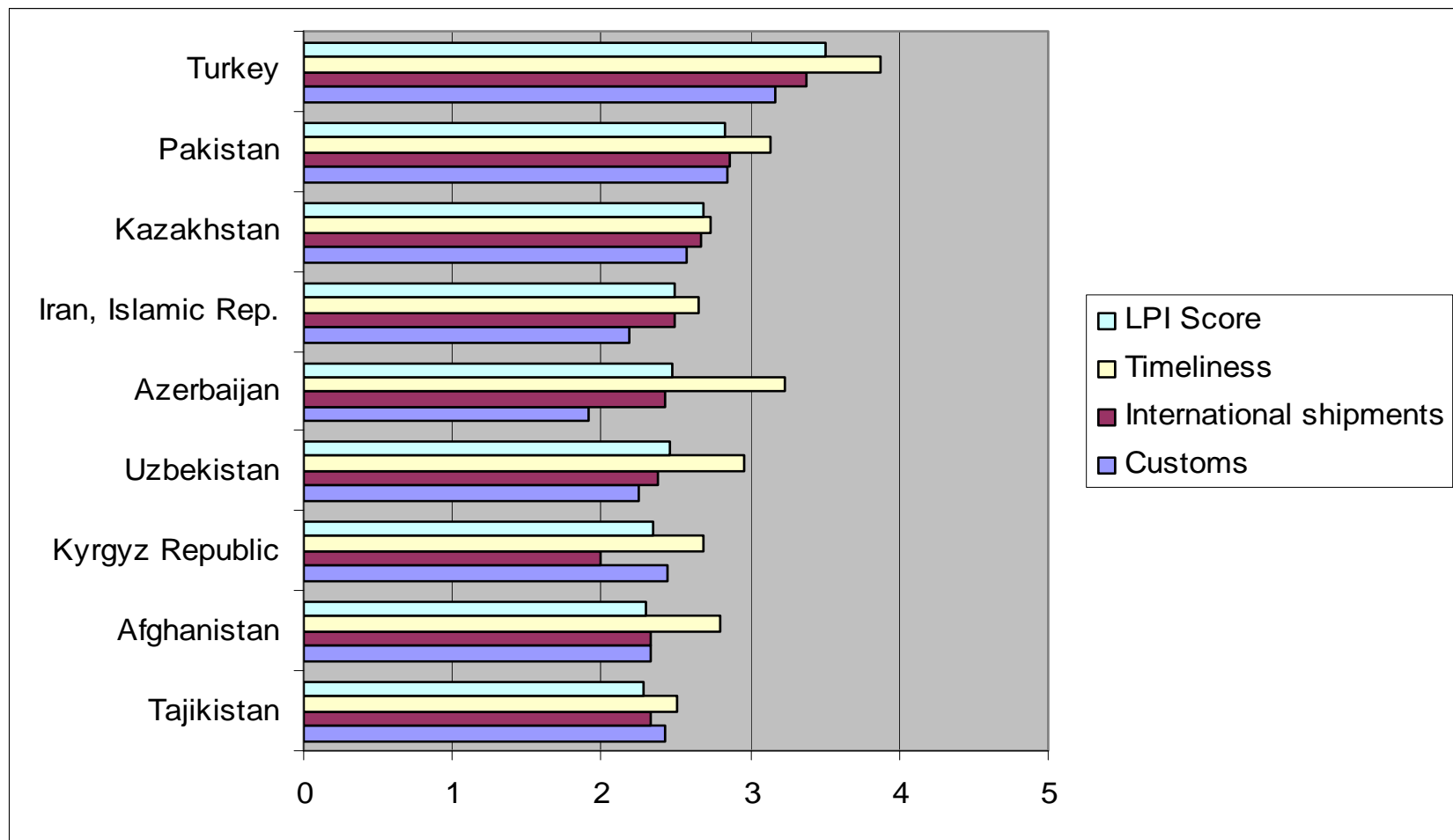
* World Bank: Doing Business

Single Window and Trade Efficiency (cont'd)

Trading across borders	Singapore	Islamic Republic of Iran
Rank	1	138
Documents to Export	4	7
Time to Export	5	25
Cost to Export	456	1,275
Documents to Import	4	8
Time to Import	4	32
Cost to Import	439	1,885

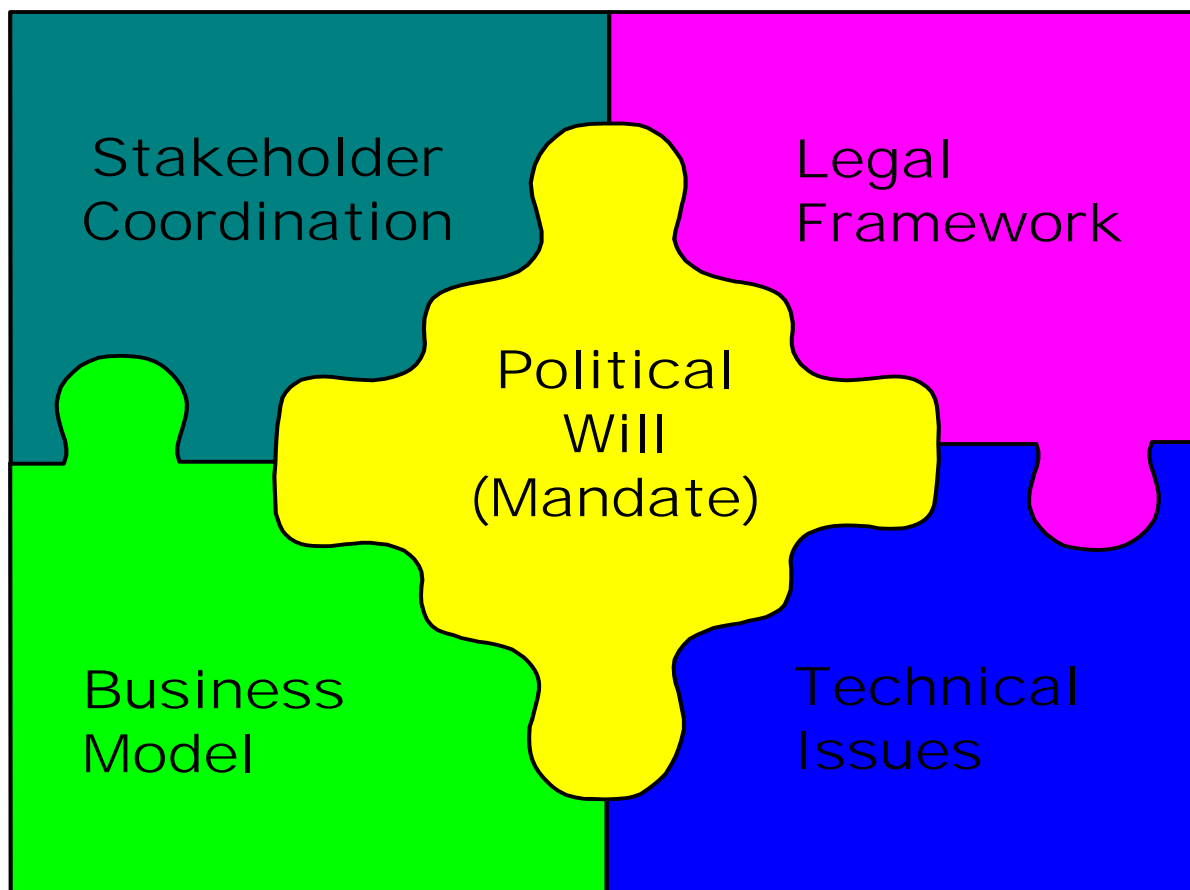
Index: Number, Day and US\$

Logistics Performance of ECO Countries



Source: World Bank LPI 2012

Critical Factors of Successful Single Window Implementation



Thank you

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