

### **Setting the scene**

Implementing WTO Trade Facilitation Agreement in Asia and the Pacific: Can we go beyond ticking the boxes?

Trade Forum Session 2: Enhancing Sustainable and Resilient Trade Facilitation ADB Head Quarter, Manila, 20 March 2024

### Mohammad Ehteshamul Hoque

Trade Specialist, RCI and Trade Division Climate Change and Sustainable Development Department



# Implementation of WTO TFA by the Asia-Pacific economies

#### 100% East Asia (82.5%) Russian South Asia, Iran, Southeast Asia Australia Federation and and Turkey and Timor-Leste and New Central Asia (63.1%) Zealand (74.3%) (96.8%) (71.4%)75% Pacific (40.1%) 50% 25% 0% Australia New Zealand Armenia Nauru Palau Guinea Tonga\_ Tuvalu\_ Afghanistan Bangladesh Bhutan Mongolia Kiribati FSM ndonesia\_ Lao PDR kistan kistan slands India Turkey \_ Istan plic tion amoa ran gapore Nam PRC apan Republic of orgia Vanuatu Pakistan Sri Lanka russalam ambodia Aalaysia yanmar ilippines Maldives Nepal Viet Solomon Papua New Korea, ᡖ Source: UN ESCAP/ADB: Asia Pacific Trade Transparency Formalities Institutional arrangement Paperless trade Cross-border paperless trade and cooperation

#### **Overall Implementation of Trade Facilitation Measures in 46 Asia and Pacific Countries**

INTERNAL. This information is accessible to ADB Management and staff. It may be shared outside ADB with appropriate permission.

**Facilitation Report 2021** 

# Implementation of WTO TFA: by region

#### Share of Categories A, B, C by region

 $\equiv$ 



Based on % of all notifiable article items

Source: World Trade Organization https://www.tfadatabase.org/en/notifications/ global-analysis

### Highest and lowest implemented measures in the AP



Category A current commitments

Category B current commitments

Category C current commitments

Source: World Trade organization: Trade Facilitation Agreement Database https://tfadatabase.org/en/implementation/progress-by-measure

## **Negative Consequences of Trade on Environment**



# Should we continue to facilitate trade?

TF enables countries to access larger markets, increase export opportunities, and attract foreign investment. Streamlining trade procedures and reducing costs through TF measures improve efficiency and productivity of businesses. TF contributes to poverty reduction by **fostering inclusive growth and expanding economic opportunities** for individuals and communities.

TF promotes **innovation and technology transfer** by facilitating the exchange of ideas, knowledge, and technology across borders.

TF fosters RCI by promoting closer economic ties between countries. Integrating environmental considerations into TF measures can help minimize adverse environmental effects and support the transition to a greener and more sustainable economy.

# Some Initiatives

Green Customs Initiative – a collaborative effort between the United Nations Environment, WCO and INTERPOL – mostly focus on implementation of MEAs (i.e. Basel, Stockholm, Minamata, Rotterdam Conventions, CITES, OPCW, Cartagena Protocol) and aims to strengthen customs enforcement of environmental laws and regulations

aims to enhance customs cooperation among APEC member economies to address environmental challenges related to trade and focuses on promoting sustainable trade practices, combating illegal trade in environmental goods, and enhancing customs enforcement of environmental regulations

> WTO Committee on Trade and Environment (CTE) –

provides a forum for discussing trade and environment issues, including green trade facilitation measures and the relationship between trade and environmental policies

•Source: https://www.apec.org/Groups/Com mittee-on-Trade-and-Investment/~/media/Files/Groups/C TI/Green Customs/2020/CTI-Green-Customs-Initiative-2020.pdf https://www.oecd.org/environment /green-growth/green-actionprogramme/ https://www.unep.org/exploretopics/environmentalgovernance/what-wedo/combatting-environmentalcrime/green-customs-initiative https://www.wto.org/english/tratop e/envir e/envir e.htm

promotes green growth and sustainable development through trade and environmental policies and focuses on integrating environmental considerations into trade policies, enhancing ecoinnovation, and promoting green trade facilitation practices

OECD Green Action Programme

**APEC Green** 

Customs

Initiative –

### Implementation of Digital and Sustainable Trade Facilitation



Trade facilitation for SMEs 5 measures)	made-related information measures for small and medium-sized enterprises (SMES)	
	SMEs in Authorized Economic Operators (AEO) scheme (i.e., government has developed specific measures that enable SMEs to more easily benefit from the AEO scheme)	
	SMEs access single window (i.e., government has taken actions to make single windows more easily accessible to SMEs, e.g., by providing technical consultation and training services to SMEs on registering and using the facility.)	
	SMEs in a national trade facilitation committee (i.e., government has taken actions to ensure that SMEs are well-represented and made key members of national trade facilitation committees)	
	Other special measures for SMEs	
Agricultural trade facilitation 4 measures)	Testing and laboratory facilities available to meet SPS standards of main trading partners	
	National standards and accreditation bodies are established to facilitate compliance with SPS standards	
	Electronic application and issuance of SPS certificates	
	Special treatment for perishable goods at border crossings	7.9
Women in trade facilitation 8 measures)	Trade facilitation policy/strategy to increase women's participation in trade	
	Trade facilitation measures to benefit women involved in trade	
	Women membership in the national trade facilitation committee or similar bodies	

an (CMER)

Source: UN ESCAP/ADB: Asia Pacific Trade Facilitation Report 2021

### Green Trade Facilitation (Going beyond ticking boxes)

### • TFA Measure 7.7 – Authorized Operators

• Further to compliance to customs law and other related regulations, management of records, financial solvency and supply chain security, maintaining environmental standards may be added as a criterion for AO benefits

### • TFA Measure 10.3 - Use of International Standards

- OECD suggests, the inclusion of environmental provisions in bilateral and <u>regional trade</u> <u>agreements</u> help harmonise environmental regulations between developed and developing countries.
- The following measures are already environmentally friendly since they are aimed to efficient and optimum use of resources, reduced documentation, paperwork and red-tape, avoidance of port congestion, lowering carbon emissions.

1.2 (Information available through internet)	1.3 (Enquiry points)
7.2 (Electronic payment)	7.5 (Post Clearance Audit)
7.8 (Expedited shipments)	8 (Border agency cooperation)
9 (Movement of goods to an inland customs depot)	10.1 (Formalities and documentation)