

**International Treaties for Paperless Trade
Facilitation and e-commerce: Advantages for
SMEs**

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Initiatives for (Cross-border) Paperless Trade Facilitation and e-commerce: Regional Landscape

National, Bilateral and Subregional Paperless Trade Initiatives

Type		Countries/Economies/Cases
National	Single Window (in operation)	Azerbaijan, Japan, Indonesia, Malaysia, Philippines, Republic of Korea, Singapore, Thailand
	Single Window (under development)	China, all other ASEAN countries, Kazakhstan, Mongolia, Turkey, Tajikistan, Uzbekistan, Russian Federation, India
	Other Paperless Trade Systems	<ul style="list-style-type: none"> - India's Indian Customs EDI System (ICES) - China's e-Ports - Pakistan's Web-Based One Customs (WeBOC) - Online e-C/O systems of Chamber of Commerce
Cross-border	One directional Initiative	- Advance Filing Rule (Japan), Advance Manifest Service (Korea, China)
	Bilateral Initiatives	<ul style="list-style-type: none"> - Electronic Certificate of Origin between Republic of Korea and Taiwan Province of China - Electronic Certificate of Origin data exchange between China and Hong Kong and Macau - Electronic Sanitary and Phyto-Sanitary (e-SPS) exchange between Australia and New Zealand
	Sub-regional Initiatives	<ul style="list-style-type: none"> - ASEAN Single Window (Electronic Exchange of Preferential Certificate of Origin among ASEAN members) - Pan Asian e-Commerce Alliance (PAA) - Northeast Asia Logistics Information Network (NEALNET)

Trade Agreement with Paperless Trade Provision

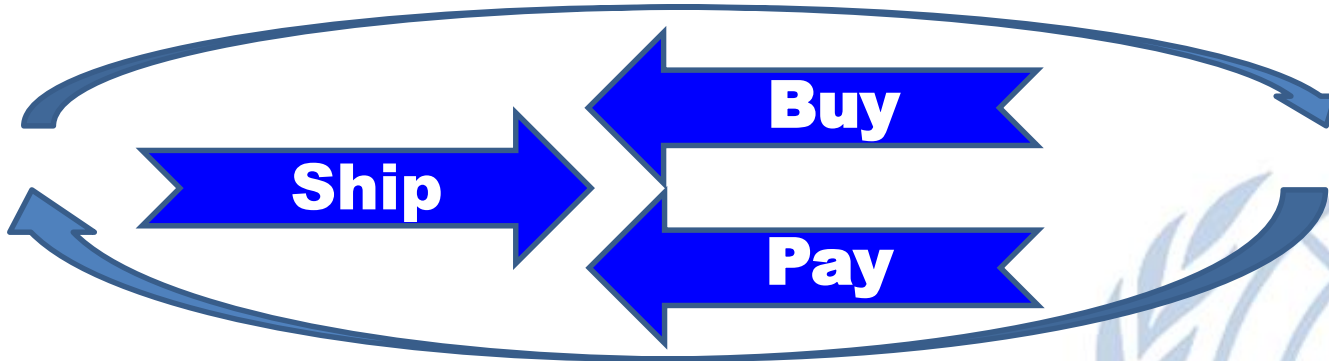
FTA	Nature of Commitment
ASEAN-Australia-New Zealand FTA	Best Endeavour
Australia-Chile FTA	Best Endeavour
Australia-Thailand FTA	Best Endeavour + Some Binding
Australia – US FTA	Best Endeavour
China – Peru FTA	Best Endeavour
India – Singapore CECA	Some Binding
Japan – Philippines EPA	Best Endeavour
Japan – Singapore New Age Economic Partnership	Some Binding
Japan – Switzerland FTA	Best Endeavour
Japan – Thailand EPA	Some Binding + Best Endeavour
Republic of Korea – Peru FTA	Best Endeavour
Republic of Korea – Singapore FTA	Best Endeavour
New Zealand – China FTA	Best Endeavour
New Zealand – Hong Kong Closer EPA	Best Endeavour
New Zealand – Singapore Closer EPA	Binding
New Zealand – Thailand Closer EPA	Best Endeavour + Binding
Trans-Pacific SEP (Brunei, New Zealand, Chile Singapore)	Best Endeavour

Enabling Cross-border Paperless Trade: Issues

Exporting Country

Goods Flow

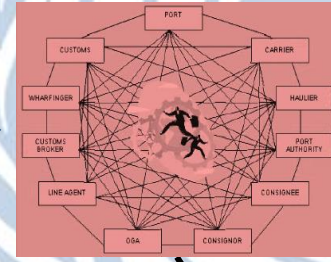
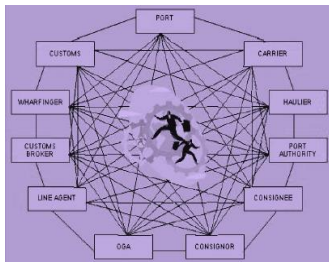
Importing Country



Financial Flow



Information Flow

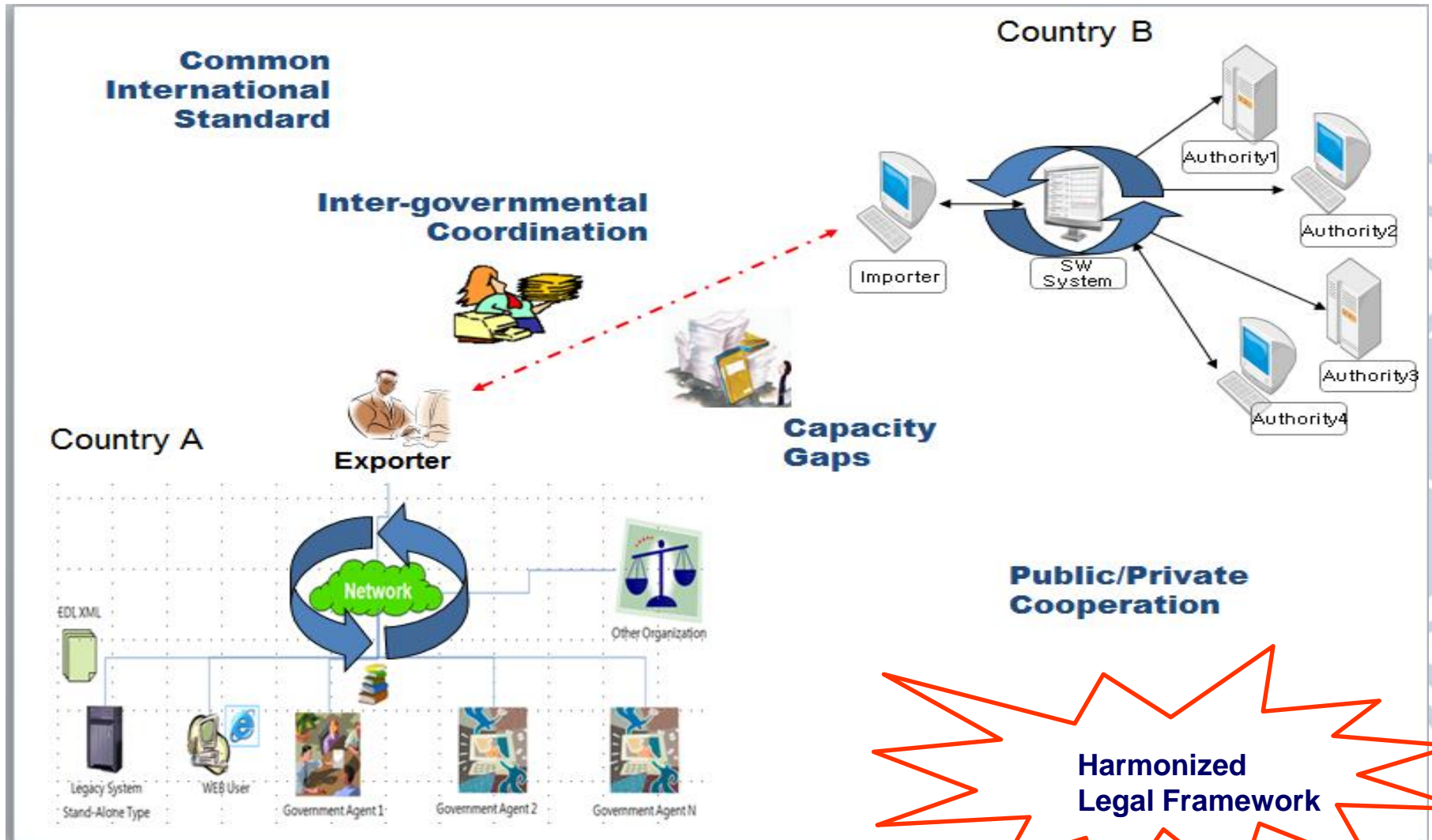


Seller



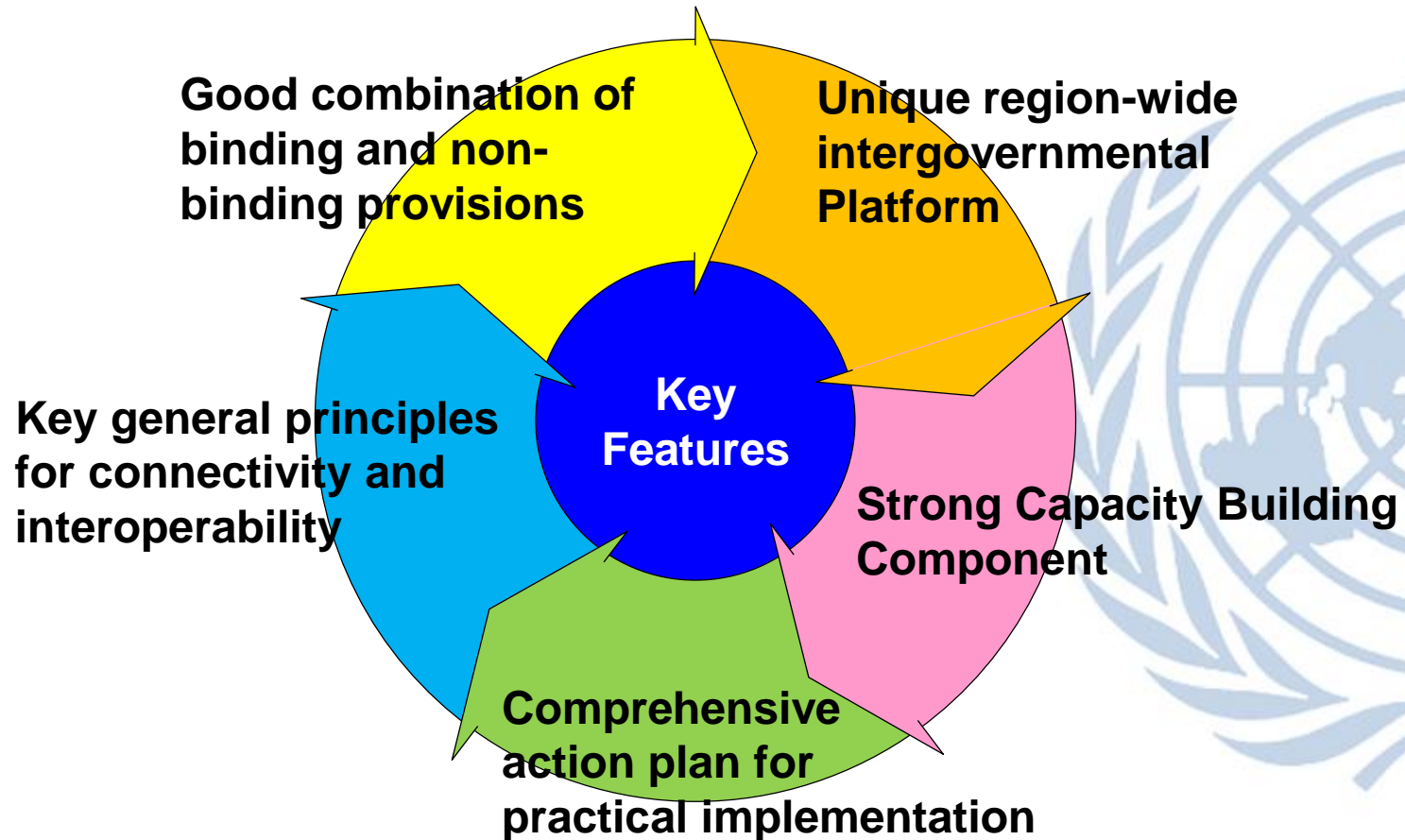
Buyer 4

Enabling Cross-border Data Exchange: Challenges



ESCAP Framework Agreement on Facilitation of Cross-border Paperless Trade

Key Features



General principles for connectivity & interoperability

- ❖ Technological neutrality
- ❖ Functional equivalence
- ❖ Non-discrimination of the use of electronic communications
- ❖ Promotion of interoperability
- ❖ Improved trade facilitation and regulatory compliance
- ❖ Cooperation between the public and private sectors
- ❖ Improving transboundary trust environment



Article 8: Cross-border mutual recognition of trade-related data and documents in electronic form

- 1. The Parties shall provide for mutual recognition of trade-related data and documents in electronic form originating from other Parties on the basis of a substantially equivalent level of reliability.**
- 2. The substantially equivalent level of reliability would be mutually agreed upon among the Parties through the institutional arrangement established under the present Framework Agreement.**
- 3. The Parties may enter into bilateral and multilateral arrangements to operationalize cross-border mutual recognition of trade-related data and documents in electronic form, in a manner consistent with the principle of the transboundary trust environment and all the other general principles, provided that the provisions of these bilateral and multilateral arrangements do not contradict the present Framework Agreement.**

Contribution of International Treaties on Paperless Trade and e-commerce to SMEs

- ❖ International treaties on paperless trade and e-commerce do not, by themselves, exclusively focus on SMEs.
- ❖ Paperless trade and e-commerce inherently facilitate better participation of SMEs in (international) trade.
- ❖ International treaties on paperless trade and e-commerce promotes transparency and predictability
- ❖ International treaties on paperless trade and e-commerce are beneficial for all sizes of enterprises, but more beneficial for SMEs because they can better deal with their weaknesses such as lack of resources and economy of scale, etc.

Thank you

www.unescap.org/our-work/trade-investment/trade-facilitation

unnexnext.unescap.org

