The New Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

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Legislative
- Enabling paperless trade (Res. 68/3)
- Interim Intergov. Steering Group on Cross-border Paperless Trade Facilitation (Res. 70/6)
- Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (Res. 72/4)

Knowledge
- ESCAP-WB Trade Cost Database
- Paperless Trade Guides & Impact analyses
- Global Trade Facilitation & Paperless Trade Implementation Survey
- Trade Process Analysis Database

Capacity Building
- Business Process Analysis
- Single Window & Paperless Trade Implementation
- Trade & Transport Facilitation Monitoring Mechanism
- Agricultural & SME trade facilitation
- WTO TFA implementation support
- UNNExT Masterclass
Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific - Overview

- **A new UN Treaty**
  - Open to interested (53) ESCAP member states (voluntary) to become parties
  - Opened for signature on **1 October 2016** at UN Headquarters, New York

- **Objective**
  - To *facilitate* cross-border paperless trade (data exchange) among willing ESCAP member states by providing a dedicated intergovernmental framework to develop legal and technical solutions
  - Complementary to the WTO Trade Facilitation Agreement as well as (sub)regional efforts

- **4 year step-by-step development process (ESCAP resolutions 68/3, 70/6, 72/4)**
  - Over 30 countries directly involved in finalizing the treaty text in March 2016

**Timeline**
- **Regional Study**: 2012
- **Expert Review & Member Consultations**: 2013
- **Negotiation & Finalization**: 2013 - 2016
- **Adoption by the Commission**: 19 May 2016
CHAPTER X

INTERNATIONAL TRADE AND DEVELOPMENT

20. Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific

Bangkok, 19 May 2016

Not yet in force: in accordance with article 19, the Agreement shall enter into force ninety (90) days after the date on which the Governments of at least five (5) ESCAP member States have deposited their instruments of ratification, acceptance, approval or accession to the present Agreement pursuant to article 18, paragraphs 2 and 3.


Note: The above Agreement was adopted on 19 May 2016 by resolution 72/4 during the seventy-second session of the United Nations Economic and Social Commission for Asia and the Pacific.
Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific: Contents

Preamble
Articles 1 to 16: Substantive clauses
Article 1: Objective
Article 2: Scope
Article 3: Definitions
Article 4: Interpretation
Article 5: General principles
Article 6: National Policy Framework, Enabling Domestic Legal Environment and Paperless Trade Committee
Article 7: Facilitation of Cross-border Paperless Trade and Development of national Single Window(s)
Article 8: Cross-border Mutual Recognition of Trade-related Data and Documents in Electronic Form
Article 9: International Standards for Exchange of Trade-related Data and Documents in Electronic Form
Article 10: Relation with Other Legal Instruments Enabling Cross-Border Paperless Trade
Article 11: Institutional Arrangements
Article 12: Action Plan
Article 13: Pilot Projects and Sharing of Lessons Learned
Article 14: Capacity Building
Article 15: Implementation of the present Framework Agreement
Article 16: Other agreements in force
Articles 17 to 25: Final clauses
Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific: Benefits

- **Region-wide multilateral intergovernmental platform**
  Builds upon existing bilateral/subregional initiatives; Supports WTO TFA implementation; Forster harmonization and minimize necessity for numerous bilateral/subregional intergovernmental approach;

- **Strong capacity building programme**
  Inclusive imitative, open to Asia-Pacific countries at all levels of development; Strong emphasis on knowledge sharing and CB/TA among parties

- **Pilot projects**
  Allow parties to adjust their systems before engaging in actual cross-border trade data exchange

- **Action Plan**
  Allow parties with different implementation level to set actions based on their respective readiness

- **Mutual recognition**
  Commit to the goal, while allowing flexibility in how to materialize the goal
Overview of provisions: **General Principles**

- Functional Equivalence
- Non-discrimination of the use of Electronic communications
- Technological neutrality
- Promotion of interoperability
- Improving transboundary trust environment
- Cooperation between the public and private sectors
- Improved trade facilitation and regulatory compliance
Overview of provisions: **Key provisions**

**Cross-border Mutual Recognition**

- **Article 8**
- **Article 11**
- **Article 12**
- **Article 13**
- **Article 14**

**Key Provisions**

- Capacity Building
- Pilot Projects and Sharing of Lessons Learned
- Institutional Arrangements
- Action Plan
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.
Other Contributory Provisions for Promoting Trusted Transboundary Interaction

Article 9 International standards for exchange of trade-related data and documents in electronic form
1. The Parties shall endeavour to apply international standards and guidelines in order to ensure interoperability in paperless trade and to develop safe, secure and reliable means of communication for the exchange of data.
2. The Parties shall endeavour to become involved in the development of international standards and best practices related to cross-border paperless trade.

Article 10 Relation to other legal instruments enabling cross-border paperless trade
1. The Parties may, where appropriate, adopt relevant international legal instruments concluded by United Nations bodies and other international organizations.
2. The Parties shall endeavour to ensure that the cross-border exchange of trade-related data and documents in electronic form is consistent with international law as well as regional and international regulations and best practices, as identified by the institutional arrangements established under the present Framework Agreement.
More information: Webpage on the FA

Thank you

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

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