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

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# **Implementation of Trade Facilitation Measures**



Source: The UN Global Survey on Digital and Sustainable Trade Facilitation, 2021. Available at untfsurvey.org

# Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific (CPTA)

## A UN Treaty

- Open to interested (53) ESCAP member states (voluntary) to become parties
- Enabling and action-oriented agreement

## Objective

- To <u>facilitate</u> 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 (TFA) as well as (sub)regional efforts



## **CPTA: Milestones in Progress**

4-year step-by-step development process

- ✓ Over 30 countries directly involved in finalizing the treaty text in March 2016, including adopting ESCAP resolutions 68/3 and 70/6
- Adopted by the Commission as a UN treaty (resolution 72/4) in May 2016
- □ The CPTA enters into force on **<u>20 February 2021</u>**.



# **CPTA: Current Status**

Signature	Ratification, Acceptance(A), Approval(AA), Accession(a)
22-Sep-17	
	2 Mar 2018 a
29-Aug-17	13-Oct-20
29-Aug-17	
29-Aug-17	22 Nov 2020 AA
29-Sep-17	29-May-20
	23 Dec 2019 a
	5 Apr 2022 a
	4 May 2022 a
	22-Sep-17 29-Aug-17 29-Aug-17 29-Aug-17

More details: https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&mtdsg\_no=X-20&chapter=10&clang=\_en

# **Actual Implementation**

- The first meeting of the Paperless Trade Council of the CPTA was organized 27-29 April 2022
- The first meeting of CPTA Standing Committee will be held late this year.

## Article 11 of the Framework Agreement

1. The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) shall, for the purposes of the present Framework Agreement, establish a **paperless trade council** comprising one (1) highlevel nominee from each Party. The Council shall meet upon request but at least once a year.

2. In the performance of its functions, the Paperless Trade Council shall be supported by a **standing committee**, which shall supervise and coordinate the implementation of the present Framework Agreement and submit its recommendations to the Council for review. The Standing Committee shall be composed of senior representatives of each Party and will meet at least once a year.

## Article 12: Action plan

1. The **Standing Committee**, under the supervision of the Paperless Trade Council, shall <u>develop a comprehensive action plan, which shall include all</u> <u>concrete actions and measures with clear targets and implementation</u> <u>timelines</u> necessary for creating a consistent, transparent and predictable environment for the implementation of the present Framework Agreement, including the implementation schedules of the respective Parties. The Parties shall implement the action plan in accordance with the schedule, and the implementation status of each Party shall be reported to the Standing Committee.

2. The implementation schedule for each Party shall be <u>developed as part</u> <u>of the action plan based on a self-assessment of their readiness</u>.

# **CPTA: General Benefits**

#### **Q** Region-wide multilateral intergovernmental platform

Builds upon existing bilateral/sub regional initiatives; Supports WTO TFA implementation; Forster harmonization and minimize necessity for numerous bilateral/sub regional intergovernmental approach;

#### □ Strong capacity building programme

Inclusive initiative, 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

# **Selected FAQs**

Q: Do I need to fulfill technical and legal requirements to become a party to the Framework Agreement?

A: No. The Framework Agreement is designed to be an enabling treaty to support developing countries to plan and move towards cross-border paperless trade, and it does NOT involve changes in laws and regulations prior to accession.

Q: If I become a party, do I have to exchange electronic data and information with all other parties?

A: Not necessarily. The Framework Agreement is a "Framework", meaning it promotes general principles but does not contain detailed legal and technical specifications that Parties are obliged to adhere to. Following entry into force, Parties will together decide what priorities or tools they will work on to achieve the objectives set out in the Framework Agreement.

# For further information

- 1. A dedicated webpage: <u>https://www.unescap.org/kp/cpta</u>
- 2. The UN Treaty webpage: <u>https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&</u> <u>mtdsg\_no=X-20&chapter=10&clang=\_en</u>
- 3. Contact the ESCAP Secretariat:

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