



CAREC Workshop on Trade and Trade Facilitation Reforms – WTO Trade Facilitation Agreement and Consolidated Trade Agenda

12-13 December 2017, Bangkok, Thailand

Concept Note

Introduction

1. Amid the rising protectionism and slow recovery of global trade, recent developments present opportunities to facilitate and increase cross-border trade and enhance cooperation and growth prospects among CAREC countries. The *Trade Facilitation Agreement* (TFA) under the aegis of World Trade Organization (WTO) which entered into force on 22 February 2017 marks the culmination of multilateral efforts to reform trade and trade facilitation regime.¹ The TFA presents a set of measures including the simplification, modernization and harmonization of export and import processes and binding provisions for expediting the movement, release and clearance of goods, including goods in transit. It also aims to improve cooperation between customs and other authorities and enhance technical assistance or capacity building. In support of the TFA, a *Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific* was also signed in August 2017 to enable the exchange and mutual recognition of trade-related data and documents in electronic form.²

2. However, CAREC countries are at varying degrees of implementation or level of readiness to implement the WTO TFA.³ Furthermore, the average implementation rate (45%)⁴ of trade facilitation measures among CAREC countries is reported to be below the global average (59.6%) in the *2017 Global Survey on Trade Facilitation and Paperless Trade Implementation*.⁵ At the *CAREC Workshop on Capacity Building for Implementation of the WTO Trade Facilitation Agreement and Meeting on National Committees on Trade Facilitation* in Seoul (30 May–2 June 2017), participants presented their countries' compliance with respect to TFA implementation, including status of their National Committee on Trade Facilitation (NCTF), and identified areas of assistance. As a follow-up to the workshop, it would be useful to share experiences and lessons learned in implementing TFA, identify capacity constraints and prioritize technical assistance needs, especially those that could be addressed at the regional level.

¹ See https://www.wto.org/english/tratop_e/tradfa_e/tradfa_e.htm.

² PRC is among the signatory of the regional treaty.

³ All 8 CAREC countries that are WTO members have ratified the TFA - Afghanistan, People's Republic of China, Georgia, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan, and Tajikistan. Except for Afghanistan, these countries also notified the WTO on their Category A designations of the TFA provisions; in addition, Georgia, has also provided Category B and C designations.

⁴ Data excludes PRC with 85% implementation rate. Georgia and Turkmenistan are not covered in the survey.

⁵ Refer to the global report <https://unnex.unescap.org/content/un-global-survey-trade-facilitation-and-paperless-trade-implementation-2017> and country-specific data <https://unnex.unescap.org/AP-TFSurvey2017/>.

3. While significant progress has been achieved in addressing the agenda of trade policy and trade facilitation as set out in CAREC 2020, there is a substantial room for improvement. For instance, empirical analysis using the *CAREC's Corridor Performance Measurement and Monitoring* (CPMM) data suggests a 10% reduction in time at the importers' border raises intra-CAREC trade by 2-3%, for a \$1.4 billion increase in intraregional trade.⁶ The *CAREC 2020 Midterm Review* further recommended the review of CAREC's trade agenda in light of changing country needs, relative performance in achieving outcomes, and overlapping issues (e.g., on sanitary and phytosanitary measures or SPS) to comprehensively review the institutional approach to trade facilitation and policy environment.⁷

4. Building on the foundations of CAREC 2020, the 16th CAREC Ministerial Conference in Dushanbe in October 2017 endorsed a new long-term strategy, *CAREC 2030*. Under the new strategy, it is envisaged that for trade, CAREC will help assess the shifting landscape of global and regional trade, and the potential of moving towards free trade agreements in the region, with a focus on trade in services, including tourism. CAREC assistance will include support to WTO accession process as well as help members with post-accession commitments including in the areas of technical barriers to trade, agreement on SPS, and the TFA. The CAREC 2030 strategic framework also includes the creation of a trade committee⁸ that would discuss and deliberate on the increasingly intertwined issues of trade policy and trade facilitation in a synergistic manner and develop a forward-looking trade strategy.

Key objectives and focus of the Workshop

5. The objectives of the workshop are:

(i) Report on progress and/or readiness of CAREC countries in implementing the WTO Trade Facilitation Agreement (TFA), discuss capacity constraints and challenges, and areas of assistance needed; and

(ii) Deliberate on the approach and contents of a proposed CAREC consolidated trade agenda under the CAREC 2030 Strategic Framework.

Workshop format

6. Experts from international organizations (e.g. ADB, WTO, WCO and ESCAP), particularly those working in trade policy and trade facilitation will be invited to share knowledge and provide technical advice. To the extent possible, the workshop will be participatory and interactive (e.g., break-out sessions). Prior to the workshop, the findings of the *ADB Survey on TFA Implementation or Readiness* will be provided in advance to participants for their validation. The participants are also expected to be knowledgeable of their respective national plans and priorities related to trade to prepare them for group discussions on regional approach to address the issues and achieve common objectives in trade policy and trade facilitation.

⁶ADB and ESCAP (2017). Trade Facilitation and Better Connectivity for an Inclusive Asia and the Pacific.

<https://www.adb.org/sites/default/files/publication/359786/trade-facilitation-connectivity.pdf>

⁷<http://www.carecprogram.org/uploads/docs/CAREC-Publications/2016-CAREC-2020-MTR.pdf>

⁸ Customs cooperation will continue to be carried out by the standing Customs Cooperation Committee.

Participants

7. Target participants are senior-level officials from government agencies involved in trade policy and trade facilitation (preferably those from commerce or trade, customs, and sanitary and phytosanitary control agencies). Each country delegation is expected to include at least a member of the NCTF, if already established and/or an official responsible with developing national trade-related policies or strategies.

Workshop deliverables

8. Among the workshop outputs are:

- (i) Workshop Summary Report including workshop materials;
- (ii) Inputs and/or proposals for the Consolidated Trade Agenda under the CAREC 2030 Strategic Framework;
- (iii) Progress update of WTO TFA implementation among CAREC countries.

Organization arrangements and funding

9. CAREC Institute and ADB through EAPF and CWRC will jointly organize the workshop.



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Tuesday, 12 December 2017

| Opening Session | |
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| 09:00 – 09:15 | <p>Welcome Remarks Mr. Yergali Dosmagambet, Deputy Director, CAREC Institute</p> <p>Opening Remarks and introduction to the Workshop Mr. Ying Qian, Director, Public Management, Financial Sector and Regional Cooperation Division, East Asia Department, Asian Development Bank</p> |
| Session 1: Global and Regional Developments in Trade Facilitation | |
| 09:15 – 10:45 | <p>WTO Trade Facilitation Agreement (TFA) – background and overview and lessons learned in implementing TFA reforms Ms. Dolores Halloran, Economic Affairs Officer, Market Access Division, World Trade Organization</p> <p>UN Second Global Survey on Trade Facilitation and Paperless Trade Implementation – Results of Asia-Pacific Countries Mr. Tengfei Wang, Trade, Investment and Innovation Division, United Nations Economic and Social Commission for Asia and the Pacific</p> <p>ADB Assessment of Readiness to Implement the TFA – progress and challenges in CAREC countries Mr. Ying Qian, Asian Development Bank</p> <p>WCO support for the WTO TFA implementation - Mercator Program Mr. Kazunari Igarashi, Head, Asia/Pacific Regional Office for Capacity Building (ROCB A/P), World Customs Organization</p> |
| 10:45 – 11:00 | Group photo and coffee break |
| Session 2: Break-out session on WTO TFA | |
| 11:00 – 12:30 | <p>Participants will be grouped by country to discuss and summarize the outcome of their review (comments or updates) of the <i>ADB Assessment of Readiness to Implement the TFA</i> including the establishment/strengthening of their NCTFs, and their priority technical assistance (TA) needs. Prior to the workshop, country consultation papers were provided in advance to participants for their validation.</p> <p><i>Development partner (DP) representatives/speakers (ADB, CI, WTO, WCO, ESCAP, GIZ, and others) will be assigned to facilitate the country discussions.</i></p> |
| 12:30 – 14:00 | Lunch |

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| 14:00 – 15:45 | <p>Country presentations</p> <p>Moderator: Mr. Ying Qian, Asian Development Bank</p> <p><i>Each country will have 10 minutes to report the outcomes of the break-out session, highlighting the (i) changes or recent updates on their TFA implementation/readiness, (ii) status of NCTFs, and (iii) priority TA needs and existing donor interventions</i></p> |
| 15:45 – 16:00 | Coffee/tea break |
| Session 3: Synthesis of WTO TFA Needs and Support in CAREC countries | |
| 16:00 – 16:45 | <p><i>Donors and DPs will be invited to provide feedback and give information on existing or potential areas of support vis-à-vis the identified needs and priorities to implement WTO TFA in CAREC countries, at the country and regional level.</i></p> <p><i>WTO TFA needs and next steps for CAREC</i> Ms. Dorothea Lazaro, Regional Cooperation Specialist, Public Management, Financial Sector and Regional Cooperation Division, East Asia Department, ADB</p> |
| Wrap Up of Day 1 | |
| 16:45 – 17:00 | Mr. Ying Qian , Asian Development Bank |

Wednesday, 13 December 2017

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| Session 4: CAREC 2030 Strategy and previous iterations of trade work | |
| 09:00 – 10:00 | <p><i>CAREC 2030: Connecting the Region for Shared and Sustainable Development</i> Mr. Guoliang Wu, Head, CAREC Unit, Central and West Asia Department, ADB</p> <p><i>The Transport and Trade Facilitation Strategy (TTFS) 2020 and Common Agenda for Modernization of Sanitary and Phytosanitary (SPS) Measures for Trade Facilitation</i> Mr. Ying Qian, Asian Development Bank</p> <p><i>Trade Policy Strategic Action Plan (TPSAP) 2013-2017</i> Mr. Guoliang Wu, Regional Cooperation Specialist, Central and West Asia Department, ADB</p> |
| Session 5: Break-out session on CAREC trade agenda (groupings TBA) | |
| 10:00 – 11:00 | <p>Taking into consideration their respective national plans and priorities, the participants will be given some guide questions and discuss in groups on a regional approach to address the issues and achieve common objectives in trade policy and trade facilitation. The discussion will also identify priority areas for the proposed consolidated trade agenda under CAREC 2030.</p> <p><i>There will be three (3) groupings and DPs will be assigned to facilitate the group discussions.</i></p> |
| 11:00 – 11:15 | Coffee/tea break |

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| 11:15 – 12:00 | <p>Group presentations</p> <p><i>Each group will assign a rapporteur from among the CAREC countries to report the outcomes of their group deliberations during the break-out session.</i></p> <ul style="list-style-type: none"> ▪ Moderator: Mr. Saeed Qadir, Senior Research Officer, CAREC Institute |
| 12:00 – 13:30 | Lunch |
| Session 6: Developing a CAREC consolidated trade agenda | |
| 13:30 – 14:30 | <p>Panel Session: Perspectives from development partners</p> <p><i>The session will discuss insights and reactions from the donors and DPs on the outcomes of the break-out session and key messages to provide inputs for the development of CAREC trade agenda.</i></p> <p>Moderator: Ms. Dorothea Lazaro, ADB</p> <ul style="list-style-type: none"> ▪ Ms. Dolores Halloran, World Trade Organization ▪ Ms. Nozigul Khushvakhtova, GIZ Regional Programme, Trade Facilitation in Central Asia (GIZ TFCA) ▪ Mr. Saeed Qadir, CAREC Institute ▪ Mr. IL-hyun Baek, Korea Customs Service |
| 14:30 – 14:50 | Coffee/tea break |
| 14:50 – 16:30 | <p><i>Proposed elements and regional approach for the CAREC consolidated trade agenda</i></p> <p>Mr. Ying Qian, Asian Development Bank</p> |
| Closing Session | |
| 16:30 – 17:00 | <p>The session will provide a brief workshop summary and suggestions on the way forward.</p> <p>Mr. Yergali Dosmagambet, CAREC Institute Mr. Ying Qian, Asian Development Bank</p> |