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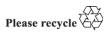# Report of the Rapporteur for Asia and the Pacific*

I. Introduction

1.   This is the report of the Rapporteur for Asia and the Pacific, covering several important events related to trade facilitation in the region since the twenty-first session of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) in February 2015.

2.   One of the main themes in the Asia-Pacific Region is the growth of global supply chains utilising e-business, including e-mobile business, and the resulting rapid and continuous development of data communications. This has led to many challenges in developing the information and communication technology infrastructures and networks that play an important role in governing high-level transparent global supply/value chain transactions. The countries and regional bodies in the Asia-Pacific Region continue their efforts to realize the potential of electronic business and enhance trade facilitation for regional development.

II. Activities of the Asia Pacific Council for Trade Facilitation and Electronic Business (AFACT) in 2015

3.   The Asia Pacific Council for Trade Facilitation and Electronic Business (AFACT) is positioned to play a very important role in promoting trade by integrating electronic business through the use of international standards and best practices − especially those developed and promoted by UN/CEFACT − in the Asia-Pacific Region. The majority of active AFACT members pursue joint activities which are beneficial for all the member

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countries. All AFACT member countries work to develop ways and means to help each other in the area of electronic commerce and to increase adaptability and flexibility in a non-political environment. As of January 2016, AFACT had 19 members (Afghanistan, Australia, Cambodia, China, India, Indonesia, Iran, Japan, Korea, Malaysia, Mongolia, Pakistan, Philippines, Singapore, Sri Lanka, Saudi Arabia, Taiwan Province of China, Thailand, Vietnam), a liaison member (United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)) and an associate member (Pan Asian e-Commerce Alliance (PAA)).

4.   Each member assigns a Head of Delegation (HoD) and each liaison member and associate member assigns a representative to participate in AFACT meetings.

5.   A "Host HoD" is nominated every year to host and chair annual meetings. The host for 2015 was Iran and the host for 2016 is Japan.

6.   Iran also has the role of permanent AFACT secretariat to support the current Host HoD.

1.   The structure of AFACT

7.   A Steering Committee (StC) for managing, coordinating and promoting AFACT activities meets face-to-face twice a year as mentioned above, as well as via web-conference as necessary.

8.   The StC is composed of the HoD of the host member, the HoD of the last and next years' hosts, two elected HoDs, committee chairs, the permanent secretariat, a UN/CEFACT Vice-Chair, the UN/CEFACT Rapporteur for Asia and the Pacific, as well as a representative of ESCAP.

9.   Three Executive Committees (ECs) have been formed to undertake concrete tasks in three areas: Business Domain Committee (BDC), Technology & Methodology Committee (TMC) and Community Support Committee (CSC).

10.   Depending on the subject, working groups (WG) are formed within ECs. Currently, the following groups exist:

- • Electronic Certificate of Origin (ECOO) WG, Secured, Authenticated, Accountable interchange Platform (SHARP) WG, and Travel, Tourism and Leisure (TT&L) WG in BDC; and

- • Cloud computing WG in TMC.

11.   AFACT is a liaison member of ISO/TC154 and full member of the United Nations Trade Data Elementary Directory (UNTDED) – ISO 7372 Joint Maintenance Agency (MA).

2.   AFACT annual meetings

12.   A mid-term meeting in the first half of the year and a plenary in the latter half of the year are held every year. Members attend and decide key issues at these meetings.

13.   In 2015, AFACT annual meetings were held as follows:

- • 33rd Mid-term Meeting in Tehran, Iran on 16 – 17 June 2015,

- • 33rd Plenary in Tehran, Iran on 13 – 16 December 2015;

- • The AFACT annual meetings in 2016 are planned as follows:

- 34th Mid-term Meeting in Hamamatsu City, Japan on 23 – 25 May 2016;
- 34th Plenary in Japan during the fourth quarter of 2016.

3. Topics of AFACT activities

3.1 Reporting in the AFACT 2015 yearbook

14. The HoD of Iran, India, Japan, Korea, Taiwan Province of China, Thailand each prepared an article (country report) and EC Chairs submitted progress reports for the yearbook. This year, ESCAP and PAA also prepared annual progress reports to be included. The PDF version of the yearbook is published on the official AFACT website (http://www.afact.asia/YearBooks.aspx).

3.2 e-ASIA Awards 2015

15. e-ASIA Awards is carried out every two years at the same time as the annual Plenary. It is administrated by the relevant AFACT host member. The event aims to promote the achievement of AFACT member countries/economies in the development of trade facilitation, electronic business policies and practices, and initiatives for bridging the digital divide in the Asia-Pacific Region. The purpose of the e-ASIA Awards is to recognize the significant efforts made within the AFACT community and to encourage the exchange of best practices. The event also intends to develop mutual understanding and experience sharing between member countries/economies by displaying the shortlisted projects in the e-ASIA Awards Exhibition.

16. Twelve proposals from four member countries were submitted to the AFACT Evaluation Committee (EC). After evaluation, 11 of the projects were placed on the semi-finalist. After final evaluation by the EC, the following projects won the first prize in each of the four categories:

(1) Trade Facilitation

"Iran Single Window for Cross-Border Trade (ISWCBT)" (project of Iran)

- The implementation of ISWCBT as an integrated and transparent platform for all trade processes.

(2) eBusiness in the Public Sector

"Iranian Electronic Card Payment (SHAPARAK) System" (project of Iran)

- The system driven by the Central Bank of Iran (CBI) for the supervision of Payment Service Providers (PSPs).

(3) eBusiness in the Private Sector

"Nationwide RFID-based Multi-lane Free Flow Freeways Electronic Toll Collection (ETC) System and Service" (project of Taiwan Province of China)

- The implementation of the Taiwan Province of China ETC system for enabling the intelligent transportation environment and better service using RFID-based ETC technology.

(4) Bridging the Digital Divide

"Advanced programme of Healthy Diets for students" (project of Taiwan Province of China)

• Establishing an internet platform to promote healthy diets for students.

17.   The other proposals covered challenges in very diverse areas and were also highly appreciated. All proposal reports, together with presentation slides, are available on the official AFACT website (http://www.afact.asia/2015e-AsiaAwards.aspx).

3.3   Integration and collaboration with UN/CEFACT activities

3.3.1   Reporting on progress made in UN/CEFACT Forums

18.   The Rapporteur delivered reports of activities of the 25th and 26th UN/CEFACT Forums at both AFACT annual meetings, covering the revision of the structure, nomination of Domain Coordinators for each Domain, continuing and new projects under Project Development Areas (PDAs) and Domains, etc. Experts from Korea, Thailand and Japan who participated in the relevant UN/CEFACT fora also explained developments in detail in both TMC and BDC sessions.

3.3.2   Strategy for Technology

19.   The TMC Chairperson prepared "A note for discussion on Trendy Technologies by AFACT" following discussions at the 33rd Mid-term Meeting in June 2015. He made a presentation about this AFACT approach at a Methodology and Technology Domain meeting at the 26th UN/CEFACT Forum. Based on the results of discussions at the Forum, AFACT experts exchanged opinions at the AFACT Plenary on the AFACT strategy for Trendy Technology. Though the status of this subject is "Continuation of discussion" (COD) at the next AFACT session in 2016, the idea is to promote research and development related to specific business areas such as Travel, Tourism and Leisure (TT&L) and auto parts manufacturing.

3.3.3   Revised Remittance Advice Project

20.   The project was finalized and the deliverable was released as part of UN/EDIFACT D15B. The need for this project was originally discussed in AFACT in 2014 and it was proposed in the Supply Chain Domain of UN/CEFACT. The initiative was approved as a new project with the support of countries including Thailand and Japan (both AFACT members).

3.3.4   The effective integration of the Small-scale Lodging House (SLH) International Pilot Project (2nd Stage) and the Destination Travel Information (DTI) Project

21.   The TT&L WG finished the 1st Stage of the SLH International Pilot Project at the end of September 2014. After a good preparation, the 2nd Stage will start in April 2016 and is expected to be completed in the 3rd quarter of 2016, when SLHs of Taiwan Province of China (MINSU) and those of Japan (RYOKAN) will be integrated into the 'Global e-Market Place' with Cloud, Mobile, etc. technologies. 'Global e-Market Place' will be a product of SLH Real Operational Systems. SLHs of other member countries will be gradually integrated into the e-Market Place. From April 2017, DTI will be merged into the e-Market Place, by which the DTI standardization process will be completed.

22.   The TT&L WG is quite active and has a lot of participants. AFACT member countries (Japan, Korea, India, Iran, Taiwan Province of China, and Thailand) are interested and active in promoting the sale of their products and information on SLHs. These countries have SLHs such as traditional and cultural lodging houses which have been long appreciated by the local population. Means to facilitate the market access for these lodging houses using new technologies within and beyond the AFACT Region needs to be further

studied. After the successful trials, they are willing to propose the development of new UN/CEFACT standards related to them.

3.3.5 UN/LOCODE Focal Points

23. The UNECE secretariat has called for the nomination of UN/LOCODE Focal Points by UN member countries since the first quarter of 2015. As of the preparation of this report, 28 countries had nominated such Focal Points. The UN/LOCODE National Focal Points of India, Japan, Korea and Thailand are all experts participating in AFACT. During AFACT sessions, these experts have discussed ways to maintain and improve the maintenance procedure and data quality of UN/LOCODE. They have also encouraged other AFACT members to nominate Focal Points.

3.4 Effective collaboration with United Nations ESCAP

3.4.1 Brief activity report by ESCAP to the 2015 AFACT Plenary Meeting

24. The ESCAP representative made a brief presentation on three areas: legislative, knowledge, and capacity building.

Legislative

25. Enabling paperless trade (Resolution 68/3) and a Regional Arrangement for the Facilitation of Cross-border Paperless Trade (Resolution 70/6)

- An Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation (ISG-CBPT) was established, mainly to improve the draft text and to prepare a draft roadmap for the implementation of substantive provisions in the draft text.

- Legal and Technical Working Groups were created under ISG-CBPT. The Legal WG focusses on negotiation and finalizing a draft of the regional agreement, while the Technical WG focusses on preparing a draft roadmap for implementation.

Knowledge

- The ESCAP-World Bank Trade Cost Database, provides bilateral trade cost information in over 150 countries. The database was updated in August 2015.

- UN Regional Commissions Joint Global Survey on Trade Facilitation and Paperless Trade Implementation 2015. This global report features data for over 110 countries and was launched at the 7th Asia-Pacific Trade Facilitation Forum in October 2015.

- Trade Process Analysis Database (online test version, October 2015) enables trade facilitation practitioners to compare procedures across countries as a basis for making improvements.

Capacity Building

- Over 500 officials from across the Asia-Pacific Region were trained in 2015, including in areas such as Business Process Analysis of trade procedures, Trade and Transport Facilitation Monitoring Mechanism (TTFMM), and Single Window and paperless trade.

- WTO Trade Facilitation Agreement implementation support, including training sessions were held on Single Window, Authorized Economic Operators, National Trade Facilitation Committees, and agricultural trade facilitation in 2015.

- Most of these activities were delivered through the United Nations Network of Experts for Paperless Trade and Transport in Asia and the Pacific (UNNExT).

3.4.2   Organizing a Capacity Building Workshop on Paperless Trade for Regional Connectivity in Tehran in December 2015

26.   Following the 2015 AFACT Plenary, ESCAP, in cooperation with the Iran Center for e-Commerce Development (ICeCD), UNNExT, the Economic Cooperation Organization (ECO) and AFACT, organized a Capacity Building Workshop on Paperless Trade for Regional Connectivity in Tehran on 16 and 17 December 2015. Over 30 government officials and private sector stakeholders from eight member countries of the ECO Region participated in the workshop, which provided an opportunity for them to share and better understand their current status of paperless trade implementation and learn about key regional initiatives for cross-border paperless trade facilitation. The workshop also discussed the future direction for ECO-level cooperation on paperless trade, including the need for more capacity building activities.

27.   During the opening session of the workshop, two representatives of the AFACT Steering Committee gave a brief overview of AFACT history and some regional best practices in trade facilitation and e-Commerce. They also shared lessons learned from AFACT and spoke about the e-ASIA Awards.

3.4.3   ESCAP's presentation on the proposed UN/CEFACT recommendation on National Trade and Transport Facilitation Monitoring Mechanism (TTFMM)

28.   On the basis of a presentation made to the International Trade Procedures Domain at the 26th UN/CEFACT Forum, a representative of ESCAP made a presentation to the experts in the TMC session. The AFACT Plenary approved that AFACT support ESCAP's initiative in UN/CEFACT.

III   Conclusion

29.   The region continues the implementation of paperless trade and electronic business to increase cost performance and trade efficiency. The collaboration between AFACT and ESCAP is expected to contribute to this.

30.   UN/CEFACT needs to continue its engagement with regional bodies in Asia and the Pacific, with a view to coordinating regional inputs to its development and delivery of global instruments.