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Reports of rapporteurs

## Report of the Rapporteur for Asia and the Pacific

### I. Introduction

1. This report, prepared by the Rapporteur for Asia and the Pacific, contains several important events on trade facilitation in the region since the twentieth session of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) in April 2014.

2. In the Asia-Pacific region, exchange of trade data is being continuously driven by the rapid growth of global supply chains utilizing electronic-business (including electronic-mobile business), between trading partners and related stakeholders. This has led to many challenges in developing the information and communication technology infrastructures and networks that play an important role in governing transparency in global supply/value chains transactions. To address these challenges, the countries and regional bodies of 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 2014

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. All AFACT member countries need to develop ways and means to help each other in the areas of electronic commerce and to increase adaptability and flexibility in a non-political environment. The majority of active members of AFACT continue to pursue joint activities, which are beneficial to all the member countries. As of 2013, AFACT had 19 members:

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Afghanistan, Australia, Cambodia, China, India, Indonesia, Iran, Japan, Republic of Korea, Malaysia, Mongolia, Pakistan, The Philippines, Saudi Arabia, Singapore, Sri Lanka, Taiwan Province of China, Thailand, Vietnam) and two associate members: Pan Asian e-Commerce Alliance (PAA) and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

4. Each member assigned a Head of delegation (HoD) and each associate member assigned a representative to participate in AFACT meetings.

5. One HoD was nominated every year for hosting annual meetings and chairing those meetings. In 2014, the host was Thailand.

6. Iran took the role of permanent secretariat to support the host HoD.

7. The structure of AFACT:

- A mid-term meeting in the first semester of the year, and a plenary in the second semester, are held every year for deciding on key issues.
- A Steering committee (StC) is formed and composed of HoD of the host member, the HoD of last and next year hosts, two elected HoDs, committee chairs, a permanent secretariat, the UN/CEFACT Vice-Chair, the UN/CEFACT Rapporteur for Asia and the Pacific, as well as the representative of ESCAP. The StC manages, coordinates and promotes AFACT activities including the two face-to-face annual meetings mentioned as above and the web-conferences (as and when happens).
- Three Executive committees (ECs) are formed in three different areas to undertake concrete tasks:
  - Business Domain Committee (BDC);
  - Technology & Methodology Committee (TMC);
  - Community Support Committee (CSC).

8. Depending on the subject, working groups (WGs) are formed in ECs. They are the ECOO (Electronic Certificate of Origin) WG, the SHARP (Secured, Authenticated, Accountable interchange Platform) WG, the TT&L (Travel, Tourism and Leisure) WG in BDC, and the Cloud computing WG in TMC.

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

10. In 2014, AFACT annual meetings were held as follows:

- 32<sup>nd</sup> Mid-term meeting, in Chiang Mai (Thailand) from 29-30 May 2014;
- 32<sup>nd</sup> Plenary and EDICOM conference, in Bangkok (Thailand), from 25 to 28 November 2014.

#### **A. On-going projects and activities in AFACT:**

##### *Open Source Software (OSS) Platform 'e-Document Platform System'*

11. For the purpose of trusted communication in SHARP WG, the implementation of the OSS platform, provided by the National IT Industry Promotion Agency (NIPA) of Korea, will be finished by end of 2014. NIPA Korea will announce the OSS program for AFACT members to participate in February or March 2015.

*Cloud Computing WG is newly established*

12. Objectives of the WG are as follows:

- To establish best practices for utilizing international standards (e.g. DMTF and OASIS) for migrating applications and services into cloud and between clouds.
- To standardize mechanism deploying applications and services in cloud environments to avoid vendor lock-in.
- To enable “AppStore” for cloud applications and services to support intra and inter cloud connected ecosystem.

*Cross Industry Data Library (CIDL) implementation and Core Components Library (CCL) Utilization in Asia*

13. Registry Data Model and Procedure were defined.

14. The local CCL with standard preface format will be published. The demonstration kit for CIDL will be prepared by the next TMC meeting.

*Small Lodging House (SLH) Project*

15. TT&L WG reviewed the 1<sup>st</sup> step of the SLH International Pilot Project, which was completed. They planned to start the 2<sup>nd</sup> step with new member countries, aiming at completing the 2<sup>nd</sup> step by September 2015, applying Cloud and Mobile technology as best as possible with open source software. This will eventually lead to full implementation.

*Destination Travel Information (DTI) project*

16. TT&L WG has been cooperating with the UN/CEFACT Forum to develop better Standards of DTI. A new pilot project for DTI was suggested for initiation after the standards have been set up.

*Smart Tourism Project and Other topics*

17. Smart Tourism is a new work item of TT&L WG proposed by Taiwan Province of China, with full use of Cloud and Mobile technology. The study has just begun in the WG and security is another new item in the study. The WG started to learn about the trusted mobile e-document framework presented by a member from Republic of Korea.

18. TT&L WG is quite active and has a lot of participants. AFACT member countries are quite eager and active to promote sale of their own products and information. They have traditional and cultural products, too, which are appreciated by local customers.

19. To facilitate the movement of these products and services not only within the AFACT region, but also with third countries, further study is required mainly due to their local nature. As a next step, it may be proposed to UN/CEFACT Forum to develop new standards for their trade.

**B. New Projects to be conducted in AFACT:***Expanding Cross Industry Remittance Advice*

20. The objectives are as follows:

- Improving reconciliation works of traders.
- Sharing commercial information with the financial sector.

*Adapting the Commercial Practice in Japanese, Asian Industry and Cross Border eInvoice Exchange for Food Safety and Traceability*

21. Taiwan Province of China expressed concern about cross border food safety and traceability, and proposed a Proof of Concept (PoC) project which had obtained Thailand's endorsement and will be undertaken between Thailand and Taiwan Province of China.

*Others*

22. The creation of UNLOCODE focal point in each country and the mechanism they should follow to issue UNLOCODE was discussed. It was decided that a questionnaire would be circulated. The recommendation that would come after analysis of the questionnaire's responses would also help in streamlining the process, so as to have a uniform UNLOCODE issuance system across member countries.

*Reporting of progress in UN/CEFACT Forums*

23. The rapporteur reported about the outcomes of the 23<sup>rd</sup> and 24<sup>th</sup> Forum of the UN/CEFACT in both the AFACT annual meetings. Experts of the Republic of Korea, Thailand and Japan, who joined the UN/CEFACT Forums, also explained in details in individual WG meetings (including Recommendation 40 Consultation Approach, Revision of Recommendation 4, Single Window Implementation (SWI) project, Recommendation for ensuring legally significant trusted trans-boundary electronic interaction, E-Identity for cross borders, new projects of Supply Chain Programme Development Area, Conformance project, Workshop on Security and Authentication to stimulate Paperless Trade/Governance, etc.)

*Reporting in AFACT 2014 Year Book*

24. Each HoD prepared the article of country report, and EC Chairs submitted progress reports for the year book. This year ESCAP and PAA prepared their own annual progress report for it, too. A disc was distributed to audiences at AFACT meetings. The electronic file of year book will be published openly in AFACT official website.

*ESCAP Activity Report to 2014 AFACT Plenary Meeting*

25. The ESCAP representative made brief presentation on:

- Implementation of ESCAP Resolution 68/3 including the ad hoc intergovernmental Meeting on Regional Arrangement for the Facilitation of Cross-border Paperless Trade, 22-24 April 2014, webpage of ESCAP Resolution 68/3 and support from the implementation community (PAA).
- Trade and Transport Facilitation Monitoring Mechanism (TTFMM)
- Network for Knowledge Transfer on Sustainable Agriculture Technologies and Improved Market Linkages in South and South-East Asia (SATNET)
- National Capacity Building Support
- ESCAP Work Program in 2014-2015:
  - Asia Pacific Trade Facilitation Forum 2014: 24-25 September 2014.
  - Asia Pacific Trade Facilitation Forum 2015: to be confirmed.
  - 2nd UNNExT Masterclass in Cheon-an, Republic of Korea, 12-21 January 2015.
  - Trade and Transport Facilitation Monitoring Mechanism (TTFMM).

- UNNEExT: Advisory Groups on small and medium sized enterprises (SMEs) and Transit Facilitation launched.
  - Implementation of ESCAP Resolution 68/3 and 70/6.
  - Operation of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation (first meeting will be on 1-3 April 2015).
26. PAA report to 2014 AFACT Plenary Meeting:
- CAT in Thailand, one of the members of PAA, made a presentation about background, mission, milestone, achievement, legal framework, PKI mutual recognition of PAA. On-going and new projects were presented, especially 'Pan Asia Exchange' which is a joint project of PAA, a region neutral, reliable and trusted B2B e-marketplace and a platform for global buyers to search for genuine suppliers/ products in the Asian region, targeting to launch in April 2015.

### **III. Asia-Pacific Trade Facilitation Forum 2014**

27. The Rapporteur participated in the Asia Pacific Trade Facilitation Forum (APTFF), jointly organized by ESCAP and the Asian Development Bank (ADB) on 24-25 September 2014 in Bangkok, Thailand. It was the sixth Forum, consecutively held over the last six years. The title of this year's Forum was "Trade facilitation for Inclusive Development". There were more than 250 participants from 40 countries around the world. The panel discussions and other sessions discussed the following topics: implications of the WTO Trade Facilitation Agreement for Asia and the Pacific; prioritizing trade facilitation and monitoring performance; enhancing agri-food supply chain efficiency and logistics; facilitating trade for SMEs; inter-agency coordination in trade facilitation; lessons from practices and ways forward.

### **IV. Conclusion**

28. The region strongly continues the implementation of paperless trading and electronic business. The implementation may be accelerated through stronger collaboration between AFACT and ESCAP, as well as by tapping the opportunities created by ESCAP's various initiatives.

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

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