

The 7th Asia-Pacific Trade Facilitation Forum

- Session 1: Overcoming high trade costs of Asia-Pacific developing economies:
 - Prioritizing Trade Facilitation Measures -

Trade costs and trade facilitation implementation in Asia- Pacific: Implications for the region

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Outline of presentation

- What is the trade cost situation in Asia-Pacific?
- What is the state of implementation of trade facilitation in Asia-Pacific?
- How can trade costs be further reduced?



What is the trade cost situation in Asia-Pacific?

- Trade costs often much higher in developing than developed economies
- Some progress in sub-regional integration, but often very high trade costs between Asia-Pacific sub-regions
- Trade costs in developing countries falling slower than in developed economies

Intra- and Extra- Regional Trade Costs in Asia-Pacific (excluding tariff costs)

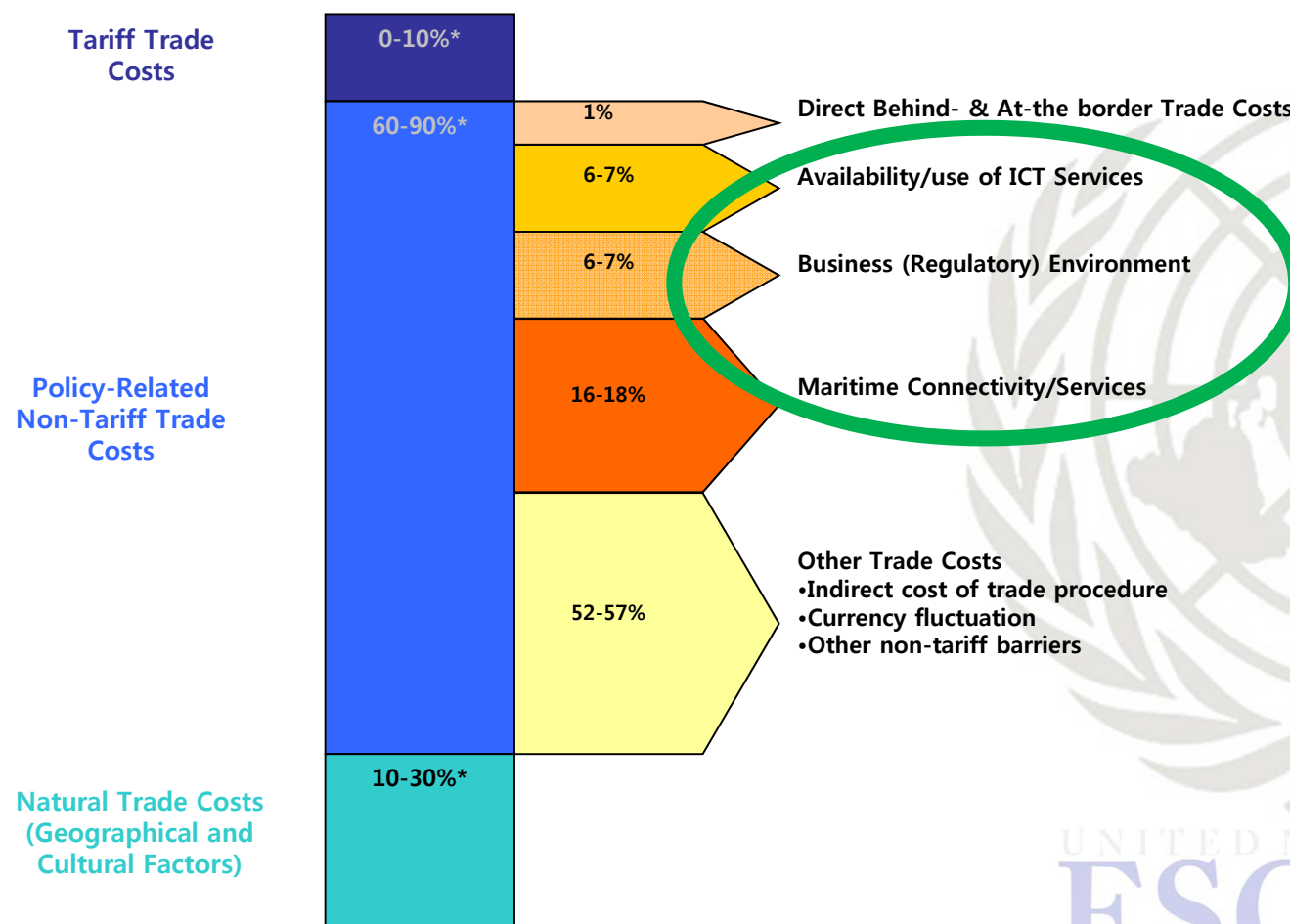
(Sub-)Regions	ASEAN-4	East Asia-3	North & Central Asia-4	Pacific Islands-2	South Asia SAARC-4	AU-NZ	EU-3
ASEAN-4	76% (9%)						
East Asia-3	75% (5%)	51% (-5%)					
North & Central Asia-4	351% (9%)	177% (-7%)	121 (9%)				
Pacific Islands -2	175% (-11%)	174% (-9%)	368% (34%)	133% (-10%)			
South Asia SAARC-4	128% (2%)	125% (-0%)	282% (13%)	317% (2%)	114% (10%)		
AU-NZ	101% (4%)	89% (-3%)	338% (-5%)	73% (-22%)	142% (-1%)	54% (1%)	
EU-3	108% (2%)	85% (-4%)	152% (-8%)	211% (-6%)	114% (3%)	109% (0%)	43% (-4%)
USA	85% (11%)	63% (-0%)	180% (2%)	163% (-11)	109% (6%)	100% (4%)	67% (0%)

Source: ESCAP-World Bank International Trade Cost Database (September, 2015) – avg. 2008-2013

Note: Numbers in parenthesis show % change in trade costs since 2002-2007

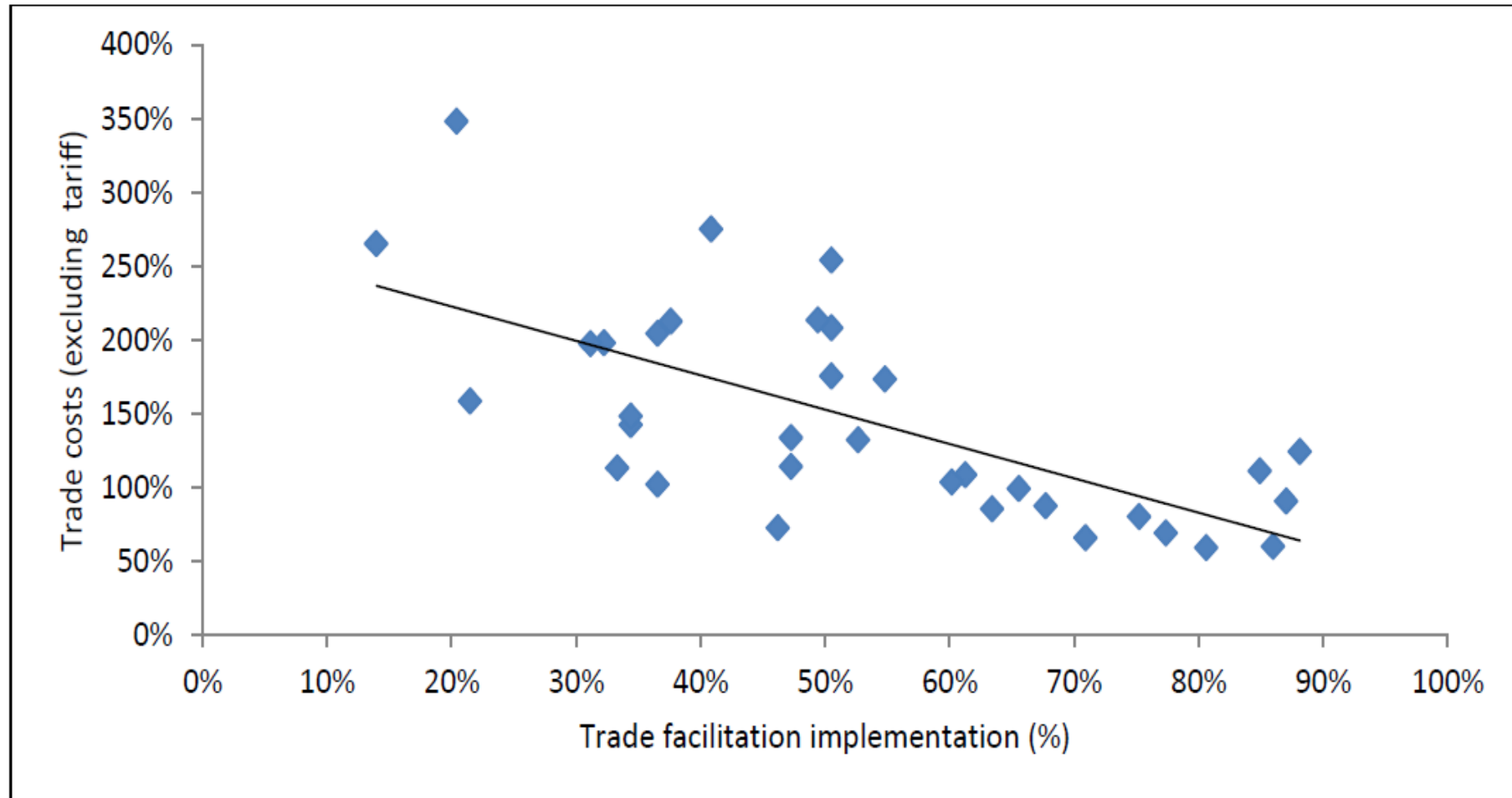
Key factors in lowering trade costs in Asia-Pacific

Contribution of natural barriers, behind-the border facilitation and trade-related practice to trade costs

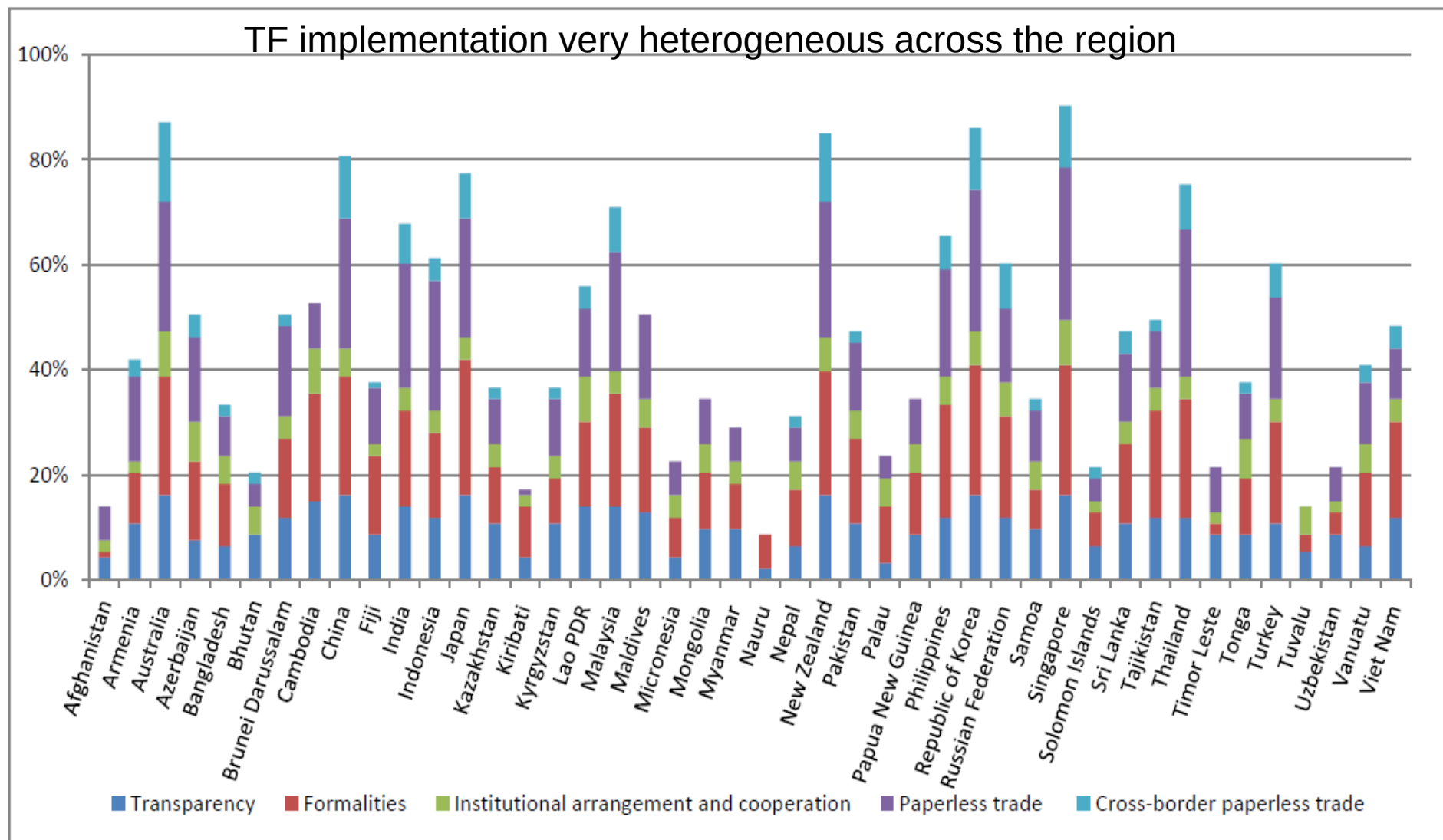


* Illustrative based on casual observation of the data only. Natural trade costs for landlocked countries may be outside the range shown for natural trade costs.

Strong relationship between TRADE FACILITATION and TRADE COSTS



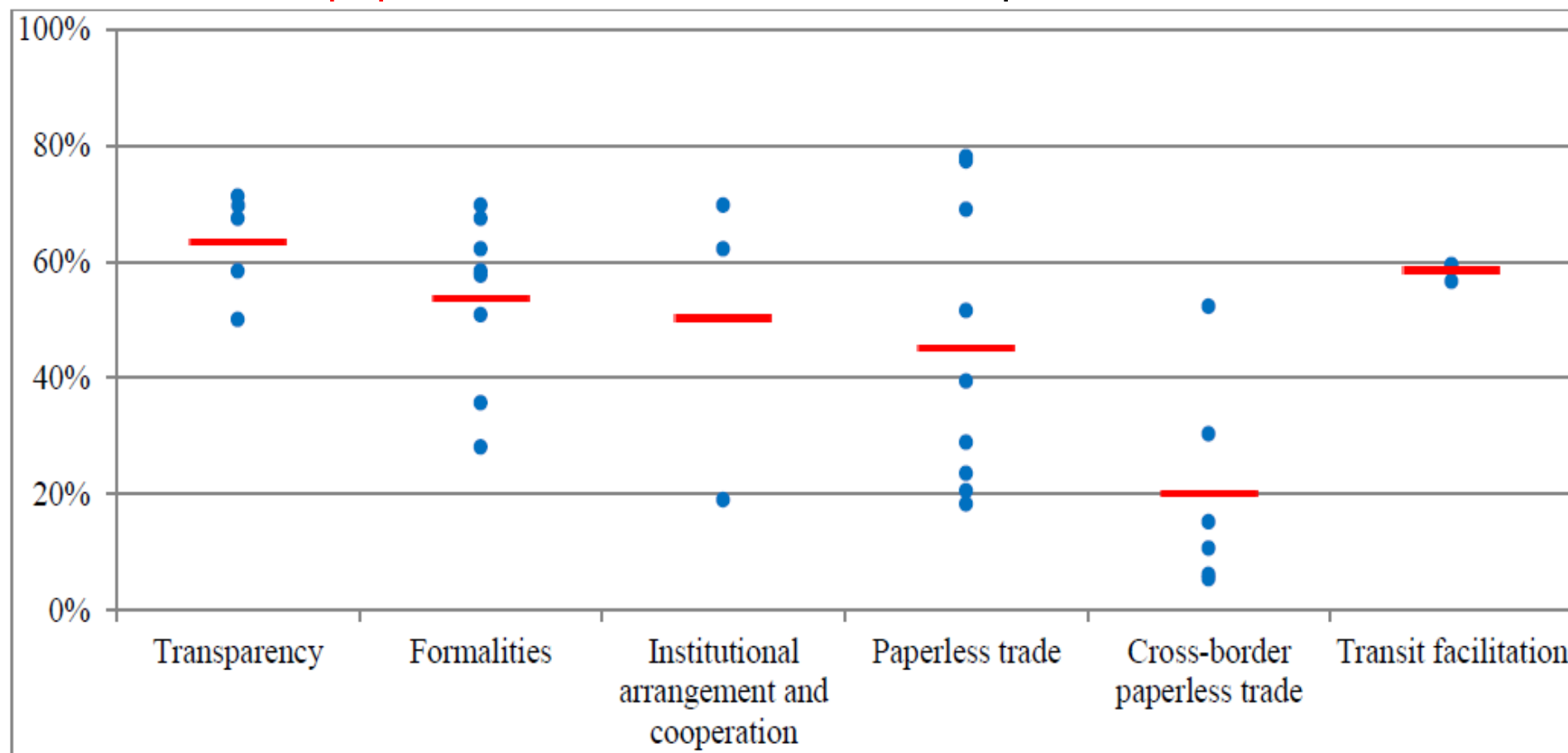
What is the state of implementation of trade facilitation in Asia-Pacific?



What is the state of implementation of trade facilitation in Asia-Pacific?

Transparency measures most implemented;

Cross-border paperless trade measures least implemented



Note: Blue dots show regional average implementation level of individual measures within each group.

— Average regional implementation level by groups of measures.

unnexnext.unescap.org/UNTFSurvey2015.asp

What is the state of implementation of trade facilitation in Asia-Pacific?

Trade facilitation high in some low-income countries

