

Regional Cooperation for Trade and Transport Connectivity in the Age of Pandemics in Asia and the Pacific

ADB

UNITED NATIONS
ESCAP

Copyright © United Nations 2020

ADB has granted permission to use ADB-copyrighted material for this work, and to make the material available under an open access license.

All rights reserved.

For further information on this publication, please contact: escap-tiid@un.org.

Disclaimer

The opinions, figures and estimates set forth in this publication are the responsibility of the authors and should not be considered as reflecting the views or carrying the endorsement of the United Nations and the Asian Development Bank. Mention of firms' names and commercial products does not imply the endorsement of the United Nations and the Asian Development Bank.

The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations and the Asian Development Bank concerning the legal status of any country, territory, city or area, or of its authorities, or concerning the delimitation of its frontiers or boundaries. Where the designation "country" or "area" appears, it covers countries, territories, cities or areas.

The Asian Development Bank recognizes "China" as the People's Republic of China.

References to dollars (\$) are to United States dollars unless otherwise stated. Bibliographical and other references have, wherever possible, been verified. The United Nations bear no responsibility for the availability or functioning of URLs. All the material in this publication may be freely quoted or reprinted, but acknowledgement is required.

The report has been issued without formal editing.

Acknowledgements

This publication is based on the issues note for and discussions at the High-Level Meeting on Regional Cooperation for Trade and Transport Connectivity in the Age of Pandemics in Asia and the Pacific, on 2 December 2020.¹ Some preliminary discussions were included in the earlier ESCAP publication, “Seamless Trade and Transport Connectivity in Asia and the Pacific: Regional Cooperation in the Context of the COVID-19 Pandemic”.² This publication has been prepared as part of the activities of the UNDA project “Transport and trade connectivity in the age of pandemics: contactless, seamless and collaborative UN solutions”.

This publication was jointly prepared by the Trade, Investment and Innovation Division (TIID) and the Transport Division (TD) of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP); and the Regional Cooperation and Integration Division (ERCI) of the Economic Research and Regional Cooperation Department (ERCD), the Regional Cooperation and Integration Thematic Group of the Sustainable Development and Climate Change Department (SDTC-RCI), the Transport Sector Group of the Sustainable Development and Climate Change Department (SDSC-TRA), of the Asian Development Bank (ADB).

Yann Duval, Chief, Trade Policy and Facilitation Section (TPFS), TIID, ESCAP; Azhar Jaimurzina Ducrest, Chief, Transport Connectivity and Logistics Section (TCLS), TD; Bekhzod Rakhmatov, Associate Economic Affairs Officers, TCLS; Soo Hyun Kim, Economic Affairs Officer, TPFS; and Jiangyuan Fu, Consultant, TIID, worked on this publication under the overall supervision of Weimin Ren, Director, TD and Mia Mikic, Director, TIID, ESCAP. Simon Hardy helped in proof-reading the publication. Formatting of the publication was done by Nattabhon Narongkachavana. Design was done by Wut Suthirachartkul.

The main contributors from ADB included Cyn-Young Park, Director of ERCI; Jong Woo Kang, Principal Economist, ERCI; Kijin Kim, Economist, ERCI; Roland Butiong, Chief of Regional Cooperation and Integration Thematic Group, SDTC-RCI; Ashish Narain, Principal Economist, SDTC-RCI; James Leather, Chief of Transport Sector Group, SDSC-TRA; and Kuancheng Huang, Senior Transport Specialist, SDSC-TRA. Benjamin A. Endrigo provided research support.

-
1. More information on the meeting is available at: <https://www.unescap.org/events/high-level-meeting-regional-cooperation-trade-and-transport-connectivity-age-pandemics-asia>
 2. Available at: <https://www.unescap.org/resources/seamless-trade-and-transport-connectivity-asia-and-pacific-regional-cooperation-context>

Executive Summary

The Coronavirus 2019 (COVID-19) pandemic has hit at an unprecedented speed and scale and continues to wreak havoc on the global economy. Temporary export bans for essential medical equipment and other essential goods, adopted by many countries in response to the spread of the pandemic, worsened trade performance both globally and regionally. Medical goods have been targeted with the highest number of COVID-19 related trade measures. In addition, the pandemic has also pushed up trade costs, leading to trade policy uncertainty.

Since the outbreak of COVID-19, governments, border agencies, logistics companies and traders have been exploring how they can leverage existing trade and transport facilitation measures to keep goods moving across borders. The crisis has also accelerated the implementation of trade and transport facilitation in the region, in the areas of transparency and institutional coordination; simplification of customs procedures and expedited clearance; digital trade and transport facilitation; transport and transit facilitation; business facilitation measures; and trade finance. Many international and regional organizations are actively promoting international best practices. This presents an opportunity to turn temporary trade and transport facilitation measures implemented in response to COVID-19 into sustainable and streamlined practices for the long-term; strengthen regional connectivity; spur the development of paperless trade; and build back better.

“Coordination, digitalization, harmonization and partnership” could remain as guiding principles of the trade and transport response during the pandemic and in its aftermath. The existing cooperation mechanisms for trade and transport connectivity in Asia and the Pacific should be mobilized to provide stronger momentum for facilitation, harmonization and digitalization of cross-border trade and transport procedures. This includes the Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific, and the intergovernmental agreements on the Asian Highway and the Trans-Asian Railway Networks. Complementing this, regional coordination in times of crises can also be institutionalized in future negotiations of relevant regional, subregional and bilateral trade and transport agreements.

Contents

I.	Introduction	1
II.	COVID-19 impact on trade and trade-related measures	2
III.	Trade and transport facilitation measures amid COVID-19: developments and practices in the Asia-Pacific	4
IV.	Forging trade and transport connectivity and resilience: building back better	11
	A. Coordination: improving cross-border procedures in lieu of fragmented operations.	11
	B. Digitalization: pursuing trade and transport digitalization as a regional strategy	12
	C. Harmonization: incorporating pandemic related provisions in regional agreements	13
	D. Partnership: engaging private sectors in response to COVID-19	14
V.	Conclusion	16
VI.	References	17

I. Introduction

The Coronavirus 2019 (COVID-19) pandemic has hit global trade at an unprecedented speed and scale and continues to wreak havoc on the global economy. Transport and travel restrictions, as well as the closure of manufacturing plants, business establishments, and reduced work force capacity, have resulted in dramatic declines in the manufacturing and services sectors alike. The COVID-19 pandemic has revealed the fragility of the global supply chain. World trade is expected to fall by between 13 per cent and 32 per cent in 2020 resulting from the pandemic (WTO, 2020a).

The Asia-Pacific region was the first part of the world affected by the crisis. Most economies in the region have small domestic markets and rely on foreign suppliers of raw materials and intermediates, as well as foreign sources of capital and technology. The developing economies in the region are bearing the brunt of the situation with a triple shock: the COVID-19 pandemic, the economic impact of shutdowns, and the ensuing global recession (World Bank, 2020). In addition, the pandemic has also pushed up trade costs, leading to trade policy uncertainty. Trade costs in the Asia-Pacific region are forecasted to increase by an average of 7 per cent (Utoktham & Duval, 2020).

Mitigation measures and the introduction of export restrictions further increased the vulnerability of developing economies, in particular least developed countries (LDCs), landlocked developing countries (LLDCs) and

small island developing states (SIDS) in the region. COVID-19 has also had a profound impact on small and medium-sized enterprises (SMEs), which comprise the majority of enterprises in all the region's economies (Yoshino & Taghizadeh-Hesary, 2018).

The COVID-19 challenges have underscored the importance of maintaining trade and transport connectivity and the cross-border movement of goods, not only for the immediate pandemic response, but also for the subsequent recovery efforts and building resilience to future disruptions. In response to the COVID-19 pandemic, the Asia-Pacific region increased implementation and digitalization of trade and transport facilitation practices and sought to improve the efficiency of cross-border trade. However, pre-existing shortcomings including fragmented digital infrastructure, lack of relevant legal frameworks and lack of streamlined trade and transport facilitation practices have further constrained trade resilience and post-pandemic recovery in the region.

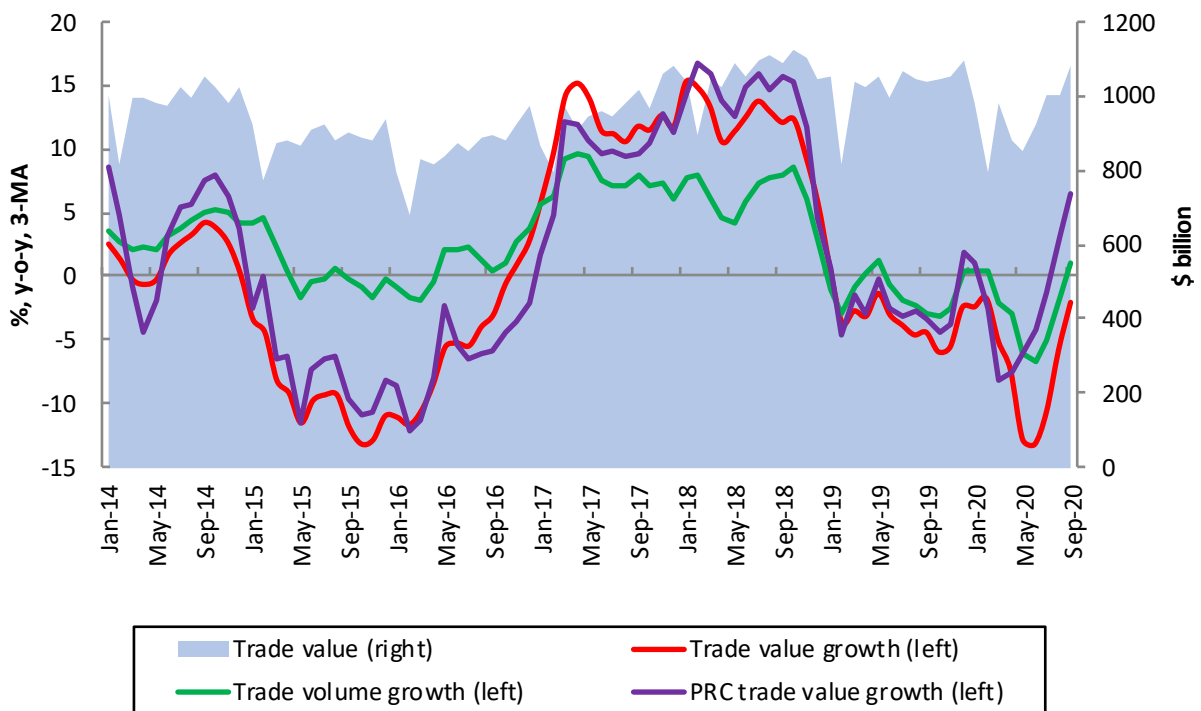
Against this background, this publication will discuss the pandemic's impact on trade and trade-related measures, and present the initial developments and lessons learned in trade and transport facilitation practices in response to COVID-19 pandemic. It will also discuss the ways forward to support sustainable and resilient recovery from the COVID-19 crisis and to be better equipped to build back better.

II. COVID-19 impact on trade and trade-related measures

Temporary export bans for essential medical equipment and further trade restrictions of critical foodstuff adopted by many countries in response to the spread of the pandemic worsened trade performance both globally and regionally. Closures of points of entry—air, sea, and land—along with strengthened border crossing and quarantine procedures have impeded the seamless flow of goods.

In addition, bottlenecks in sourcing resources and deploying key personnel on sites have led to disruptions in supply chain networks in the region (Figure 1). To the extent containment policies continue to disrupt transport and supply chains and weaken consumption and investment, global trade value and volume growth rate is expected to continue on a downward trend.

Figure 1. Monthly trade, by value and volume—Asia



Economies worldwide enacted the highest number of COVID-19 related trade measures in March 2020 or during the period when the World Health Organization (WHO) officially declared COVID-19 as a pandemic and numerous economies started implementing lockdowns or stay-at-home orders (Figure 2). More than 50 per cent of COVID-19 related trade measures enacted during this period

were restrictive. The number of COVID-19 related trade measures began to slow down since April 2020.

Medical goods have been targeted with the highest number of COVID-19 related trade measures (Figure 3). 53 per cent of trade measures on medical goods in the region are liberalizing while 47 per cent

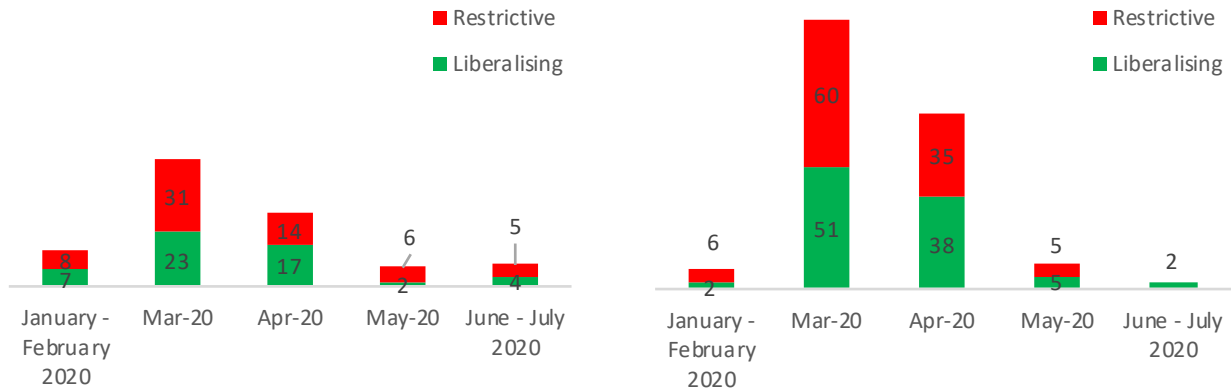
are restrictive. For the rest of the world, the majority of measures imposed on medical goods are trade restrictive. For economies

globally, agricultural products are targeted by a greater share of trade restrictive COVID-19 measures.

Figure 2. Timeline of COVID-19 related trade measures, by effect on trade

a. Imposed by Asian economies

b. Imposed by non-Asian economies

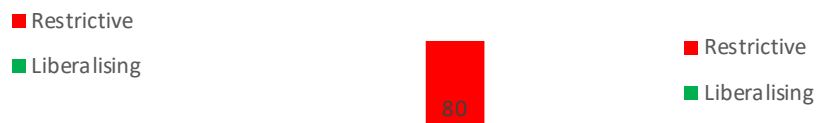


Source: ADB staff calculations using data from International Trade Centre. <https://www.intracen.org> (accessed 25 August 2020).

Figure 3. Products affected by COVID-19 related trade measures, by effect on trade

a. Imposed by Asian economies

b. Imposed by non-Asian economies



预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_583



云报告
<https://www.yunbaogao.cn>

云报告
<https://www.yunbaogao.cn>

云报告
<https://www.yunbaogao.cn>