CROSS-BORDER PAPERLESS TRADE: FROM CONCEPT TO REALITY

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Abstract: Paperless trade is the practice and interchange of electronic data and commercial documents to support the trade transaction mechanism. This domain has aimed at facilitating the electronic exchange of information along international supply chains in regional trade initiatives. The paper attempts to provide an analysis by examining 'Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and The Pacific'. The research paper also highlights the trade facilitation initiative of UNESCAP and trade facilitation agreement of WTO. Bangladesh ratified this agreement on 27 September 2016 as the 94th member of the WTO and 12th amongst the Least Developed Countries (LDCs). Considering the fact, the paper analyzes the probable impact of entering into the agreement of cross border paperless trade agreement of UNESCAP. The research paper also attempts to show the status of trade facilitation implementation measures, taken by Bangladesh Government and highlights TF initiatives like Single Window System (SWS), Container Management System (CTM), ASYCUDA World. The paper also summarized with recommendation of signing the framework agreement at Bangladesh part in taking part of increasing its international trade transactions. Emphasizing the importance of cross-border paperless trade, Bangladesh may take necessary steps to way forward and consider the agreement favorably.

Key words: Paperless trade, Framework Agreement, Cross-Border Paperless Trade, WTO, UNESCAP, SWS Trade Facilitation, ASYCUDA World

JEL Classification: F02, F13, F15

1.0 INTRODUCTION

Cross-border paperless trade was defined in the 'Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and The Pacific'[1] (hereinafter referred to as framework agreement), (Article 3(a)) as 'trade in goods, including their import, export, transit and related services, taking place on the basis of electronic communications, including exchange of trade-related data and documents in electronic form'. Paperless trade can ensure reduction of the risk of international trade through increasing efficiency by reducing trade costs, significantly. This framework agreement focuses on trade facilitation, specially, the resolution adopted by the Economic and Social Commission for Asia and the Pacific (UNESCAP), titled "Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific" and relevant other trade facilitation issues at the border. Recent UNESCAP studies show that across the region, transition to cross-border paperless trade can contribute or facilitate in enhancement of export worth more than 257 billion US dollar per year.

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The task of moving from paper-based to paperless administration of trade may seem relatively necessarily for international trade regime. . However, because of the need to coordinate electronically across borders, the impetus for international cooperation rises once trade is rendered paperless. This research work makes effort in depicting an overview of different initiatives like trade facilitation, traditional institutions associated with trade governance, trade policies and WTO compliances.

As this research paper is based on the analysis of framework agreement and qualitative analysis, no specific research model and advanced statistical tools were used. Secondary data of the study have been collected from various sources like different journals, web sites of WTO, UN-ESCAP, NBR etc. Based on the secondary data analysis, the paper focuses the framework agreement and underscores comprehensive analysis.

2.0 CONCEPT OF PAPERLESS TRADE

The official definition of 'cross-border paperless trade' was previously defined by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) during February 11, 2014. The term was stated in the draft of a regional arrangement for the facilitation of cross-border paperless trade, in different way. It was defined as "trade taking place on the basis of electronic communications, including exchange of trade-related data and documents in electronic form".

It has been observed that the Asia–Pacific region led in taking several initiatives in introducing successful paperless trade systems that have realized outstanding economic gains. We may refer the paperless trade mechanism, developed and implemented by some countries of Asia and Pacific region like Singapore, Thailand, Hong Kong, China, and Korea.

3.0 KEY AREAS OF FRAMEWORK AGREEMENT ON FACILITATION OF CROSS-BORDER PAPERLESS TRADE IN ASIA AND THE PACIFIC

At 72nd Session of the ESCAP, the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific was adopted (as resolution E/ESCAP/RES/72/4). The agreement basically, connects the development dividends at technology and trade which are regarded as the two key areas of implementation for the 2030 Agenda for Sustainable Development.

Following are the key areas of the agreement:

Article 1: Objective

"The objective of the present Framework Agreement is to promote cross border paperless trade by enabling the exchange and mutual recognition of trade related data and documents in electronic form and facilitating interoperability among national and sub-regional single windows and/or other paperless trade systems".

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[1]Resolution adopted by the Economic and Social Commission for Asia and the Pacific; 72/4.

Article 6: National policy framework, enabling domestic legal environment and paperless trade committee

- Establish a national policy framework: define targets and implementation strategies and allocate resources, and a legislative framework.

- Create an enabling national legislation on paperless trade

- Establish a national committee, comprising relevant representatives of government and private sector parties.

Article 7: Facilitation of cross-border paperless trade and development of single-window systems

"The Parties are encouraged to develop single-window systems and use them for cross-border paperless trade".

Article 8: Cross-border mutual recognition of trade-related data and documents in electronic form

"Institutional arrangement will be established under the present Framework Agreement".

Article 10: Relation to other legal instruments enabling cross-border paperless trade

"Cross-border exchange of trade-related data and documents in electronic form will be in consistent with international law as well as regional and international regulations and best practices".

Article 11: Institutional arrangements

"The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) shall, for the purposes of the present Framework Agreement, establish a paperless trade council comprising one (1) high-level nominee from each Party. The Council shall meet upon request but at least once a year. Trade Council shall be supported by a standing committee, which shall supervise and coordinate the implementation of the present Framework Agreement and submit its recommendations to the Council for review. Standing Committee may establish working groups which shall report to the Standing Committee on the implementation of the related action plan under the present Framework Agreement. ESCAP secretariat shall be designated the secretariat of the present Framework Agreement and shall also be the secretariat of the bodies established under the present Framework Agreement. The Council and the Standing Committee may, under their competence determined in the rules of procedure, adopt protocols on specific legal, technical and organizational matters. The requirements for entry into force of any protocol shall be established in that instrument".

Article 12: Action plan

"The Standing Committee, under the supervision of the Paperless Trade Council, shall develop a comprehensive action plan, which shall include all concrete actions and measures with clear targets and implementation timelines necessary for creating a consistent, transparent and predictable environment for the implementation of the present Framework Agreement, including the implementation schedules of the respective Parties. The Parties shall implement the action plan in accordance with the schedule, and the implementation status of each Party shall be reported to the Standing Committee".

Article 15: Implementation of the present Framework Agreement

"Each Party shall endeavor to implement the provisions of the present Framework Agreement by creating a legally enabling environment and developing the necessary technical infrastructure to facilitate the cross-border exchange of trade-related data and documents in electronic form. The Parties recognize that least developed and landlocked developing countries may need technical and financial assistance to develop technical infrastructure and to create a legally enabling environment, which are essential for facilitating the cross-border exchange of trade-related data and documents in electronic form".

Article 17: Dispute resolution

"Any State may, at the time of depositing its instrument of ratification, acceptance, approval or accession, deposit a reservation stating that it does not consider itself bound by the provisions of the present article relating to conciliation (defined at the clause 17 (2)). Other Parties shall not be bound by the provisions of the present article relating to conciliation with respect to any Party which has deposited such a reservation".

Article 18: Procedure for signing and becoming a Party

"ESCAP member States may become Parties to the present Framework Agreement by:

      (a) Signature, followed by ratification, acceptance or approval; or

      (b) Accession".

Article 19: Entry into force

"The present Framework Agreement shall enter into force ninety (90) days after the date on which the Governments of at least five (5) ESCAP member States have deposited their instruments of ratification, acceptance, approval or accession to the present Framework Agreement pursuant to article 18, paragraphs 2 and 3".

Article 20: Procedures for amending the Framework Agreement

"The text of any proposed amendment shall be circulated to all members of the Paperless Trade Council by the secretariat at least sixty (60) days before the Council meeting at which it is proposed for adoption".

4.0   ISSUES IN WTO: TRADE FACILITATION

According to the World Trade Organization (WTO), trade facilitation is the ways of simplification and harmonization of trade related procedures which facilitates international trade flows, encompassing the "activities, practices, and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade". Trade facilitation relates to a range of procedural activities at the border such as import and export procedures (e.g. procedures relating to customs, licensing and quarantine); transport; payment gateways, insurance and other financial requirements. Inherently, the concept of trade facilitation is also linked to factors like the quality of a country's domestic transport and logistics infrastructure and regulatory policies which dents impact on the flow of goods and services within country's boundaries. In the absence of harmonization or the prevalence of cumbersome procedures, the cost of inefficiencies in merchandise trade could be high enough to restrict trade flows.

4.1   TRADE   FACILITATION   AGREEMENT   UNDER   WTO   AND BANGLADESH

Trade Facilitation Agreement (hereinafter referred to as TFA) under WTO has entered into force on 22 February 2017 as 114 ratifications out of 164were received by WTO by this time. The TFA, the first multilateral deal concluded in the 22 year history of the WTO, entered into force on 22 February after the organization obtained the needed acceptance from two-thirds of its 164 members for the agreement to take effect. In a meeting of the General Council of WTO on 27 February 2017 this incident was termed "as a historic achievement". In an address Director-General of WTO, Roberto Azevêdo said: "By ratifying the agreement, Members have shown their commitment to the multilateral trading system. You have followed through on the promises made when this deal was struck in Bali. And by bringing the deal into force we can now begin the work of turning its benefits into reality". Bangladesh ratified this agreement on 27 September 2016 as the 94th member of the WTO and 12th amongst the Least Developed Countries (LDCs).

5.0   IMPLEMENTATION OF CATEGORIES UNDER WTO TFA

As per WTO Trade Facilitation Agreement Database, TFA provisions are divided into three categories for implementation purposes: Category A; Category B and Category C.

Category A: "Provisions that the Member will implement by the time the Agreement enters into force (or in the case of a least-developed country Member within one year after entry into force)".

Category B: "Provisions that the Member will implement after a transitional period following the entry into force of the Agreement".

Category C: "Provisions that the Member will implement on a date after a transitional period following the entry into force of the Agreement and requiring the acquisition of assistance and support for capacity building".

WTO TFA database shows that ninety three (93) WTO Member Countries have presented 'Category A' notifications, and 9 have submitted 'Category B' and 8 have presented 'Category C' to date.

6.0   TFA NEEDS ASSESSMENT

In 2008, World Trade Organization (WTO), in collaboration with International Monetary Fund (IMF), conducted a Country Needs Assessment in terms of the measures incorporated by the countries regarding Trade Facilitation Negotiations. Later, UNCTAD helped Bangladesh to formulate a Country Implementation Plan in 2012 based on Draft Consolidated Negotiating Text on Trade Facilitation. Finally, IFC conducted another needs assessment in 2014-2015 based on the Trade Facilitation Agreement.

Bangladesh has ratified WTO Trade Facilitation Activity (TFA) on 27 September 2016. According to the Customs Modernization Activities of National Board of Revenue, supported by the World Bank Group, National Board of Revenue (NBR) of Bangladesh has established "National Trade Facilitation Committee (NTFC)" which is a 19-members committee operates under the chairmanship of Member (Customs) of NBR. The committee comprises officials of relevant ministries, departments and trade bodies'. The NTFC will work for implementing TFA and shall commence adequate reform programs to develop sustainable trading eco-system in Bangladesh and also shall provide a platform to trade practitioners by suggesting new ideas & will raise issues regarding trade facilitation activity in Bangladesh. Besides, Ministry of Commerce of Bangladesh has also formed a core group to work on this issue and finalize the category which would be submitted to the WTO committee.

7.0   DISCUSSION ON BANGLADESH'S ALIGNMENT TO THE WTO TRADE FACILITATION, A DRAFT ANALYSIS OF WIRLD BANK GROUP

On March 15, 2015, World Bank Group has published the draft analysis of reform map, Bangladesh's Alignment to the WTO Trade Facilitation where they have discussed the alignment of its current laws, policies, and practices and procedures to the requirements of TF agreement; facilitated in identifying the gaps; and tried to recommend what measures Bangladesh must take and what technical support or other resources would require to close those gaps. Support of World Bank on trade facilitation (TF) related projects, increased from $0.322 billion in 2004 to $ 7.0 billion in 2015. As a part of this support, to assist Bangladesh in determining these categories under WTO TFA, the World Bank Group (WBG) undertook the following activities which have been published in this draft report.

It was found in the report that the World Bank Group (WBG) undertook the following activities, to assist Bangladesh in determining categories: A, B and C:

- **Gap Analysis:** Assessment of Bangladesh's current alignment to the TFA technical measures to identify any significant gaps

- **Reform Action Plan:** Identification of actions that the government and/or its border authorities could take to close those gaps, as well as the technical or other support that may be required to do so

- **Category A Proposal:** Identification of measures by the TFA that might be included under Bangladesh's Category A notification (those that can be implemented immediately or in the short term)

Followed by the report, the summary of the Gap Analysis which shows the present status of Bangladesh's level of alignment to the 36TFA technical measures under WTO are as follows:

Compliance (TFA technical measures)	Number	Percent (%)
Fully	2	6
Substantially	6	17
Partially	20	56
No	8	22
Total	36	100

Table 01: Summary of the Gap Analysis

7.1 OVERALL IMPLEMENTATION OF TRADE FACILITATION MEASURES

In the following graph, it was observed that Bangladesh has implemented more than 30 percent of TF measures whereas India and Turkey have implemented about 70 percent and 60 percent respectively. The core areas of the implementation of TF measures are as: institutional arrangement: transparency; formalities; and cooperation; paperless trade; and cross border paperless trade.
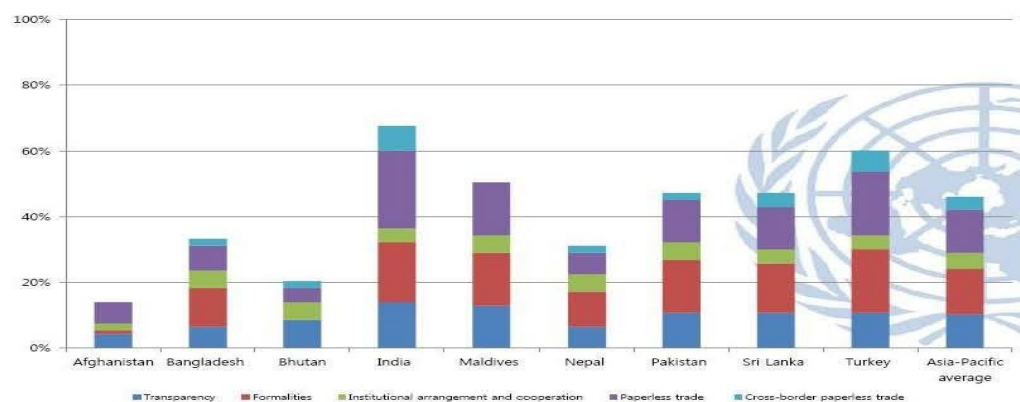

Figure 01: Overall implementation of trade facilitation measures (Source: ESCAP, UNRCs TF Survey, 2015)

7.2   CHALLENGES OF IMPLEMENTING TF IN BANGLADESH

WTO Trade Facilitation measures includes any country's customs and other border or Government Agencies (OGAs) which directly involved in trade. It has been examined, implementation of TFA mechanism requires modernization of both Customs and OGAs.

In following, we have summarized the challenges of implementing Trade facilitation in Bangladesh:

i.   Creating integrated supply chain in trade: Less integration of cross-border management, across regional trade growth and affect supply chain in trade.

ii.   Transparency & Accountability in Trade & Customs: To take the full advantages of TF Agreement, modernization of customs is necessary. Customs & trade laws/regulations/procedures/processes becomes critical factor in this regard.

iii. Coordinated Border Management: A large number of border/regulatory agencies are involved in trade processes. They have different mandates with regard to goods & people crossing borders. Such mandates vary from revenue assurance, migration, phytosanitary, radiological, transport, ecological & food safety controls

iv.   Streamlining formalities and documentation requirements: Requirements for submission of a lot of documents is one of major challenges of TF implementation in Bangladesh. For example, all border agencies demand original documents, and often reject copy documents.

v.   Facilitation of release and clearance in specific areas: In implementing TF, clearance in specific areas hampers the process; as for example, courier cargoes suffer from a variety of hassles, obstacles and delays

7.3   TRADE FACILITATION INITIATIVES IN BANGLADESH

In this forth industrial revolution, trade facilitation has been evolved as a key factor for international trade efficiency and the economic development of countries. Trade facilitation measures plays an important role in restructuring administrative procedures, increasing transparency and reducing delays and needless paperwork. It has emerged as a central factor for Bangladesh in accelerating its export growth as well as relieving the red tape associated with import procedures.

7.4   TRADE FACILITATION (TF) INITIATIVES

Bangladesh has three seaports, one 'Inland Container Depot' (ICD), three airports for international transaction of goods and 28 Land Customs stations. More than 90% of internationally trade goods (Bangladesh) are carried by sea. So far, Bangladesh with the assistance of other agencies has taken notable initiatives in Trade Facilitation domain.

ASYCUDA System (Automated System for Customs Data): Under the flagship of 'Customs Administration Modernization Project (CAM-1)' (1999), ASYCUDA++ was successfully introduced in four custom houses (Chittagong, Chittagong EPZ, Dhaka, Kamalapur ICD and Benapole). Rapid expansion of internet and adoption in Bangladesh, the decision was taken to upgrade ASYCUDA++ into the latest web-based ASYCUDA World version in a centralized environment.

The ASYCUDA system is now deployed in the country and NBR, partnering with UNCTAD, is now working to strengthen the customs clearance process by adding new modes and establishing interfaces with other government departments, including the central bank of the country, Bangladesh Bank. Now, NBR processes on average, over 10,000 customs declarations and 6,000 Bill of Ladings every day. A recent upgrade to the latest release of Automated System for Customs Data (ASYCUDA) World and proper tuning of the hardware and related software infrastructure results in overall performance and improvements. ASYCUDA World was implemented with interfacing with the Container Management System (CTMS) of Chittagong Port. Gradually interfacing with other related stakeholders will be carried out. Rolling out of ASYCUDA World to six priority LCSs has been completed. Replicating the same to other LCSs is ongoing. Establishing Connectivity with Central Bank is also underway.

Direct traders input (DTI): Direct traders input (DTI) system has been successfully introduced in Dhaka and Chittagong Customs Houses which allows electronic submission of bill of entry.

Container Management System (CTM): Chittagong Port Authority (CPA) operationalizes container management system (CTM), which facilitates proper automation of import operations. Port of Chittagong has introduced and implemented 'selectivity system', where shipments are screened against pre-determined risk criteria and then systemized through the appropriate channel.

Introducing Green Channel: "Green channel" imports are released by checking minimal documentation and physical inspection does not take place. On the other hand, "yellow channel" imports undergo with extensive documentation check, and "red channel" imports that account for 10% to 12% of the total and receive full documentation and physical inspection.

Bangladesh Trade Portal: Introduction of 'Bangladesh Trade Portal' is an important initiative of the government toward improving the predictability and transparency of the country's trading laws and processes. In fact, this approach is materialized in line with the government's commitment to facilitate in sharing trade and investment related information as the 7th Five Year Plan focuses on accelerating economic growth, as well as compliance with Article 1 of the Trade Facilitation Agreement with the World Trade Organization. The Bangladesh Trade Portal evolve as one-stop point for information relating to trade and investment of Bangladesh. Hosted by the Ministry of Commerce of Bangladesh Government, the portal delivers an accessible, logical, helpful window for traders to access important regulatory and procedural information needed to export and import.

National Single Window (NSW): Bangladesh government has decided to establish National Single Window (NSW) to facilitate trade and investment in the country. As part of this, a Working Group for Establishment of National Single Window (NSW) has been formed and capacity assessment of important OGAs is ongoing. Establishment of National Enquiry Point (NEP) and an interactive NBR website is in-progress with donor's assistance.

Data Center (DC) and Disaster Recovery (DR): In Bangladesh, information technology is centrally operated under Data Center (DC) and Disaster Recovery (DR) concept. Data center (DC) at NBR connects all customs stations/houses with one disaster recovery (DR) site established at Chittagong. Nationwide connectivity through fibre optic cables which refers to 'NBRNET' from two service providers ensure 99.98% up time.

Customs Act: Bangladesh Government has taken further initiatives to introduce a new and updated customs act, under compliance of the Revised Kyoto Convention, SAFE Framework of Standards and WTO Agreement on Trade Facilitation. The new act is expected to increase efficiency of the trade logistics system, enhance transparency and reduce time and cost for trade and investment. The new Customs Act, 2014 is expected to come into effect soon. Formulation of Rules under the new Act is going on.

Formation of Standard Operating Procedures (SOPs): Five policy-level Standard Operating Procedures (SOPs) were formed and approved by the Finance Minister on June 04, 2014. These have been distributed to field offices for implementation. Teams of officials are working on development of the five operational SOPs of Risk Management, Assessment, Non-Intrusive Inspection, Physical Inspection and Post Clearance Audit. Operational SOPs of NI Inspection and Physical Inspection have been drafted and are waiting to be finalized soon. Needs assessment of four major ports for implementation of NI Inspection has been conducted.

Authorized Economic Operators (AEO): Directives were issued on December 09, 2013 for the implementation of AEO Programme. Targeting this, an AEO Unit has been established in NBR. AEO Programme implementation Action Plan has been drafted. Initial training of the officials and representatives of trade bodies have been completed. One international expert on AEO is attached with the AEO Unit for the preparation of the Piloting of the AEO Programme in Bangladesh.

Central Risk Management (RM) Technical Unit: The proposal of forming the Central Risk Management (RM) Technical Unit was approved by the Finance Minister on December 08, 2014. RM Implementation Action Plan has been prepared. Preparation of operational SoP for RM Unit is ongoing. The RM Unit will hopefully become fully functional by the end of this year.

Time Release Study (TRS): Time Release Study of Chittagong Port and Benapole Land Port was conducted in 2013 and 2014 and the two reports are hosted and published in NBR website www.nbr.gov.bd

Some key observations of TR Study are as follows:

(1) In Chittagong, it takes about 11 days 9 hours and 45 minutes from arrival of vessel to release of goods i.e., import, and 4 days 22 hours and 38 minutes from arrival of cargo to release of goods i.e., export.

(2) In Benapole, it takes about 5 days 18 hours 24 minutes for import on an average and 4 days 5 hours 26 minutes for export.

A further analysis on Chittagong port, which deals with around 92 per cent of the merchandise trade in Bangladesh, reflects that customs clearance takes reasonably short time (around 5 days for import and less than half a day for export). The remaining time is spent for 'other government agencies' including port, food safety and standards, plant quarantine and other certifying authorities. The small traders suffer the most from such bottlenecks.

Implementation of the recommendations of TRS is ongoing. TRS of two other priority ports (Customs House Dhaka and ICD Kamalapur) are ongoing.

National Trade Facilitation Committee (NTFC) was formed in May 2013 under the leadership of NBR with Ministry of Commerce as the co-chair. Four Working Groups are working on Capacity assessment for implementation of WTO, TFA, Identifying bottle necks in the Customs Business Process, Reduction of documents and stock taking of forms and fees, Capacity assessments of OGAs.

SASEC (South Asia Sub-regional Economic Cooperation): Modernization Activities of trade facilitation under SASEC (South Asia Sub-regional Economic Cooperation) is in-progress.

8.0   TRADE FACILITATION INITIATIVE BY UN-ESCAP

Ungainly trade procedures discourage and affect economic activity, growth and make it difficult for trade related organizations and countries to participate in regional and global production networks. Trade facilitation measures help in simplifying processes and regulations. UN-ESCAP assists countries, particularly least developed and landlocked developing countries (LDCs and LLDCs), by assisting those countries in developing tools and guides for implementation of trade facilitation measures like national single windows, developing cross-border paperless trade arrangements, facilitating knowledge sharing on good trade facilitation practices, delivering capacity building and technical assistance on demand, encouraging coordination among development partners involved, and conducting research trade facilitation, including on reducing trade cost and trade finance.

8.1 IMPORTANCE OF PAPERLESS TRADE FACILITATION IN BANGLADESH

World community has made significant progress over the years in reducing highly visible tariff barriers (e.g. customs duty). Tariff barriers have gone down around the world to a very low level. Attention has therefore been shifted towards addressing the remaining major trade problem - Non-Tariff Barriers (NTBs) and Para Tariff Barriers. NTMs sometimes act as Non-Tariff Barriers (NTBs) that arise as intentional or unintentional consequences of government trade policies. Efforts to address them effectively are evident in the form of conclusion of the 'Agreement on Sanitary and Phytosanitary (SPS)' Measures', and the 'Agreement on Technical Barriers to Trade (TBT)' under the WTO.

With a view to facilitating trade, the objectives of Bangladesh Government are explicitly highlighted in our development priorities laid down in Perspective Plan 2011-2021, and Sixth/Seventh Five Year Plans. Accordingly, Bangladesh's import, export and other trade related policies are being simplified with the aim to liberalize trade. Examples -

- Simplification of trade licensing,
- Removal of quantitative restrictions,
- Implementation of a flexible exchange rate policy, and
- Fully liberalizing export regimes
- Establishing Integrated Supply Chain Management & Security
- Reducing Transaction Costs
- Attracting Foreign Direct Investment
- Generating Employment and thus Reducing Poverty
- Boosting Exports
- Enhancing Economic Growth

9.0 SINGAPORE PAPERLESS TRADE-A CASE STUDY

In the decades after independence, Singapore rapidly developed from a low income country to a high income country. Department of Statistics of Singapore states, GDP of Singapore grew with an average of 7.7% since independence; in the first 25 years growth topped 9.2%. Per capita GDP over the same periods grew by 5.4% and 7.2%.

It has been observed, rapid industrialization took momentum in 1960s and, by the end of the decade, manufacturing sector becomes the prime sector of the country's economic boom. In the 1980s, Singapore had positioned herself as a new economic giant among the newly industrializing countries in Asia. Currently, the strong manufacturing and services sectors have become the twin strong pillars of the Singapore economy. There is a wide range of businesses, with a particular focus on high value added activities.

Singapore's position at Ease of Doing Business Report 2017 (The rankings for all economies are benchmarked to June 2016.).

Rank	Economy	DTF Score
01	New Zealand	87.01
02	Singapore	85.05
03	Denmark	84.87
04	Hong Kong SAR, China	84,21
05	Korea, Rep	84.07
06	Norway	82.82
07	United Kingdom	82.74
08	United States	82.45
09	Sweden	82.13
10	Macedonia, FYR	81.74

Table 02: Singapore's position at Ease of Doing Business Report 2017

According to the trade history, Singapore was one of the first economies to introduce an electronic system for public administration. As a first initiative, the Inland Revenue Authority of Singapore was developed in 1992 which was an integrated and computerized tax administration system, making internal processes more efficient with less staff. As a consequence of this endeavor, the time needed to issue tax assessments decreased from 12–18 months to 3–5 months (between years 1992 and 2000)

It has been proved that the implementation of a single window in Singapore generated positive results. In 80's economic recession, Singapore government set up a high level committee to improve economic competitiveness. Increase the use of information technology in trade was one of the committee's recommendations. The Single Window system of Singapore is based on a single form, single submission, single interface and single process. It has significant recorded that after introducing the Single Window in Singapore, the time to process trade documents was reduced from 2-7 days to 1 minute or less and fees were reduced from US Dollar 6 – US Dollar 13 to US Dollar 2.10 (approx.) and the number of documents were reduced from 4-20 to single electronic document.

TradeNet[2], one of the first such systems put in place in the world, began operating in 1989 as an electronic data interchange system that allowed the computer-to-computer exchange of structured messages between the government and members of Singapore's trading community. The system now handles more than 30,000 declarations a day, whereas this integrated system can process 99% of permits in just 10 minutes and receives all monetary collections via interbank gateway system.

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[2]TradeNet is Singapore's National Single Window for trade declaration. Launched on 1 Jan 1989, it allows various parties from the public and private sectors to exchange trade information electronically. https://www.customs.gov.sg/about-us/national-single-window/tradenet

CONCLUSION

As it has been less than three months since the treaty opened for signature on October 01, 2016, none of the members have signed it. It usually takes several months to complete domestic approval process for signing a treaty. As per Article 19 of the agreement, the treaty will enter into force once five member states of ESCAP ratify or access to it. As taking the initiative, Bangladesh has drafted Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and Pacific (FA-PT). It is now open for signing at the UN Headquarters in New York. Ministry of Commerce of Bangladesh is now in the verge of collecting opinion from relevant stakeholders regarding the paperless FA. It is believed that the treaty will bring a long-term benefit for the Asian region by promoting cross-border paperless trade to make the global trade more efficient and transparent and improve regulatory compliance. Moreover, it will become an efficient tool for better implementation of TFA. The policymakers of Bangladesh need to move ahead for signing the treaty as it will help to connect the trading partners electronically and it would not become any bindings (like other agreements of WTO).

Export receipts of Bangladesh may face challenges if the country loses duty-free market access upon its advancement from the grouping of the least-developed countries. In view of this, Bangladesh need to be prepared to build its capacity for safeguard and it needs to enter into this framework under the umbrella of UN-ESCAP.

Recent UN-ESCAP studies show that partial implementation of cross-border paperless trade initiative can play vital role on increase of the export of by 36 billion US dollars per year, and the time required for export could reduce by 44 percent, while incurring cost (expenses) for it will be reduced by 31 percent. Hence, Bangladesh need to organize, towards cross-border paperless trade of UN-ESCAP; otherwise the country will fail to keep pace in international trade domain. In this perspective, a strong regional arrangement like 'Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and The Pacific' would certainly facilitate regional integration.

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