

From paper to bytes

Digital innovations for sustainable trade









Emerging developments and opportunities in Green Trade Facilitation, 3-4 October 2023 Pierre Bonthonneau, Senior Trade Facilitation Adviser, ITC

Cross-border trade impacts the environment

Lack of trade facilitation makes it worse!

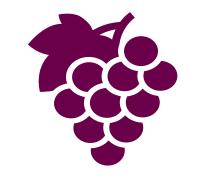
CO2 emissions of trucks queuing at borders



Paper usage due to excessive doc. requirements



Waste in agrifood products due to delays at borders



Increased cost to trade in environmental goods



Digitalizing certificates of origin.

The good case study...and the even better one!

4 CA countries have digitalized CIS CO...but paper still prevails

Tajikistan, Kazakhstan, Uzbekistan and Kyrgyzstan have introduced eCO

- Traders request & receive CO online
- E-CO module is connected to national SW

Lack of regulatory basis for cross-border recognition calls for CO to be printed

- The CIS Agreement makes paper mandatory
- Selected CA countries are working on bilateral agreement to overcome barrier

Sri Lanka has fully digitalized its pref. COs and India is recognizing them

ITC supported Sri Lanka to successfully digitalize pref. CA at the DOC

- 15'000 CO have been issued over the past few months.
- Including 6'000 linked to ISFTA

India has agreed to recognize the electronic CO issued by Sri Lanka, allowing a full paperless process

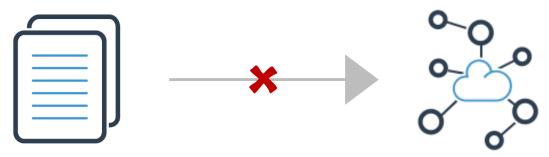
Cross-border recognition of e-doc is the only way to achieve of paperless trade

Bridging the gaps in paperless procedures in KYG

Systems interoperability is paramount

Our Starting Point





Certificates of Conformity are digitalized

ACCREDITATION BODY



Limited crossreference of test conducted with laboratory accreditation

Laboratory results required are paper-based

Bridging the gaps in paperless procedures in KYG

Interoperability with SW and other systems is paramount

Where we are heading

LABORATORIES



Development and roll-out of a module to digitalize laboratory results

SINGLE WINDOW



Laboratory module is integrated with SW. Lab. results made available electronically to other border agencies

Systems automatically confirms that test results were conducted in an accredited laboratory

ACCREDITATION BODY



Digitalize the accreditation process and accreditation status

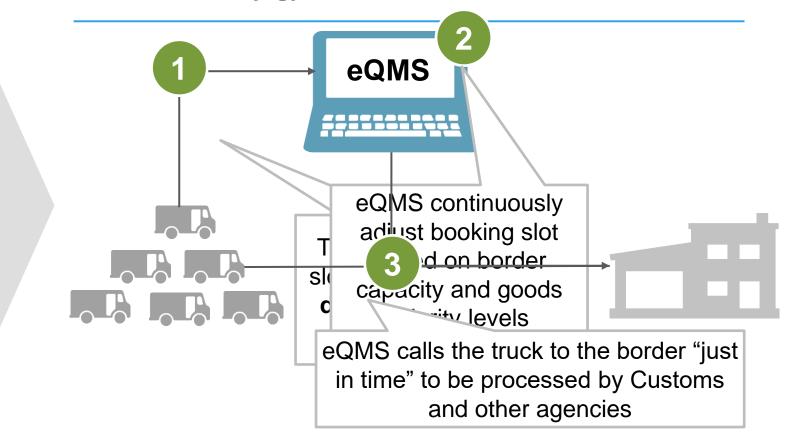
How to get rid of long queues at borders?

Transform them into virtual queues!

Long lines of trucks have many negative impacts on the environment

- Increases CO2 emitted by vehicles
- Generates wates in surrounding areas
- Clogs traffic when border is in urban area
- Augments risk of perishable products being deteriorated

High-level overview of e-Queue Management system at Kyrgyzstan-Uzbekistan border



eQMS brought border queues from 6 days to a few hours It's not about software, its about everything else

Key success factors for sustainable digital solutions for sustainable trade



Coordination and collaboration among countries sharing the border



Adequate governance and funding model to ensure sustainability



Upgrade regulatory frameworks



Review and adjust procedures for operational excellence and business usability



Favor tailor made IT solutions, connected to Customs Management System

Digitalization efforts must be rationalized to ensure impact Introducing CART.IS initiative

The issue

Digitalization efforts are frequently disjointed

Gaps in paperless trade formalities are not systematically identified

Opportunities for G2G interoperability / data-exchange not fully exploited

CART.IS

Full fledge methodology to map B2G and G2G solutions supporting trade...

- Existing systems
- Existing data-exchange between government agency
- Existing data-exchange between countries

...Allowing to pinpoint opportunities for deepening digital solutions

- Move X, Y, Z document or formality online
- Identify opportunities for electronic ledger to allow G2G data exchange

Key lessons for future success



Localised solutions for local problems



"Customer comes first" - Designed for business use



"Leave no stone unturned" - digitalisation encompasses all facets of trading including IT, legal/regulatory, operational, business usability



Leverage common standards, frameworks and recommendations



Maximising impact by applying reforms on both sides of the border

Thank you!



bonthonneau@intracen.org