International Trade Centre

From paper to bytes
Digital innovations for sustainable trade

Emerging developments and opportunities in Green Trade Facilitation, 3-4 October 2023
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Cross-border trade impacts the environment
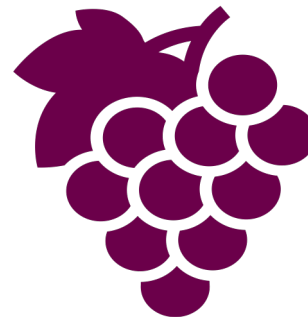## Lack of trade facilitation makes it worse!

CO2 emissions of trucks queuing at borders

Paper usage due to excessive doc. requirements

Waste in agri-food 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

LABORATORIES   **SINGLE WINDOW**   **ACCREDITATION BODY**

Laboratory results required are paper-based
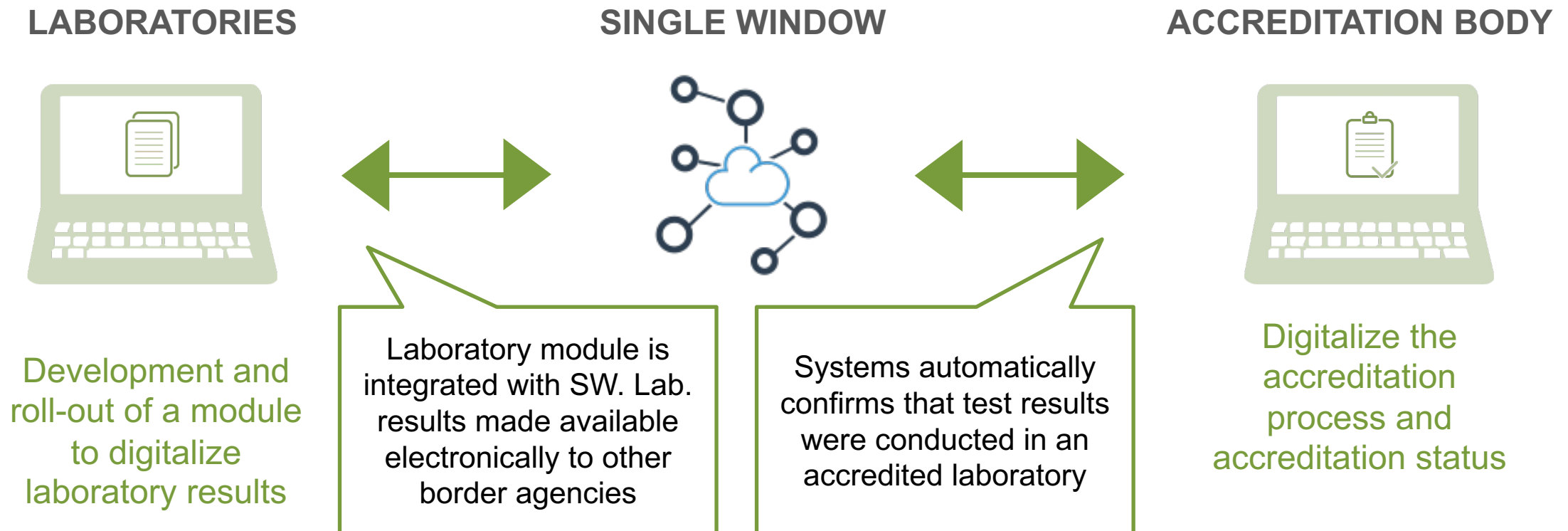
Certificates of Conformity are digitalized

Limited cross-reference of test conducted with laboratory accreditation

Bridging the gaps in paperless procedures in KYG
Interoperability with SW and other systems is paramount
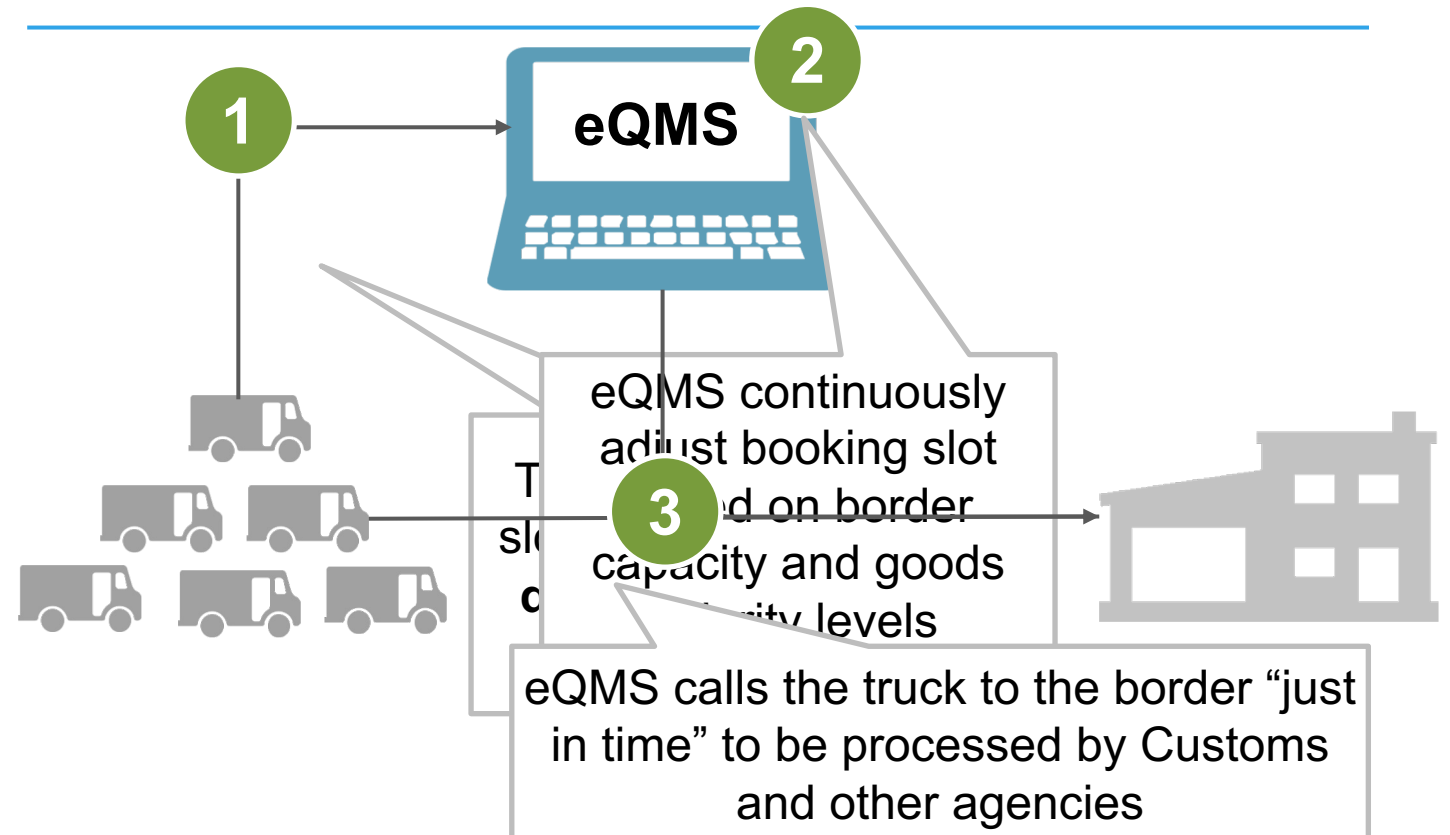
Where we are heading

LABORATORIES

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

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

SINGLE WINDOW

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

1

eQMS

2

3

eQMS continuously adjust booking slot based on border capacity and goods maturity levels

eQMS calls the truck to the border "just in time" to be processed by Customs and other agencies

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!

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