Climate-smart Trade Facilitation

Digital tools to measure the impact of trade facilitation on CO2 emissions

3 October 2023

Climate-smart trade facilitation: definition

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Climate-smart trade facilitation

Reduce the time and costs of the trade procedures while reducing the carbon emissions generated by the same procedures

Trade – Climate Change Nexus

- Global and regional trade volumes increase leads to increased transported hence the increase in GHG emissions due to transport and any carbon-related activities (paper, fuel, etc.);

- Facilitating and streamlining procedures and encouraging introduction of new technologies reduce use of resources such as paper and fuel associated to trade procedures.

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Climate-Smart Trade Facilitation is about TRADE...

- Interconnected and globalized global value chains

- Impact of the multilateral and regional Trade Agreements on Trade Facilitation: TFA, PACER...

- Full implementation of WTO TFA expected to increase export volumes by 20% for developed nations and 35% for developing nations.

- Increase in digital economy

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Climate-Smart Trade Facilitation is about being SMART!

- Streamlining regulatory procedures is an important way through which the impact of trade transactions on the environment and climate change can be reduced.

- New technologies to digitalize and automate trade and transport procedures are becoming key enablers of a transition towards cleaner supply chains by improving efficiency and optimizing existing processes, while also creating new business opportunities.

- Strong evidence that digital trade facilitation procedures can contribute to reducing carbon dioxide (CO_2) emissions

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Each single end-to-end trade transaction fully undertaken digitally could save emissions equivalent to planting 1.5 trees.

UNCTAD Digital Tools to measure impact on CO2 emissions

Climate-smart TF and Green Customs

- Elimination/reduction of paper use through AW

- Elimination/reduction of physical trips between agencies through SW

- Monitoring of trade of ozone-depleting substances through SW

- Combat environmental crime through eCITES

- Reduction of fuel wastage and unnecessary CO_2 emissions with

  ➤ improved maritime logistics and end-to-end supply chain visibility through eg ASYHUB
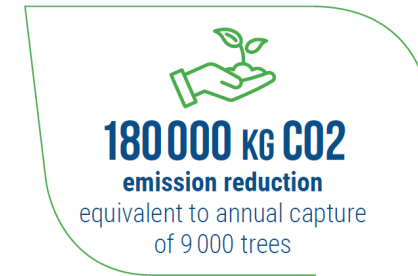
  ➤ reduction of number of trucks idling at the border through AW

Timor-Leste SW

95% DECREASE

in physical trips
and printed paper

Vanuatu SW

180 000 KG CO2
emission reduction
equivalent to annual capture
of 9 000 trees

Sri Lanka

▶ 1 178 permit requests delivered for the trade of endangered species in 2022

▶ CITES permit processing time reduced from 5 days to 27 hours

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Timor-Leste : Electronic Single Window

Since the implementation of Single Window for 8 other government agencies and Customs that started in Feb 2021.

A number of processes have been automated which have resulted in a reduction of paper (in pages) required for submission and printing and time for import and export purposes:

Electronic Import Permit

5,292 pages

Electronic release order and exit note

1,080 + 17,232 pages

ASYCUDA world + Port system

With automation no printed paper
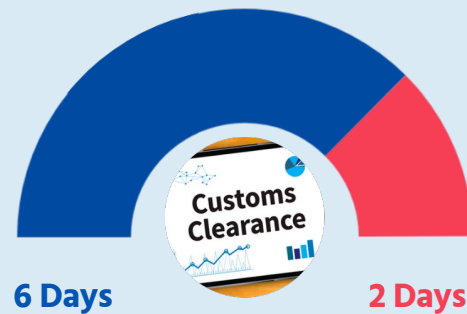**0 pages**

Automation of tax exemption for investors.

18,250 pages

Time saved with automation of import permits and customs clearance

Vehicle Import permit

7 Days   1 Day

Electronic Import Permits saves

6 Days

Customs Clearance Time

6 Days   2 Days

Automation of Customs Clearance saves

4 Days

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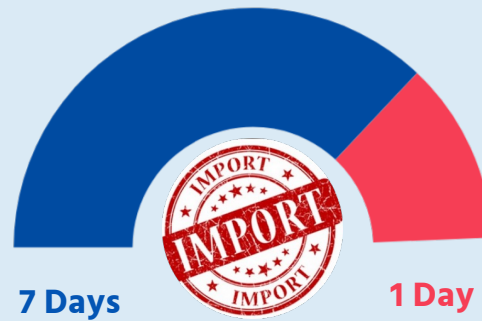
Vanuatu : Electronic Single Window

Vanuatu

Telecommunications Radiocommunications and Broadcasting Regulator

Concessions

429 pages (80.64%)

Total paper saved (Monthly)

319.17 Kg (80.64%)
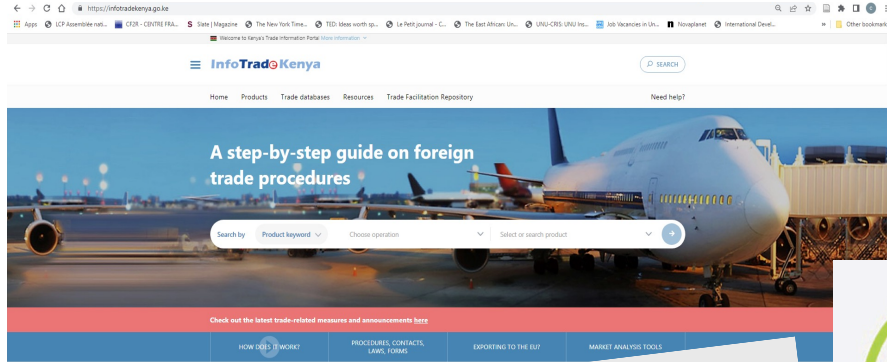
CO_2 kg saved (Monthly)

480 pages (100%)

Total paper saved (Monthly)

357.12 Kg (100%)

CO_2 kg saved (Monthly)
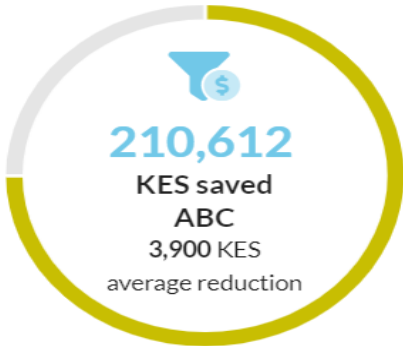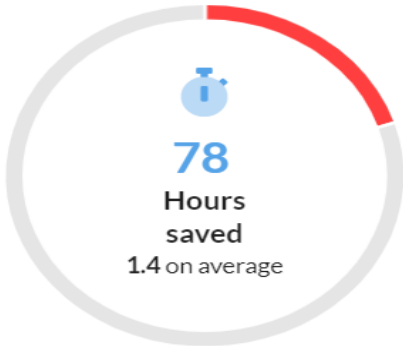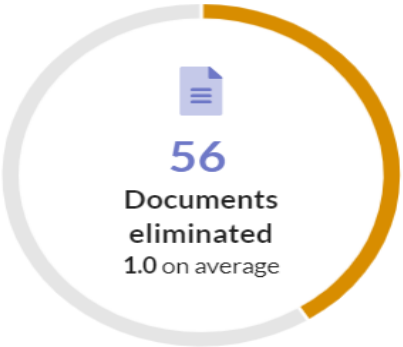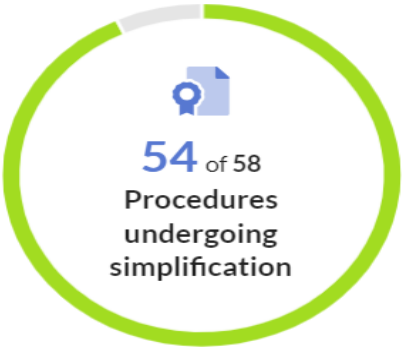
UNCTAD Trade Information Portals
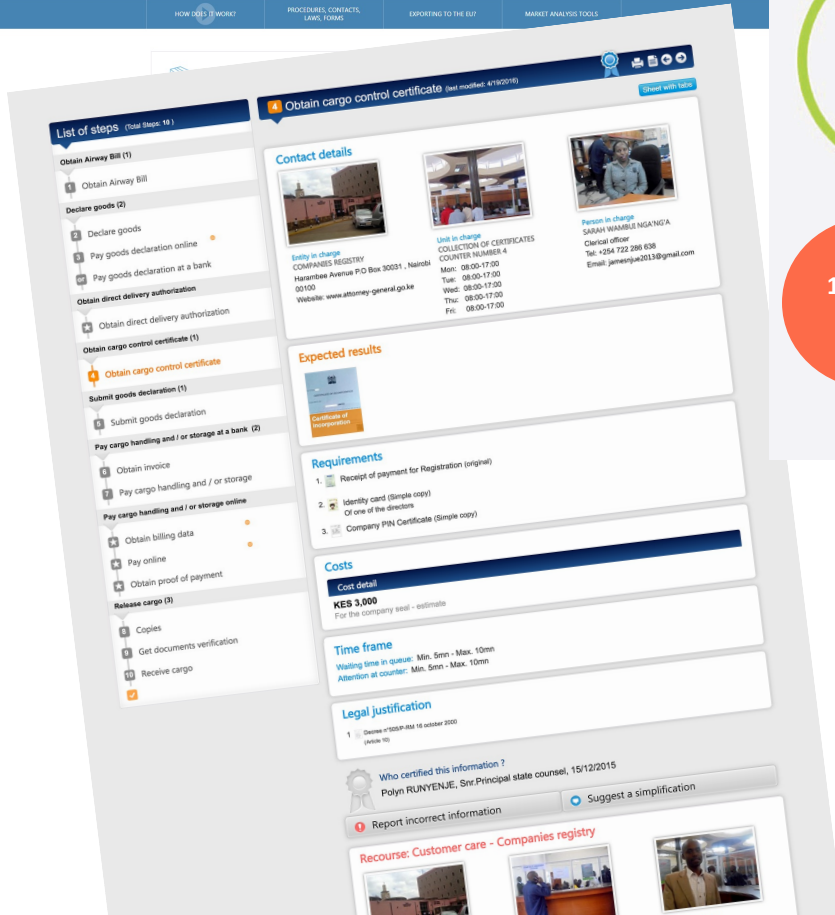
Kenya Trade Information Portal

Simplification dashboard

Summary | Priorities | Work groups ▾ | Publications

54 of 58
Procedures undergoing simplification

45
Steps eliminated
0.8 on average

18
Steps now accessible online
64% of all steps are now online
(baseline: 48%)

56
Documents eliminated
1.0 on average

78
Hours saved
1.4 on average

-10,000
KES saved
Fees
-185 KES average reduction

210,612
KES saved
ABC
3,900 KES average reduction

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Uganda Trade Information Portal

Conclusion

- Facilitating cross-border trade while in parallel focusing on greening the supply chain can have a direct positive impact on reducing CO_2 emissions

- UNCTAD is committed to accompany the countries in setting up climate-smart trade facilitation solutions:
    - Calculate and measure the impact of trade procedures to climate change
    - Simplify and streamline the trade facilitation ecosystem, processes and procedures
    - Help strengthen the coordination and cooperation between public and private stakeholders through the NTFCs
    - Help establish digital solutions: TIP, Reform Tracker, eSW, e-certificates

Thank you!

celine.bacrot@un.org

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