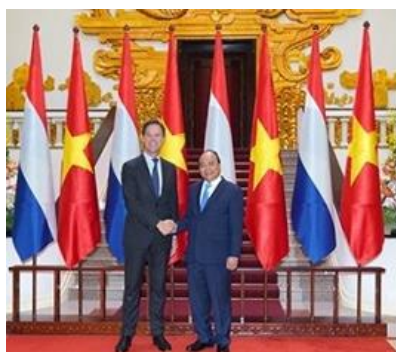




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**Vietnam & Netherlands
agree to lift ties to
Comprehensive Partnership**

Message from the Chairman

My dear colleagues:

It is a pleasure to present to you the latest edition of the “Asian Council on Trade Facilitation” newsletter. This publication is a compendium of relevant news, reports, and analysis on recent developments in trade facilitation in Asia Pacific.

This issue features prominently Chinese efforts to conclude the Chinese railroad in Kazakhstan and Turkmenistan, improvements in Indian custom’s processing, and trade negotiations between China and India. In the other side, Vietnam is implementing trade relationships that the World Bank lauds as well as establishing a national-single window to facilitate trade further.

This newsletter contains many news from across the region indicating trade facilitation inroads everywhere, despite the uncertainty associated with the Chinese & American trade relationship. We hope you will find this issue useful and informative.

R. B. Rauniar

*Chairman of Asian Council on Trade Facilitation
CACCI*

Uzbekistan joins China-Kazakhstan-Turkmenistan-Iran railway corridor

[Azernews, Trend, 5 April 2019](#)

Uzbekistan joined the China-Kazakhstan-Turkmenistan-Iran railway corridor, Trend reports with reference to the press service of Kazakhstan Railway.

"The flow of containerized cargo has increased, especially to Uzbekistan and through the Bolashak station to Iran, with the accession of Uzbekistan, the corridor becomes significantly shorter," first deputy chairman of Kazakhstan Railways, Kanat Almagambetov said at a meeting of railway administrations of these five countries in Almaty.

Kazakhstan Railway said that the volume of traffic along the China-Kazakhstan-Turkmenistan-Iran corridor in 2018 was 1,000 TEU (container in 20-foot equivalent).

"For the development of transit cargo from China to our countries and in other directions, it is important to develop acceptable tariff and other conditions," said Almagambetov.

During the negotiations, the importance of timely delivery of goods to increase transportation was noted. In this regard, special attention is paid to meeting the demand for fitting platforms. The parties pledged to jointly provide the full amount of shippers with rolling stock.

At the meeting, issues of attracting additional goods to the Iran-China route, the organization of regular container

services and the establishment of tariff conditions along the China-Kazakhstan-Uzbekistan-Turkmenistan-Iran corridor for 2019 for loaded containers were discussed. It is also reported that since April of this year, a regular feeder service is launched on the route Aktau - Alat.

Following the meeting, the parties also agreed on integrated tariff rates.

The total length of the route China-Kazakhstan-Turkmenistan-Iran is about 10,000 kilometers. The total travel time is about two weeks, which is twice as fast as by sea, which takes 25-30 days.

The China-Kazakhstan-Turkmenistan-Iran railway route is part of the North-South international transport corridor and the first logistics solution for speedy cargo delivery from the East China coast to the markets of the Persian Gulf. In Turkmenistan, based on the needs of suppliers and carriers, there are two routes from Serkhetyak: to Serakhs, to the southeastern border with Iran, or to Akyayl and from there to the north of Iran.

The creation of this transport and transit corridor became possible after the construction of the international railway Kazakhstan-Turkmenistan-Iran. The road was opened in December 2014 with the participation of the heads of state of Kazakhstan, Turkmenistan and Iran.

Trade war with US is hindering China's efforts to combat poverty, Beijing admits

[South China Morning Post, Zhuang Pinghui, 7 March 2019](#)

The government remains confident of meeting its targets; it has set 2020 as the deadline to eradicate absolute poverty in the country



Liu Yongfu, China's leading anti-poverty official, speaks in Beijing (Photo: Xinhua)

China's trade war with the US is hurting its campaign to alleviate poverty but the government is confident of meeting its targets on schedule, said the country's top anti-poverty official.

"It would not be factual if I said that the trade war has no impact [on China's poverty alleviation campaign]," Liu Yongfu, director of State Council Leading Group Office of Poverty Alleviation, said at a news conference held on the sidelines of the annual meeting of the National People's Congress, one of the so-called Two Sessions, in Beijing.

"Both economies have been affected as trade frictions rise and the economy serves as the foundation of poverty reduction," he said.

"Employment in our impoverished areas has suffered because some enterprises have cut jobs."

China's top leadership has set 2020 as the deadline to eradicate absolute poverty in the country. Between 2012 and last year, China has lifted 80 million people out of indigence, and there were 16 million people who lived below the official poverty line by the end of 2018.

Poverty eradication has been one of China's top national goals since 1978. However, the momentum accelerated in recent years, especially with the push by President Xi Jinping in 2015 to wipe out poverty by next year and build China into a "moderately prosperous society".

The mission is politically significant to the ruling Communist Party as the deadline draws near for it to reach one of its "centurial goals" and deliver a moderately prosperous society in all aspects by 2020, one year before the 100th anniversary of its founding.

Relying on government funding is like having a blood transfusion, and that will not work. Poverty is bound to recur. Yu Liufen, party secretary of Yanbo village

The party owes its rise to power decades ago to the uprising of rural peasants and factory workers who were promised a better life but then left behind as the country made economic strides.

Liu said China was fully capable of handling the effects of the trade war while providing jobs to help people escape poverty by developing industries in poverty-stricken areas.

“We will keep the impact [of the trade war] to a minimum, meaning that we can achieve our [target of poverty alleviation],” Liu said.

One should “have confidence that China has the capability and resources to achieve” the targets, he added.

China’s goal is to raise the poverty line to an annual income of 4,000 yuan (US\$595) next year, up from 2,300 yuan in 2011.



Residents of migrant workers’ village on the outskirts of Beijing in 2017 (Photo: AFP)

The programme also set poverty reduction as one of the key yardsticks in measuring the performance of grass-roots officials.

In addition, party secretaries and governors of 22 provinces in central and

western China, where the bulk of China’s indigent population is concentrated, have signed poverty alleviation responsibility pledges and were subject to performance reviews by inspectors sent from Beijing every year.

“This is the only task that provincial leaders must sign a responsibility pledge for and this [policy] has been in effect since 2012,” Liu said. “These inspectors are assigned with only one single task – an unprecedented practice by the central leadership.”

“This shows the determination [of the leadership] in achieving our poverty alleviation goals.”

Li Guoxiang, a researcher at the Chinese Academy of Social Sciences, said that China would certainly achieve its anti-poverty target as scheduled but that the risks of relapse were high as sustainability was a serious concern.

“Poverty alleviation in rural areas relies heavily on agricultural production, which faces the risks of price and produce fluctuations for factors such as weather and changes in international markets,” Li said. “Some academics have expressed such worries.”

According to figures provided by Liu’s office, some 684,000 people fell back into poverty in 2016, 208,000 in 2017 and 58,000 last year.

Even with such setbacks, China would still be able to meet its poverty alleviation targets, Li said.

“The central government has promised to provide coverage for poverty-stricken families for whatever reasons, and the

government would still be able to help them even if there are hundreds of thousands of people falling back below the poverty line,” Li said.

Yu Liufen, party secretary of Yanbo village under Guizhou province’s Panzhou city, who has led her village in increasing its annual income from 800 yuan in 2010 to 22,600 yuan last year by establishing a village-owned brewery and sausage processing factory, said impoverished areas must find a way to develop the economy that can help them reduce poverty.

“Relying on government funding is like having a blood transfusion, and that will

not work,” Yu said. “Poverty is bound to recur. With the good-quality products and the correct type of business, one job created will help the whole family to escape poverty.”

This article appeared in the South China Morning Post print edition as: Poverty in the cross hairs.



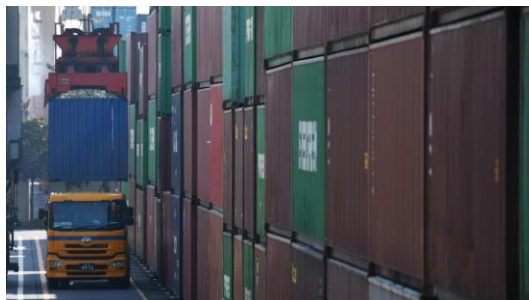
Zhuang Pinghui
Based in Beijing, Zhuang Pinghui joined the Post in 2004 to report on China. She covers a range of issues including policy, healthcare, culture and society.

Import, export clearance time cut by 300 hours, says India’s Customs

[Hindustan Times, New Dehli, 25 January 2019](#)

The Central Board of Indirect Taxes and Customs chairman Pranab K Das said “various initiatives” have resulted in a reduction of approximately 300 hours in import and export clearance time and cut down transaction costs.

The Central Board of Indirect Taxes and Customs chairman Pranab K Das said “various initiatives” have resulted in a reduction of approximately 300 hours in import and export clearance time and cut down transaction costs.(AFP)



The Central Board of Indirect Taxes and Customs chairman Pranab K Das said “various initiatives” have resulted in a reduction of approximately 300 hours in import and export clearance time and cut down transaction costs.

“This year’s theme of World Customs Organisation for the International Customs Day is smart borders for seamless trade, travel, and transport. The theme reverberates with the various reform measures that Customs have initiated in the context of reducing transaction time and costs of import and export clearance coupled with intensive trade

as well as passenger facilitation efforts,” Das said in his address ahead of the International Customs Day on January 26.

Das said 2018 deserves a special mention as India secured an all-time highest rank of 77 in the Ease of Doing Business rankings. He said there was a “quantum jump” in India’s Trading Across Borders ranking from 146th to 80th, the highest by any nation.

He said some of the reform measures include the mandatory filing of import declaration within a specified time, the introduction of eSanchit making the entire process of consignment clearance faceless and paperless.

Das added the others include implementation of electronic sealing for containers by exporters under the self-sealing procedure to strengthen the existing Risk Management System and create a trust-based environment using tamper-proof e-seals in place of physical seals used earlier.

This has also reduced the time associated with the clearance of export containers, he added.

“The reform measures are being monitored at the highest level under the aegis of the National Trade Facilitation Action Plan 2017-2020 which aims to improve the overall efficiency of cross-border clearances,” said Das.

He said in pursuance of the goals spelled out in the plan, Customs, in conjunction with other border agencies and stakeholders, have been making efforts to bring down the cargo release time through both policy and procedural interventions to remove bottlenecks.

Das said an improved inter-ministerial co-operation in pursuance of various trade facilitation measures including the single window, active participation by the industry and regular monitoring by Customs through time release studies have made “significant and positive change” in perception of the trade and international analysts.

India gives China a list of 380 items whose exports can be increased

[The Hindu Business Line, Amiti Sen, 5 April 2019](#)

India has given China a list of 380 items which have the potential to increase exports, provided Beijing lowers non-tariff restrictions. The list include items from agriculture, horticulture, pharmaceuticals, textiles, chemicals sectors besides tobacco and some engineering products.

The Commerce & Industry Ministry in a meeting with stakeholders this week had asked various export promotion councils, including the ones for spices, agriculture, engineering goods, pharmaceuticals, IT and organic chemicals, to prepare China-specific export strategy so that pointed action could be taken, a government official told BusinessLine.

“The Chinese leadership has already acknowledged that the growing imbalance in bilateral trade can be bridged mainly through increased exports from India. A beginning has been made with export protocols being signed between General Administration of Customs of China (GACC) and the Indian government for items such as fish, fish oil, rice and tobacco. But a lot more targeted efforts have to be made,” the official said.



Trade deficit likely to be lower in 2018-19 as Chinese imports fall, but gap remains wide

Agri imports

New Delhi is disappointed that China is not yet importing soybean from India and has released quota for sugar imports from Pakistan instead of India. But the fact that China has started importing Indian grapes and a number of other items such as pomegranates, bananas, copra, pineapple and chillies are in the pipeline has kept India's hopes alive .

“The Chinese Vice-Minister for GACC is scheduled to visit New Delhi in May and finalise some more protocols for India's exports. The Indian Embassy in China is also in constant touch with Chinese officials to expedite action in the area,” the official said.

India's trade deficit with China widened to \$63 billion in 2017-18 which comprised more than a third of the country's total trade deficit of \$156 billion.

However, in 2018-19 the trade deficit is likely to lower a bit as India's imports from China have declined while exports have continued to increase. In April-February 2018-

19, India's exports to China increased 28.61% to \$15 billion; while imports declined 6% to \$65 billion resulting in a trade gap of \$50 billion.

The top items of exports to China from India in 2018-19 were petroleum products, organic chemicals, cotton yarn, plastic raw materials and iron ore.

Commerce Minister Suresh Prabhu, who chaired the meeting which was attended by officials from key ministries and departments such as steel, pharmaceuticals, MSME, agriculture, animal husbandry, fisheries and IT, said the final goal for India should be to have a trade surplus with China.

Indian exporters urged to make better use of FTAs to enhance global presence

[The Hindu Business Line, 15 March 2019](#)



Anup Wadhawan, Commerce Secretary

Chennai - "India's exports will touch an all-time high of \$330 billion this year surpassing the earlier peak of \$314 billion recorded in 2013-14," said Anup Wadhawan, Commerce Secretary.

Speaking at the eighth edition of International Engineering Sourcing Show (IESS VIII) here, organised by EEPIC India with Malaysia as a partner country, Wadhawan said, the engineering sector achieved a record level of exports at \$76.2 billion in 2017-

18 despite increasing sentiment of trade protectionism across the globe.

Releasing the 'EEPC India strategy paper for growth of engineering exports', Wadhawan said, EEPIC has set an ambitious export target of \$200 billion of engineering products by 2025 from the current \$80 billion.

The Commerce Secretary also urged exporters to make better use of India's Free Trade Agreement (FTA) with various countries to enhance their market presence globally.

"We have carried out a number of trade facilitation measures. But our data shows that Indian exporters have not been very good users of FTA preferential benefits from partnering countries," Wadhawan added.

Speaking at the event, Dharmendra Pratap Yadav, Secretary, Micro, Small and Medium Enterprises (MSME) Department, Government of Tamil

Nadu, said the State is the third largest exporter of engineering equipment blessed with natural manufacturing clusters in Chennai, Coimbatore and Tiruchi.

“The Tamil Nadu government is in the process of formalising Business and Trade Promotion Organisation to promote investment in the MSME sector and to forge trade ties with various countries,” Yadav added. The three-day IESS VIII expo, to be held during March 14-16 at the Chennai Trade Centre, will showcase the engineering prowess of Indian manufacturers and help them leverage global business opportunities. The exhibition will see participation of

400 exhibitors, 500 overseas buyers and 10,000 trade buyers conduct business at the venue.

“Malaysia is the 11th largest trading partner and 25th largest investor in India and its participation at IESS 2019 will be a major game changer,” said Ravi Sehgal, Chairman, EEPIC India.

“As India and Malaysia are moving towards a technology-driven automotive industry, this is the most appropriate time for Malaysia Automotive Robotics and IoT Institute (MARii) to play a lead role in global forums like IESS,” Sehgal added.

Vietnam's economy gains as companies flee China in trade war

[Nikkei Asian Review, Tomoya Onishi, 31 March 2019](#)

GDP grew 6.79% in first quarter as exports to US surged



Vietnamese apparel exports to the U.S. have surged amid the superpower's trade war with China (© Reuters)

Hanoi - The U.S. trade war with Beijing continues to boost the Vietnamese economy as companies dodge tariffs by relocating production here from

mainland China, fueling a sharp increase in exports to America.

Vietnam's real gross domestic product climbed 6.79% on the year during the first three months of 2019, the government said Friday. The country enjoyed its second strongest first-quarter growth in the past decade, surpassed only by the 7.45% rate in 2018.

Though January-March growth slowed from the 7.31% rate in the previous quarter through December, that period capped a full year when the economy grew by 7.08%, the largest annual

expansion since the global economic crisis hit in 2008.

Exports to the U.S., the country's largest trading partner, jumped 26% on the year in the first quarter. Apparel performed particularly well as textile companies move operating sites to Vietnam from China, echoing a trend in other industries. Exports to China dropped by 7% amid the northern neighbor's economic slowdown.

The Sino-U.S. trade war will lift Vietnam's economic output by about 0.5 percentage point, the largest margin among Asian countries, Mizuho Research Institute predicts.

"Even if the global economy slows down, relocation from China will continue, and we can expect an offsetting effect to a certain extent," said Hiromasa Matsuura, an economist at the institute.

But Vietnam's overall exports rose just 4.7% during the first quarter, an outcome that owes almost entirely to Samsung Electronics. Foreign-owned enterprises are responsible for two-thirds of Vietnamese exports, and the South Korean technology group accounts for 40% within that category.

Samsung runs two smartphone factories in northern Vietnam. But the company

reported a 30% drop in operating profit for the October-December quarter, and has issued a surprise warning about earnings for the first quarter of 2019. Samsung's financial woes have hurt Vietnam's GDP, and exports of cellphones and electronic components dipped 4.3% from a year earlier.

Underpinning the economy is consumer spending, which accounts for nearly 70% of the GDP. Final consumption expenditures, which include private consumption, gained by 7% in the first quarter.

Vietnam boasts the third-largest population in the 10-member Association of Southeast Asian Nations, along with an expansion of its upper- and middle-income earners. Vingroup, the nation's largest conglomerate, is opening convenience stores at a rate of 1,000 outlets yearly. That growth, along with the addition of new supermarkets, is helping boost private consumption.

The manufacturing industry grew 12.3%, thanks largely to the sector diversifying beyond Samsung. Vingroup put the nation's first electric motorcycles on the market in November, and the group will enter the automaking business in June. Vietnam's second-ever oil refinery, the Nghi Son Refinery, began commercial operations in December.

Iran & Syria explore facilitation of bilateral banking transactions

[Tehran Times, 31 December 2018](#)

In the meeting, Hemmati said that expansion of banking ties between the two countries is a precondition for boosting bilateral trade which has come under the spotlight in the agreement the two sides signed on Sunday for expanding bilateral economic cooperation in the long term.



Tehran - In a meeting between Central Bank of Iran (CBI) Governor Abdolnaser Hemmati and Syrian Minister of Economy and Foreign Trade Mohammad Samer al-Khalil in Tehran, the two sides investigated the ways to facilitate banking transactions between Iran and Syria

The agreement was signed by Iranian Transport and Urban Development Minister Mohammad Eslami and Samer al-Khalil at the place of Iran Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA).

The Syrian minister, for his part, underlined the important role of the central banks of the two countries to facilitate trade ties in line with materializing the objectives of the agreement.

Vietnam & Netherlands agree to lift ties to Comprehensive Partnership

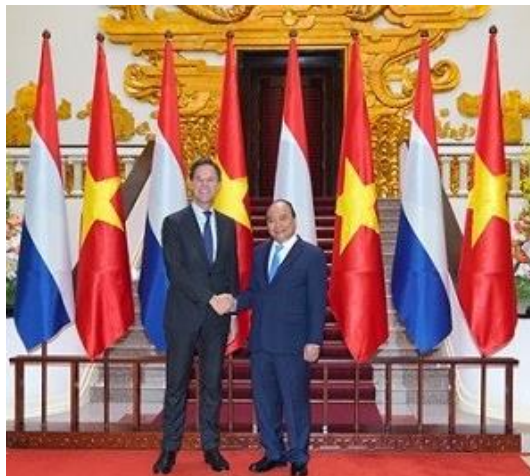
[Vietnam Business Forum, 10 April 2019](#)

Welcoming the Dutch PM's official visit to Viet Nam on the occasion of the 46th founding anniversary of the diplomatic ties, Mr. Phuc confirmed that Vietnam always attaches importance to and promotes the relationship with the Netherlands, one of Viet Nam's top partners in the EU.

The Dutch PM expressed his delight to see Viet Nam's socio-economic development over the recent five years and the increasing status of Viet Nam in the region and the world, especially successful organization of the second DPRK-US Summit.

The Government and businesses of the Netherlands expect to boost the multi-faceted relations with Viet Nam, affirmed Mr. Mark Rutte.

They asserted to facilitate the two nations' enterprises to enhance cooperation, especially in prioritized areas such as agriculture, maritime economy, circular economy development and smart city building and planning.



PM Nguyen Xuan Phuc and his Dutch counterpart Mark Rutte agreed to upgrade Vietnam-Netherlands relations to Comprehensive Partnership at their talks held on April 9 in Hanoi

The two PMs highlighted that the Netherlands became the second largest trade partner of Viet Nam in Europe with the two-way trade value of US\$7.8 billion in 2018 and the Netherlands took the lead in investing in Viet Nam among European nations with the registered FDI worth US\$9.55 billion.

They stressed the importance of the EU-Viet Nam Free Trade Agreement and the Investment Protection Agreement (IPA).

Mr. Mark Rutte confirmed to advocate the early signing and approval of the agreement, contributing to accelerating mutual investment and business and international free trade between Viet Nam and members of the EU, including the Netherlands.

Both sides reaffirmed that their Strategic Partnerships on Climate Change Adaptation and Water Management, and on Sustainable Agriculture and Food Security had been productive and would remain pillars of their Comprehensive Partnership.

The two leaders discussed issues of international and regional concerns, asserting to continue close and mutual support at multi-lateral forums such as the United Nations and ASEAN-EU cooperation.

Both sides reaffirmed the importance of peace, security, and stability in the East Sea, and respect for the maritime order based on international law, as reflected in the United Nations Convention on the Law of the Sea (UNCLOS).

After the talks, the two PMs inked the Memorandum of Understanding between the Governments of Viet Nam and the Netherlands on the Agricultural Transition in the Mekong River Delta and witnessed the signing ceremony of the Agreement on mutual administrative support and cooperation in customs and other bilateral documents.

Vietnam's exports more sophisticated: WB

[Vietnam News, 28 December 2018](#)



Vietnam was seeing an increase in the share of higher-value manufacturing exports, such as phones, computers, cameras and electronics (Photo kinhtedothi.vn)

Hanoi - Vietnam's exports have become more sophisticated with an impressive diversification of exports and increases in higher-value manufacturing exports, according to a recent World Bank report.

The report found that manufacturing exports now accounted for about 85% of total exports, up from 65% in 2010, driven by dynamic growth in the export-oriented foreign sector.

Higher-value manufacturing exports, such as phones, computers, cameras, electronics and related components, increased from a 5% share in 2010 to an estimated 35% in 2018.

At the same time, the share of primary commodities fell steadily, with oil exports down from nearly 7% of total exports in 2010 to about 1.3% in October 2018.

However, the report noted that Vietnam suffered from underdeveloped supply chains, heavy reliance on imports of raw materials and a lack of part-supplying industries.

These problems must be addressed to enhance value added and sustain export competitiveness amidst inevitable wage increases, the report said.

Vietnam also maintained diversified market destinations for its exports with the US and China among the most important trade partners, per the report.

“Having diversified export markets helped Việt Nam to sustain export gains and to mitigate economic risks from external economic fluctuations,” wrote the report.

New trade agreements would give Việt Nam the opportunity to increase its market access for exports and new sources of foreign investment, the report said, adding that Việt Nam had already signed numerous free trade deals with two more major trade pacts on track to come into effect in the near future, namely the Comprehensive and Progressive Trans-Pacific Partnership and the EU-Việt Nam Free Trade Agreement.

“Lowering trade costs was critical to boosting exports, improving competitiveness and enhancing integration in the global value chains,” the report noted.

As room for continued tariff reduction was narrowing, further reductions in trade costs could only be achieved by reducing costs of non-tariff measures and logistics costs.

The report pointed out Việt Nam’s high trade costs resulted mainly from the high cost of compliance with non-tariff measures.

The report cited statistics that documentary compliance time for non-tariff measures for imports in Việt Nam was two-and-a-half times higher than the average of 28 hours of four ASEAN-4 countries of Malaysia, Singapore, Thailand and the Philippines. The time for documentary compliance for exports in Việt Nam was 50 hours, more than twice the ASEAN-4 average.

The current system of non-tariff measures in Việt Nam remained complex together with overlapping procedures and a lack of interagency co-ordination.

“Việt Nam should make every effort to establish a least-cost and transparency system of non-tariff measures with uniform and consistent definition and classification in accordance with international standards and clear policy objectives,” the report suggested.

The establishment of a national committee on trade facilitation and national single window was critical to enhancing interagency co-ordination, according to the report.

According to the Ministry of Industry and Trade, Việt Nam needed to participate deeply in the global value chain to promote high-value exports. — VNS

Vietnam's Deputy PM urges more impactful reforms to boost trade

[Vietnam News, 20 February 2019](#)

Hanoi - Inspections at several State agencies and industries showed lackluster administrative reform while cumbersome bureaucracy had not managed to sufficiently curb trade fraud.

Deputy Prime Minister Vuong Dinh Hue made the comments in February at a meeting held in Hanoi to review work in 2018 and discuss priorities for 2019 of the National Steering Committee for ASEAN Single Window (ASW), National Single Window (NSW) and Trade Facilitation (Steering Committee 189).

“The cuts to administrative procedures must not be just for show, the aim of streamlining is to both facilitate trade while preventing violations,” Deputy PM Hue said.

The Government's Resolution 02, issued at the beginning of the year that laid out tasks to improve the investment environment and enhance national competitiveness, no longer focused on the ‘mechanical’ goal of cutting administrative procedures and specialised inspections by half, he said, adding that a comprehensive review must be done to see whether necessary procedures have been axed when they should have been retained or unnecessary procedures still remained.



Deputy Prime Minister Vuong Dinh Hue chaired the meeting of the National Steering Committee for ASEAN Single Window, National Single Window and Trade Facilitation (Steering Committee 1899) held in Hanoi. - VNA/VNS (Photo Phạm Hậu)

Reiterating businesses' concerns over post-clearance audits conveyed to him in the recent conference on FDI enterprises and policy in Binh Duong Province, Deputy PM Hue reaffirmed that the “robust shift” from pre-clearance to post-clearance audits of goods is the right move.

He noted that there should be a thorough evaluation of the post-clearance audits, with the Vietnam Chamber of Commerce and Industry taking part in this effort to see their impacts and whether the many audits in place are actually needed and serve risk management efforts, or their impacts.

For those goods that absolutely need inspections prior to customs clearance, there must be clear regulations detailing the procedures, duration, criteria and manner of inspections, Deputy PM said.

The role of State agencies is to build legal regulations while investment into audit equipment and the auditing process should be reserved for private actors, Hue said.

“Except for the special cases where the private sector could not do then the State agencies would take up the responsibility. Otherwise, in these matters, businesses’ independent and objective conduct would be better,” he said.

National single-window

According to the report by Steering Committee 189, by the end of January this year, the National Single Window has connected 173 administrative procedures from 13 ministries and State agencies and processed 1.9 million documents from 27,000 businesses so far.

Deputy finance minister Nguyen Thi Mai lauded the positive efforts from ministries and State agencies, resulting in the deployment of 100 services on the NSW (<https://vnsw.gov.vn/>) within the last five months of 2018, “bringing great benefits to the people and business community.”

The Ministry of Transport and State Bank of Vietnam have fulfilled all of their obligations, Mai said, adding that the ministries of Industry and Trade, and Environment and Natural Resources are also making considerable progress in bringing their services to the NSW portal.

Doan Duy Khuong, Vice Chairman of Vietnam Chamber of Commerce and Industry (VCCI), said that survey conducted by the Customs General Department and United States Agency for International Development (USAID) shows Vietnamese businesses using the NSW mechanism “recognised quite clearly” its conveniences.

Up to 61% and 51% of the respondents agreed that the mechanism brought about reduced processing time and simplified procedures, respectively, while half of them thought the website’s interface was easy to use, while around 40% appreciated the transparency.

Deputy PM Hue urged faster upgrades of the NSW and Vietnam’s ASW portal as “IT infrastructure has not caught up with the demands,” causing delays and overloading as the number of businesses joining increases.

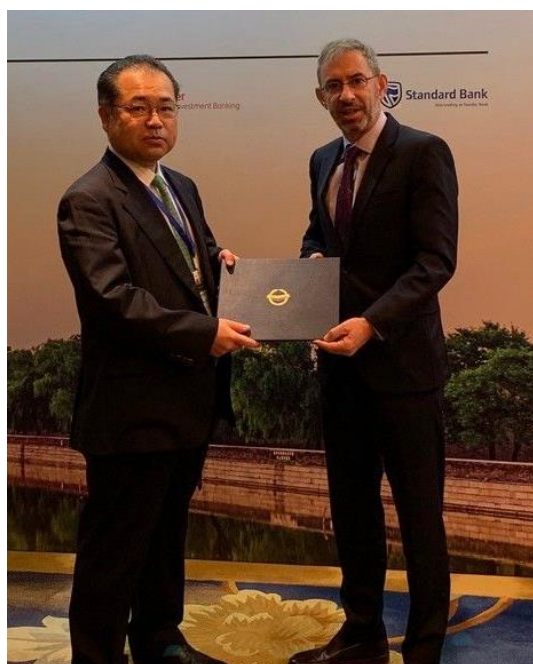
At the meeting, Deputy PM Hue also relayed a common complaint of several businesses that most State agencies do not have 24/7 business support departments to provide timely support for them in handling administrative procedures on the NSW.

Stressing the need for “breakthroughs” in 2019, Deputy PM Hue asked concerned agencies to pay attention to real-life implementation of specialised inspections and business conditions, with the aim of facilitating import and export and increasing business’ satisfaction. — VNS

ADB expands partnership with SMBC to boost trade financing in developing Asia

[ADB, 11 April 2019](#)

Beijing - The Asian Development Bank (ADB) and Sumitomo Mitsui Banking Corporation (SMBC) signed an agreement to promote more than \$100 million of trade annually across developing Asia. Under the agreement, signed on the sidelines of the International Chamber of Commerce Banking Commission's annual meeting, ADB and SMBC will provide financing to support trade transactions in some of developing Asia's more challenging markets.



ADB's Head of Trade and Supply Chain Finance Mr. Steven Beck (right) and SMBC General Manager & Global Head of Supply Chain Finance Mr. Kazuo Yoshimura (left) signed the FRPA during the ICC Banking Commission's centenary Annual Meeting in Beijing

"We are very pleased to expand our partnership with SMBC, especially under our newly launched funded trade finance product, which provides liquidity to banks in developing member countries," said Investment Specialist at ADB's Trade Finance Program (TFP) Mr. Santosh Pokharel. "These partnerships aim to provide more support for small and medium-sized enterprises (SMEs) and underpin growth and jobs to lift people from poverty and improve living standards."

The agreement is expected to finance more than \$100 million in trade each year, which will help both importers and exporters in developing Asia. SMEs are expected to be the biggest beneficiaries.

"We are excited to work with ADB on this funded trade finance product and all the new opportunities it will create," said Group Head, Trade Solutions and Structured Export Finance, at SMBC's Global Trade Finance Department Mr. Mitsuhiro Kawamura. "Asia's trade flow remains buoyant, so efficient trade financing is crucial. This product with ADB is an innovative solution to our clients' trade financing needs."

Backed by ADB's AAA credit rating, the TFP provides guarantees and loans to over 200 partner banks to support trade, enabling more companies throughout Asia to engage in import and export activities. Since 2009, ADB's TFP has supported more than 15,000 SMEs

across developing Asia—through over 21,000 transactions valued at over \$36 billion—in sectors ranging from commodities and capital goods, to medical supplies and consumer goods.

In 2018, TFP grew almost 40% to support \$6.2 billion in trade through 4,470 transactions. TFP complements its financial support with "knowledge products", including a study that quantifies market gaps for trade finance, initiatives to increase the role of women in banking, efforts to enhance environmental safeguards, and initiatives to fight crime through greater transparency in the global financial system. TFP also provides workshops and seminars to increase knowledge and expertise in matters related to finance, trade, risk management, and fraud prevention.

Previous collaboration between SMBC and ADB has focused on supporting trade in Bangladesh, Pakistan, Viet Nam, and other countries in developing Asia.

Headquartered in Tokyo, SMBC is a leading Japanese financial institution and a core member of the Sumitomo Mitsui Group. It is present in more than 39 countries and regions across the globe, out of which 14 are in Asia.

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. In 2018, it made commitments of new loans and grants amounting to \$21.6 billion. Established in 1966, it is owned by 68 members—49 from the region.

ADB Convenes Kyrgyz Banks to Enhance Trade Finance Opportunities

[ADB, 4 April 2019](#)



ADB gathered more than 50 representatives from 21 local commercial banks in the Kyrgyz Republic to discuss recent developments in international trade finance.

Bishkek - The Asian Development Bank (ADB) gathered more than 50 representatives from 21 local commercial banks in the Kyrgyz Republic to discuss recent developments in international trade finance. The ADB Trade Finance Program's (TFP) experts updated the gathering on how trade finance is evolving in the region and globally and shared recent case studies to support efforts by local banks to improve their trade finance products.

“Our aim in convening trade finance conferences is to deliver the ‘know-how’ that leads to more finance flowing to companies, including small and medium-sized ones to support trade,” said Investment Specialist at ADB’s Trade Finance Program Ms. Nana Khurodze. “And the flow of finance to these companies underpins growth, job creation, and better living standards.”

The workshops are designed to assess the experience of local banks and how it might be applied to future expansion of their product line. They also serve to keep banks updated about developments in international trade finance.

TFP has supported \$580,000 in trade through two transactions in the Kyrgyz Republic, both of which involved small and medium-sized enterprises (SMEs). ADB currently works with one bank in the Kyrgyz Republic, DemirBank. This training aligns with TFP’s objective to partner with more commercial banks in the country.

Backed by ADB's AAA credit rating, the Trade Finance Program (TFP) provides guarantees and loans to over 200 partner banks to support trade, enabling more companies throughout Asia to engage in import and export activities. Since 2009, ADB’s TFP has supported more than 15,000 SMEs across developing Asia—through over 21,000 transactions valued at over \$36 billion—in sectors ranging from commodities and capital goods, to medical supplies and consumer goods.

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UNCTAD meet discusses digital trade regulation challenges

Fibre2Fashion.com, 11 April 2019

Representatives from governments and the industry grappled with the tension between digital trade regulation and ground realities of data collection and use at the United Nations Conference and Trade and Development (UNCTAD) e-Commerce Week ministerial roundtable on trade, data and digitalisation at the UN European headquarters in Geneva recently.

Rulemaking about data and e-commerce will need a balance between potential trade disciplines and national policy objectives, said UNCTAD deputy secretary general Isabelle Durant.

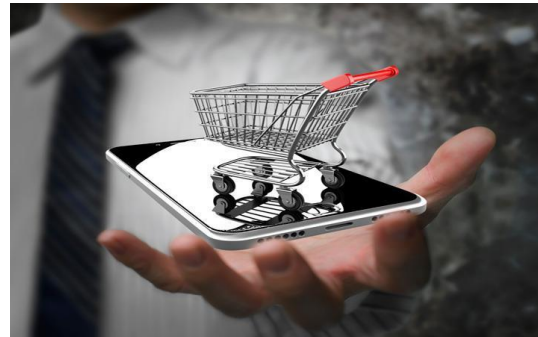
The rules also have knock-on effects across value chains, countries, consumers and all commerce, and those affect trust and illegal activities like hacking and data theft, according to an UNCTAD press release.

Apart from physical infrastructure, mobile money, and a better understanding of the informal economy, one of the biggest challenges in Africa is data, said the African Union's (AU) infrastructure and energy commissioner Amani Abou-Zeid.

The lack of it, how it differs, and the inability to analyze it when it does exist, are all concerns, she said.

The AU is working to address the data issue and it would establish a trade

observatory located within the AU Commission with funding from the International Trade Centre and the European Union, she said.



The observatory would deal with the issue of not having a central trade data repository at a continental level and quantitative information to make decisions.

An additional challenge is identifying how to process and analyse data in Africa, said Lantoso Rakotomalala, Madagascar's industry, trade and crafts minister.

Pedro Mancuello, Paraguay's vice minister of trade, said while more than 86% of people in Paraguay have internet, only 14.3% buy online.

Getting online is a challenge for many, said Joãozinho Mendes of the West African Economic and Monetary Union (UEMOA). (DS)

APEC Taking Measures to Boost Trade and Regional Growth

[APEC, 28 March 2019](#)

APEC economies are working on measures to boost regional trade, which is declining as the region's main driver of growth, said a top APEC official.

As consumer spending eclipses trade in driving economic growth, the 21 economies of the Pacific rim are stepping up efforts to reduce tariffs, barriers in the services sector and bottlenecks in trade facilitation. APEC members are also pursuing ways to help small businesses reach broader markets, specifically through easing barriers in the digital economy.



“Within APEC, we are certainly looking at the issues that might be leading to the decline in trade growth and looking at what we can do to boost trade,” said Justin Allen, Chair of APEC’s Committee on Trade and Investment, who described the situation as ‘unfinished business.’

Allen cited as examples the uneven progress in tariff reduction, an increase in non-tariff measures, and a continued need to smooth out access points and choke points in the supply chains. The ‘patchy’ services sector also offers untapped potential.

“If we can boost across all the APEC economies the services sectors, make them more competitive, ease up some of the barriers that firms might face, then perhaps we can do something to arrest that decline in trade growth,” said Allen, whose economy, New Zealand, ranks as the world’s best place to do business, according to the World Bank’s Ease of Doing Business survey.

Since 2012, trade growth in the Asia-Pacific region has fallen behind GDP growth. This may reflect advances in regional integration; average tariffs have fallen consistently since APEC was established in 1989, reaching only 5.5% in 2016. But boosting trade would strengthen the region against economic risks and help to further share prosperity.

Several working groups have started discussing the different regulatory approaches emerging in the region about the digital economy and the potential for coherence and cooperation in helping enterprises access markets in this area. As digital platforms enable businesses to export without reaching scale, the digital economy would foster the growth of small businesses, which account for over 90% of businesses across the region.

Allen is optimistic that APEC's non-binding discussions will continue to foster cooperation amongst its members with meaningful contributions that have led to formal trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, or CPTPP.

"There are binding commitments made outside of APEC that are often the results of talks started at APEC. The CPTPP is the most obvious example," said Allen, who described the partnership as "a modern 21st century trade agreement."

About CACCI:

Founded in 1966, the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) is a regional non-governmental association principally composed of the national chambers or associations of commerce and industry in Asia and the Western Pacific. Its current membership of 29 countries and independent economies cuts across national boundaries to link businessmen and promote economic growth throughout the Asia-Pacific region. CACCI holds Consultative Status in the Roster Category of United Nations' Economic and Social Council (ECOSOC)

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