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Agenda Item: VII a

# APEC Workshop Series - Utilizing Digital Technology in the Field of Trade Facilitation Under the Current COVID-19 Pandemic and Beyond: Best-Practices Sharing Workshops (CTI 02 2021T)

Purpose: Information Submitted by: Japan



Second Committee on Trade and Investment
Meeting
Bangkok, Thailand
15-16 May 2022

# **APEC Workshop Series:**

"Utilizing Digital Technology in the Field of Trade Facilitation under the Current COVID-19 Pandemic and Beyond: Best-Practices Sharing Workshops"

#### <u>Summary report including presentation materials:</u>

# **Workshop Series Summary**

- In 2021, Japan organized a four-part workshop series on how digital technologies can help address various issues, especially for trade facilitation.
- 1) to share best practices of the use of digital technology in trade facilitation2) to discuss challenges and solutions for adopting such technologies.

#### Series 1 : Trade Facilitation through Trade Platforms

✓ 4 trade platformers presented their systems and initiatives to link with other systems.

They also discussed on the way to proceed on collective data standards, the barriers to adopt blockchain, the role of government, local data privacy requirements, and the security of trade platform.

#### Series 2 : E-Commerce Enabling Technologies

✓ The speakers delivered four presentations during which they discussed the benefits of e-commerce, and how to address barriers, such as perception among consumers about data security, etc.

# Series 3: Interoperability and Data Security for Single Windows

✓ Speakers actively discussed the realization of cross-border Single Windows, including data security of single windows, their activities for cross-border interoperability and the integration of private sectors.

# Series 4 : Empowering MSMEs to Participate in Cross-Border Trade

The experts offered insights on several topics, including examples of successful public-private partnerships to support MSME involvement in global trade, how to ensure affordability of e-commerce solutions for MSMEs, and how to empower businesses in developing economies, in particular.

# **Key Workshop Takeaways**

#### Communicating Value

✓ Proper communication is necessary for users to gain from new technologies, and sufficient information needs to be provided for consumers to weigh benefits against risks accurately.

#### Developing Trust

✓ Real and perceived risks, primarily related to cybersecurity and the soundness of financial transactions, are barriers to technologies that could transform trade across the APEC region. Adopting recognized technical standards and legal frameworks is critical to building confidence among stakeholders.

#### Fostering Interoperability

✓ Interoperable digital systems are the fundamental component to the realization of seamless trade within APEC. Platforms and applications must be able to facilitate cross-border exchanges of data. Economies and businesses should seek communication and consultation with other stakeholders before starting projects that could benefit from interoperability.

# Importance of Government

Government agencies have a leading role in reducing risks and lowering barriers to entry (e.g., via subsidies or education) for adopters of digital technologies.

# **Further workshops in 2022**

- > The Second Phase workshop will be held in 2022 and focus on the topics of customs and port digitalization.
- 1st Workshop: Technologies to Support Customs Procedures:
- ✓ We will share useful initiatives related to the facilitation of customs processes, and discuss issues related to the introduction of technology.
   (e.g. risk management system for customs purpose; an X-ray imaging system for customs control etc.)
- 2nd Workshop: Digitalization of Cooperation between Customs Authorities:
- ✓ We will introduce the technologies that promote cooperation among customs authorities, and discuss the future of customs cooperation and ways to resolve issues such as data security, protection of intellectual property rights and others.
  - (e.g. paperless trade including electronic certification of origin; sharing and proofing the electrical document; tracing custom clearance, interoperability during single windows etc.)
- 3rd Workshop: Port Digitalization and Efficient Supply Chain:
- ✓ We will introduce the technologies of each economy working on port digitalization, and discuss the necessary elements for introducing the technologies, ways to promote the participation of relevant parties, and the possibility of cooperation among economies.
  - (e.g. Digitalization of port trade documents; optimizing container terminals by AI; Managing container to avoid shortage.)