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Connect Asia Newsletter

Information on trade, economic cooperation and integration in Asia

From the GIZ Programme Support for Economic Cooperation in Sub-Regional Initiatives in Asia (SCSI)



Editorial

Dear Reader,

Welcome to our SCSI programme newsletter in a whole new design. Please let us know what you think.

Since the end of 2017 is approaching, I would like to take this opportunity to thank all our subscribers for your loyalty and interest in our work. As always, we would like to provide you with the latest news on our programme activities as well as recent trends and dates in the field of regional cooperation and integration (RCI).

The last quarter is usually the busiest of each year for our programme. SCSI organised, supported and participated in several events in the last three months. Topics ranged from economic transit corridors in Central Asia, World Trade Organization (WTO) Trade Facilitation Agreement (TFA) and its implications for the Greater Tumen Initiative (GTI), cross-border economic zones between China and neighbouring countries, as well as sanitary and phytosanitary (SPS) challenges in exporting agricultural goods.

To find out more about our recent activities, I kindly invite you to browse this newsletter and visit our website www.connecting-asia.org for more details. We are happy to provide you again with our reports as well as selected publications on Asian regionalism.

With all the best wishes for the New Year from the SCSI Team

Florian Miß
Editor

PROGRAMME NEWS

- » Regional Workshop on SPS Challenges and Opportunities
- » UNESCAP / GTI International Seminar on Trade Facilitation
- » Regional Exchange on Cross-border Economic Zones

RECENT TRENDS IN REGIONAL INTEGRATION AND TRADE NEWS ON DIGITAL TOOLS FOR TRADE FACILITATION

Programme News

Regional Workshop on SPS Challenges and Opportunities

GIZ organises knowledge sharing event in Beijing



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On 6-7 December 2017 GIZ hosted the Regional Workshop on SPS. The event was organised by the GIZ SCSI programme and brought together participants from respective government ministries and

agencies of Cambodia, China, Lao PDR and Viet Nam to discuss agricultural exports to China.

The workshop aimed to support Cambodia, Lao PDR, and Viet Nam in terms of SPS cooperation with China by providing a platform for knowledge exchange between stakeholders and joint learning experience.

With special regard to the agricultural sector, participants presented ongoing SPS challenges for exporters and respective government bodies. At the same time, issues of sanitary conditions of agricultural products for the Chinese market were addressed. Chinese experts provided inputs and updates on current SPS measures and procedures in China. Participants mapped the discussions and inputs with support from the SCSI Team. In the fields of information sharing, capacity building, and technical measures a set of recommendation was identified for future cooperation activities.

A detailed documentation of the main outcomes and discussion points is currently issued by the programme and will be published on the SCSI website in due time.

You can find further Information at the SCSI Website:

Dates and Events

12 January 2018

4th Conference on Global Value Chains, Trade and Development
Santiago de Chile, Chile
CEPR
cepr.org

18-19 January 2018

Greater Mekong Subregion (GMS) Financial Sector and Trade Finance Conference
Bangkok, Thailand
ADB
adb.org

09-10 February 2018

Global E-Commerce Conference
Beijing, China
WCO and China Customs
wcomd.org

14-15 March 2018

9th ADB Business Opportunities Fair 2018
Manila, Philippines
ADB
adb.org

14-16 March 2018

Global AEO Conference
Kampala, Uganda
WCO
wcoomd.org

» [Status Report on SPS](#)

UNESCAP / GTI International Seminar on Trade Facilitation

GIZ presents on Global Alliance for Trade Facilitation



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On 16 November 2017, the annual Seminar on Trade Facilitation in Northeast Asia took place in Ulaanbaatar, Mongolia. The event was jointly hosted by the United Nations Economic and Social

Commission for Asia and the Pacific (UNESCAP) and the Greater Tumen Initiative (GTI) Secretariat. The main Topic was the World Trade Organizations' (WTO) Trade Facilitation Agreement (TFA). Participants from respective ministries and agencies of the GTI member countries as well as UNESCAP, World Customs Organization (WCO), and WTO expressed their views on advancing implementation of the WTO TFA and enhancing trade facilitation in the region with better customs procedures and transport connectivity.

As a longstanding partner of GTI, the GIZ SCSi Programme contributed to the discussion by providing a presentation on GIZ experiences with the Global Alliance for Trade Facilitation. As a relatively new instrument to strengthen the WTO TFA in developing countries, GIZ highlighted the importance of involving the private sector in project implementation to address specific trade bottlenecks in developing and emerging economies.

The GTI Customs Sub-Committee (CSC) as well as the GTI Trade and Investment Committee (TIC) followed the Seminar on 17 November where GIZ and other international organisations participated as observers.

You can find further Information at the ESCAP and GTI websites:

- » [ESCAP / GTI Trade Facilitation Seminar](#)
- » [2nd GTI Trade and Investment Committee Meeting](#)
- » [2nd GTI Customs Sub-Committee Meeting](#)

Regional Exchange on Cross-Border Economic Zones

GIZ supports study tour for Vietnamese Delegation



Cross-border economic zones (CBEZ) located at border ports between two countries are a particular kind of special

21 March 2018

Capacity Building Workshop on Cross-border Paperless Trade Facilitation
Bangkok, Thailand
UNESCAP
unescap.org

22 March 2018

4th Meeting of the Interim Intergovernmental Steering Group on Cross-Border Paperless Trade Facilitation
Bangkok, Thailand
UNESCAP
unescap.org

16-20 April 2018

E-Commerce Week 2018: Development Dimension of Digital Platforms
Geneva, Switzerland
UNCTAD
unctad.org

06 June 2018

European Research Workshop in International Trade 2018 (ERWIT)
St. Gallen, Switzerland
UNCTAD
cepr.org

10-12 August 2018

4th AFSA International Conference on Food Safety and Food Security
Siem Reap, Cambodia
Asia Food Safety and Security Association, Royal University of Agriculture, Mekong Institute
afsa2018.org

More on GIZ SCSi Programme

Sub-Regional Initiatives play an increasingly important role in Asia's regional economic cooperation and integration. They help countries to overcome the limitations of domestic markets and foster inclusive development, both by boosting economic growth and by providing the resources for appropriate policies.



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particular kind of special economic zone (SEZ). Especially in Asia, the recent years have shown a growth of these zones as a tool for development, often

in less-developed border areas. CBEZ can facilitate trade and investment activities and are an important tool for the development of economic corridors such as the North-South Corridor connecting China and the ASEAN region. However, the bilateral management of such zones proves to be challenging.

To tackle this issue, and to enhance the planning and management of Sino-Vietnamese cross-border economic zones the Department of Commerce (DofCom) of Guangxi Zhuang Autonomous Region and the Ministry of Industry of Trade (MoIT) of Viet Nam jointly organised a study tour to the Horgos CBEZ connecting Xinjiang, China and Kazakhstan as well as the Boten-Mohan CBEZ between Yunnan, China and Lao PDR. GIZ was engaged early on in the planning and contributed financially to the participation of 17 Vietnamese government officials.

The study tour offered the participants on-hand experience of functioning and well-implemented zones and provided a platform for joint learning and understanding for both countries. Hence, participants came from the Vietnamese central government as well as from the border provinces of Quang Ninh, Lang Son, and Cao Bang.

The connections and the experience will inform the cooperation between Vietnam and Guangxi AR about the policies of current existing CBEZ and the planning of future cooperation.

The GIZ SCSi Programme supports regional stakeholders with the aim to strengthen selected core processes of regional economic cooperation and Integration and to contribute to a sustainable and inclusive economic development in the region.

Visit our website:
connecting-asia.org

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If you would like to continue receiving regular updates on our Programme activities and further insights on regionalisation processes in Asia, please refer to the GIZ Newsletter mainpage and subscribe [here](#)

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Recent Trends in Regional Integration and Trade

SME Competitiveness Outlook 2017

International Trade Center (ITC)

The report shows regional strategies and ways for SMEs to easier access international value chains with deepening regional integration and integrating SMEs better into regional trade agreements. It assesses why some regions are better positioned to participate in regional value chains than others. The paper gives policymakers, investors, exporters and importers key information on how to identify new partners and market opportunities. Among others, the report also includes country profiles of Cambodia, China, and Viet Nam showing a brief SME competitiveness grid as well as SME export potential of the respective country. A summary of the unrealised potential of existing export products within each listed country completes the document.

Read the full paper here:

» [SME Competitiveness Outlook 2017](#)

How Trade can contribute to the Agenda 2030

Asian Development Bank Institute (ADBI)

In contrast, to the Millennium Development Goals (MDG) trade does not prominently feature in the Sustainable Development Goals (SDG) of Agenda 2030. Still, countries like Germany have reformulated their Aid for Trade strategy to integrate the 2030 Agenda. The recently published book “Win-Win: How International Trade Can Help Meet the Sustainable Development Goals” further argues, how trade can contribute to achieving the SDGs with a special emphasis on developing countries. The report touches upon the core principles such as poverty, environment and inclusive growth among other while the last chapter is devoted to other linkages. Published by the Asian Development Bank Institute (ADBI) the book presents an exhaustive discussion on trade as a tool for development aligned with the 2030 Agenda.

Access the full Report here:

» [How Trade can contribute to the Agenda 2030](#)

Silk Road bottom-up: Regional Perspectives on the ‘Belt and Road Initiative’

Stiftung Asienhaus

The Belt and Road initiative (BRI) is less a single corridor than a number of routes, including the China-Indian Ocean-Africa-Mediterranean Sea Blue Economic Passage, China-Indochina Peninsula Economic Corridor, China-Pakistan Economic Corridor (CPEC) and the Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC). This publication aims to document, analyse, and explore the effects of China’s new investments and trade routes as well as the possible consequences for development and the environment with a focus on voices of the regional civil society. Among others, the paper discusses the impact of the BRI in Cambodia and Viet Nam as well as looking further into the role of the Asian Infrastructure Investment Bank (AIIB).

Read the full publication here:

» [Regional perspectives on the ‘Belt and Road Initiative’](#)

Going it alone in the Asia-Pacific: Regional Trade Agreements without the United States

Peterson Institute for International Economics (PIIE)

In the early 2017, the United States withdraw of the Trans-Pacific Partnership (TPP) which led the remaining 11 countries in the agreement to look for alternative ways to carry forward the economic integration in Asia-Pacific region. Against this background, the article analysis the options for the Asia-Pacific countries and point out the larger regional agreements would provide greater benefits for less developed countries, such as Vietnam, by implementing high-quality rules to establish new supply chains in this region. The article also presents the latest developments of RCEP as well as the possible advances when RCEP could fuel formal cooperation with the Belt and Road Initiative.

Access the full report here:

» [Regional Trade Agreements without the United States](#)

Product Market Intelligence (PMI) for GMS Countries

Mekong Institute

Agriculture remains a main economic area in the Greater Mekong subregion (GMS). Despite inherent potential for growth, a vast majority of SMEs, business associations and chambers in the GMS are facing insufficient provision of solution oriented business information in terms of product – market combination, knowledge of markets or customer's needs, understanding regulatory system etc. The PMI Portal Application software is developed for selected products from GMS countries by identifying top 5 markets for each of the products with the following features: identification of harmonization code system (HS-Code), export trends for each product, identification of right product based on revealed comparative advantage (RCA) trends, identification of suitable export market, trade intensity index (TII), tariff and non-tariff Barriers, quotas and licensing, FTA and preferential trade arrangements (PTA) and system generated dynamic graph and reports.

Access the Website here:

» [PMI for GMS Countries](#)

The Risks for ASEAN of New Mega-Agreements that promote the wrong Model of e-Commerce

Economic Research Institute of ASEAN (ERIA)

Digital technology offers exciting new opportunities and advances for ASEAN member states, individually and as a region. The benefits have so far been captured by first movers, especially in the United States. ASEAN countries need time and flexibility to develop their own digital industrialisation strategies that can harness the potential gains and minimise the risks, and regulate accordingly. This paper examines how a systematic strategy of norm-creation through new generation mega-trade and investment agreements could embed the current asymmetries for the indefinite future. The paper argues that starting with the Trans-Pacific Partnership Agreement (TPP), a wrong template is being promoted through a network of mega-regional trade and investment agreements, including the Regional Comprehensive Economic Partnership (RCEP) and others.

Mehr erfahren:

» [Risks for ASEAN of New Mega-Agreements regarding e-Commerce](#)

APEC Launches Micro Enterprise Trading Platform

Asia-Pacific Economic Cooperation (APEC)

As a new business-to-business platform, the APEC Micro, Small and Medium Size Enterprise (MSME) Marketplace was introduced to promote cooperation and linkages across MSMEs and other stakeholders. The initiative is an online portal which helps to build connection with compatible production and supply chain partners. Besides, it provides information on detailed tariffs and trade regulations to help regional small businesses as they participate in global trade. The APEC Marketplace also aims to stimulate the competitiveness and growth capacity of the MSMEs in the process by improving mechanism for knowledge sharing, business support, and capacity building for MSMEs. Therefore, respective toolkits and trainings from partner institutions to improve export capacities, market access, and business

planning are available. Additionally, webinars to relevant topics are planned to be available soon.

Access the Website here:

» [APEC Micro Enterprise Trading Platform](#)

Paperless Trading: How does it impact the Trade System?

World Economic Forum (WEF)

This report introduces what paperless trading actually is and how it does work as well as showing the benefits for traders and governments. Paperless systems can generate savings for traders through faster movement of goods as well as greater efficiency at border agencies where the exchange involves trade administration documents. Data exchanged includes purchasing orders, inventory reports, and digital sanitary and phytosanitary (SPS) certificates, among others. Nevertheless, it also shows paperless trade challenges regarding standards, policy making, implementation of paperless trading systems, and global governance. Additionally, it provides a selection of technical standards and case studies of paperless trade implementation like an e-SPS system between the Netherlands and China.

Read the full paper here:

» [How Does Paperless Trading impact the Trade System?](#)

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