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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 the first edition of the GIZ SCSI programme newsletter in 2018 and the lunar year of the dog.

As usual, the first months of the new year included a lot of planning meetings with respective partners on site to set the course for our programme activities throughout 2018. Among others, SCSI met with the Greater Tumen Initiative (GTI) Secretariat in Beijing as well as the General Directorate of Agriculture (GDA) of the Ministry of Agriculture, Forestry, and Fishery Cambodia in Phnom Penh.

SCSI will further support the GTI mechanisms regarding institutional and implementation capacities for improved regional cooperation. To strengthen the public-private dialogue in Cambodia as well as private sector participation in regional integration, SCSI is currently drafting export guidelines to China for Cambodian SMEs in cooperation with GDA. Further activities will accompany the intervention in 2018.

To find out more about our recent activities, I kindly invite you to browse this newsletter and visit our website [www.connecting-asia.org](http://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 from the SCSI Team

**Florian Miß**  
Editor

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## Programme News

### Fresh Fruit Export Guidelines to China for Vietnamese SMEs

Fresh Fruit Export Guidelines for Viet Nam



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On 19 January 2018, the GIZ SCSI Programme together with the Vietnam Trade Promotion Agency VIETRADE introduced export guidelines for dragon fruit, longan, lychee and watermelon to the public in Hanoi. The kick-

off gathered participants from SMEs, business associations, academia, and involved ministerial departments. The guidelines support Vietnamese businesses to export agricultural goods to China by detailing the process step-by-step.

After a fact-finding mission in February 2017, GIZ SCSI initiated the compilation of export guidelines with their Vietnamese partners. In close cooperation with VIETRADE, SCSI commissioned two experts to issue the four guidelines. Vietnamese partners jointly identified the fruits due to their export potential and considerations of sustainability.

The expert team utilised a participatory approach through seeking input from all involved stakeholders. Throughout the compiling process, the expert team received huge support from all actors involved. Comments and suggestions from ministries, customs officials, business associations, SMEs and academia, contributed greatly to the report.

### Dates and Events

#### 5- 6 April 2018

Second Subregional Consultation for the CAREC Consolidated Trade Agenda (P.R. China and Mongolia)  
Beijing, P.R. China  
CAREC  
[carecprogram.org](http://carecprogram.org)

#### 16-20 April 2018

E-Commerce Week 2018: Development Dimension of Digital Platforms  
Geneva, Switzerland  
UNCTAD  
[unctad.org](http://unctad.org)

#### 23-27 April 2018

31st UN Centre for Trade Facilitation and E-business Forum  
Geneva, Switzerland  
UN/CEFACT  
[unece.org](http://unece.org)

#### 4 June 2018

Meeting Standards in the Agricultural Sector  
Online Course  
ITC

Following the introductory workshop, SCSI and its partners in Viet Nam are currently planning further dissemination and trainings aided by the guidelines for the private sector during 2018. At the same time, VIETRADE already is including the export guidelines independently into their activities.

**You can find further information at the SCSI website:**

» [Fresh Fruit Export Guidelines](#)

## Database Compilation on Trade Stats, Trade Facilitation and FTAs

Trade Database Collection on SCSI Website



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To support programme partners, participants of programme activities as well as further stakeholders in their daily work on topics of regional cooperation and integration, SCSI introduces relevant online tools on its website [connecting.asia.org](http://connecting.asia.org).

Within the section “Databases” on the website, the programme gathers and updates relevant trade information for policymakers as well as private sector actors. SCSI set up three categories of existing online tools to inform relevant stakeholders on trade stats, trade facilitation and free trade agreement (FTA) data.

The category “Trade Stats” introduces tools like the International Trade Center (ITC) Trade-, Export Potential-, or Market Access Map. It furthermore includes platforms from UNESCAP, UNCOMTRADE, the World Bank (WB) or the East Asia Business Council to provide a variety of sound sources for trade data and statistics.

The second category “Trade Facilitation Indicators” is divided into three lists to cover information on tariff and non-tariff measures affecting trade on a global (ITC, WTO, UNCTAD, WB), regional (ADB, APEC, ARTNet), and national (country specific trade portals) level. It presents supportive databases and detailed information on trade policy measures for the business community and decision makers.

The third category “FTA Data” comprises information on global as well as regional trade agreements (RTAs). It gives examples of preferential trade agreements (PTAs), transparency mechanisms for RTAs, or FTA service information for SMEs. In doing so, the section introduces the Asia Regional Integration Center (ARIC) FTA Database as well as respective ASEAN, ACFTA and APEC, WTO and WB

[intracen.org](http://intracen.org)

**26 June 2018**

She Trades Global  
Liverpool, UK  
ITC

[etradeforall.org](http://etradeforall.org)

**28 June 2018**

Belt and Road Summit  
Hong Kong SAR  
The Government of HKSAR &  
HKTDC

[beltandroadsummit.hk](http://beltandroadsummit.hk)

**09-12 July 2018**

ITU GSR 2018 – New Regulatory  
Frontiers  
Geneva, Switzerland  
ITU

[etradeforall.org](http://etradeforall.org)

**10-12 August 2018**

4th AFSA International  
Conference on Food Safety and  
Food Security  
Siem Reap, Cambodia  
AFSA, Royal University of  
Agriculture, Mekong Institute  
[afsa2018-cambodia.com](http://afsa2018-cambodia.com)

### More on GIZ SCSI Programme

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](http://connecting-asia.org)

### Stay up to date with GIZ SCSI

If you have not signed up for our newsletter yet and would like to continue receiving it, please refer to the SCSI website and subscribe [here](#)

instruments.

**Follow the link below for more details**

» [SCSI Website](#)

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## Recent Trends in Regional Integration and Trade

### China's AEO Joint Incentive Programme

World Customs Organization (WCO)

The Chinese Authorised Economic Operator (AEO) Joint Incentive (AJI) Programme was launched in 2016. Under this scheme, companies which have met pre-determined standards under the existing AEO programme and have been certified as Advanced Certified Enterprises (ACE) by China Customs will enjoy preferential treatment to as many as 49 facilitation measures. At present, there are about 3,000 ACEs, accounting for about 33.1% of national import and export volumes in China. The Chinese Social Credit System planned to be launched in 2020, will be used for data collection and sharing on company activities by government agencies and authorised rating entities to administer the AJI Programme. More specifically, the Social Credit System will be used for close collaboration between agencies. In this way, many administrative barriers which previously existed among China's government departments are supposed to be removed to create a unified approach.

**Access the article and the WCO magazine here:**

» [China's AEO Joint Incentive Programme](#)

### Achieving SDGs Through Enhanced Development Cooperation in East and North-East Asia

United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)

This report shows the recent trends of the regional development cooperation in East and North-East Asia (ENEAs). Over the past decades, some countries in the region started to play an increasingly important role in foreign aid regimes. The paper addresses four aspects of the trends: global and regional as well as opportunities for development cooperation; ENEA experience in development cooperation; issues and challenges of development cooperation in the sub-region; and enhancement of development cooperation to achieve sustainable development.

**Access the full report here:**

» [Achieving SDGs Through Enhanced Development Cooperation in East and North-East Asia](#)

### South-South Cooperation in the Era of Global Value Chains: What can China Offer?

Asia-Pacific Research and Training Network on Trade (ARTNeT)

The infrastructure projects under the Belt and Road Initiative (BRI) will have long term implications on

the regional trade arrangement, through improving regional connectivity and production linkage. However, Chinese manufacturing will affect local production and employment in the short term. To achieve the full potential for job creation through production linkage with China, as well as to buffer the shocks, this paper suggests that BRI countries should consider a special customs regime to help build labour-intensive assembly and processing manufacturing. China's own successful processing trade regime can serve as a model strategy for BRI countries, to foster inclusive trade and extend the value chain.

**Read the full publication here:**

» [South-South Cooperation in the Era of Global Value Chains: What can China Offer?](#)

## From TPP to CPTPP

Center for Strategic and International Studies (CSIS)

On 08 March 11 Asia-Pacific countries signed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a multilateral free trade agreement formerly known as the Trans-Pacific Partnership (TPP) – in Santiago, Chile. Despite U.S. withdrawal from TPP early last year, the CPTPP represents a significant step toward closer trade and investment linkages in the Asia-Pacific region and sets new, high standards for regional commerce. While some provisions on intellectual property and investment have been suspended, the agreement's impact will introduce a number of new standards and regulation. Other chapters such as on e-commerce have been left unchanged from the original TPP agreement. The e-commerce chapter has broad protections for data created through digital trade and protects the free flow of information across borders. To go into effect the CPTPP still must be ratified by member countries.

**Access the full report here:**

» [From TPP to CPTPP](#)

## News on Digital Tools for Trade Facilitation

### Electronic SPS Certification

Standards and Trade Development Facility (STDF)

STDF provides relevant information on electronic sanitary and phytosanitary (SPS) certification, including a background paper that aims to provide SPS practitioners with concepts of paperless trade, the role of electronic SPS certification and how it relates to other trade procedures. STDF has also recently published a briefing that introduces three digital SPS capacity evaluation tools, namely the OIE Performance of Veterinary Services (PVS) Pathway, IPPC Phytosanitary Capacity Evaluation (PCE) Tool as well as the FAO/WHO National Food Control Systems Assessment Tool. The tools provide evidence and knowledge for countries to make informed decisions about SPS investments that can drive change, priority actions and next steps.

**Access the information on electronic SPS certification here:**

» [Briefing Note: Going Paperless with SPS e-Certification](#)

» [STDF Website on Electronic SPS Certificates](#)

## Impact of Implementation of Digital Trade Facilitation on Trade

## Costs

United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)

Using data from the United Nations Global Survey on Trade Facilitation (TF) and Paperless Trade Implementation, this paper estimates the effect of trade facilitation measures implementation on trade costs in Asia and the Pacific. The analysis shows that full implementation of both binding and non-binding measures in the WTO TFA is associated with an average 15% trade cost reduction in Asia-Pacific. Full implementation of both WTO TFA measures in combination with other paperless and cross-border trade facilitation measures (digital trade facilitation) is projected to decrease trade costs by more than 26%, cutting international transaction costs in Asia and the Pacific by about \$1.2 trillion annually. The paper also shows a significant reduction in trade costs associated with trade partners' implementation of TF measures. Economies which already have high rates of TF implementation have strong incentive to encourage and support their trading partners in doing so as well.

**Access the full paper here:**

» [Impact of Implementation of Digital Trade Facilitation on Trade Costs](#)

## Trade Facilitation Implementation Guide for Simplifying Cross-Border Trade

United Nations Economic Commission for Europe (UNECE)

The Trade Facilitation Implementation Guide is a web-based interactive tool which aims to simplify cross-border trade. The guide is developed by United Nations Economic Commission for Europe (UNECE) with the support of UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT). It presents concepts, standards, and recommendations which can help simplify trade and shows implementation approaches and methodologies. Furthermore, it supports to identify and select available solutions and possible paths for all stakeholders involved in trade facilitation processes.

**Access the website here:**

» [Trade Facilitation Implementation Guide for Simplifying Cross-Border Trade](#)

## How to Reach Chinese e-Consumers: A Practical Guide for Small Businesses

International Trade Centre (ITC)

China is now the world's largest e-commerce market and is projected to continue to grow. Cross-border e-commerce allows Chinese consumers to purchase goods for direct import from abroad. This shift in consumer behaviour also offers new opportunities foreign firms: while foreign firms had to rely on local distribution partners, faced obstacles due to peculiarities of the Chinese market, and lacked understanding of local language, culture and consumer needs, access to the Chinese e-commerce market is less risky and supported by service partners (e.g. Tao Bao Mall, owned by Alibaba) that deal with the local logistics, payments and listings. The Chinese Government is facilitating the development of cross-border e-commerce by simplifying and reducing import taxes on goods. This guide, explains relevant rules, introduces potential partners and lays out instruction and strategies on how to successfully access the Chinese e-commerce market place.

**Read the full paper here:**

» [How to Reach Chinese e-Consumers: A Practical Guide for Small Businesses](#)

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