



Fifteenth South Asia Economic Summit (SAES XV) Unleashing an equitable green transformation in South Asia

Kathmandu | 11-13 December 2024

Parallel session: Green and sustainable trade facilitation in South Asia

Date: 13 December 2024 Time: 14:00-15:45

South Asia holds substantial economic potential, where trade plays a crucial role in driving GDP, employment, and regional development. As global trade dynamics continue to evolve, it is essential for South Asian countries to embrace digital, green, and sustainable practices in trade facilitation. Doing so will not only ensure long-term economic growth but also promote environmental sustainability and social inclusivity.

Digital trade facilitation leverages technologies to streamline cross-border operations through initiatives like paperless trade, contactless trade, single window, and electronic payments, reducing paperwork, cutting costs, and enhancing competitiveness. Complementing this, green trade facilitation aims to minimize environmental impacts by promoting sustainable transportation modes such as rail and maritime, encouraging eco-friendly packaging, and optimizing logistics to lower energy consumption, all of which align with global climate goals. Meanwhile, sustainable trade facilitation ensures equitable distribution of trade benefits by addressing gender disparities, supporting SMEs, and fostering socially responsible supply chains. These integrated approaches not only boost economic efficiency but also enhance resilience, inclusivity, and environmental sustainability across the region and beyond.

According to the UN Global Survey on Digital and Sustainable Trade Facilitation, India leads the region with a score of 99.55. Pakistan follows with a score of 70.97, while Bangladesh and Sri Lanka score 66.67 and 63.44, respectively. Nepal, with a score of 58.06, slightly outpaces the Maldives at 55.91. Bhutan, scoring 40.86, demonstrates potential for further improvement in adopting these essential trade facilitation measures.

However, South Asia faces significant challenges in advancing digital, green, and sustainable trade facilitation despite its potential benefits. Infrastructure and investment gaps delay the full digitization of trade processes, while disparities in digital infrastructure among countries create competitive imbalances. Additionally, green trade facilitation efforts are hindered by the logistics sector's high carbon emissions and inadequate waste management practices. Ensuring inclusivity, addressing gender disparities, and promoting sustainable practices remain crucial for building resilience and equitable trade in the region.

The issues and questions for discussion in this session include:

- How can infrastructure and investment gaps be addressed to accelerate the digitization of trade processes and overcome challenges?

FIFTEENTH SOUTH ASIA ECONOMIC SUMMIT (SAES XV): UNLEASHING AN EQUITABLE GREEN TRANSFORMATION IN SOUTH ASIA

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- What strategies can be implemented to resolve disparities in digital infrastructure between South Asian countries, ensuring competitive equity in global markets and fostering sustainable trade facilitation?
- What would be the short- to long-run regional strategy to address green trade facilitation challenges?
- What action plan and measures are needed to tackle green trade facilitation challenges, such as reducing carbon emissions from the logistics sector, improving waste management practices, and promoting sustainable transport solutions like rail and maritime options?
- How can climate-conscious customs practices, such as using electric vehicles and/or renewable energy for customs operations, be implemented to lower emissions and fuel consumption within the trade sector?
- What actions are required to address gender disparities and ensure inclusivity in trade participation, so that benefits are equitably distributed among SMEs, marginalized groups, and across the region?
- How could be the roles of SAARC, BBIN and BIMSTEC? Are the current institutional mechanisms of regional cooperation (SAARC, BIMSTEC, BBIN) capable for bringing about the greening of cross-border infrastructure and transportation?
- What actions are needed at the national and regional levels for the implementation of BIMSTEC Trade Facilitation Strategic Framework 2030 and the BIMSTEC Master Plan for Transport Connectivity, also taking into account green, resilient and inclusive development (GRID) objectives?
- Is there a need for mutual recognition and/or harmonization of technical standards, operating procedures, etc. in enhancing green connectivity?
- Is there a potential of using inland waterways as a new trade route for cross-border trade in the region and achieve decarbonization along with other benefits (for example, reducing congestion, reducing costs, etc.)? Which waterway corridors offer the most opportunity? What actions are needed to unlock the potential?
- What are the implications for the greening of logistics-related projects in India for landlocked Bhutan and Nepal?
- What are the best practices and lessons available from other regions while advancing digital, green and sustainable trade facilitation? What would be the roles of multilateral organizations such as the ADB, World Bank, ESCAP and UN/CEFACT in advancing the greening of trade facilitation agenda?