

# Readiness Assessment for Cross-Border Paperless Trade: PHILIPPINES

***Conclusion and Way Forward: Proposed Philippines  
Action Plan for Cross Border Paperless Trade***



Virtual Launching Ceremony  
Co-organized by the UN ESCAP and BOC, 02 June 2022



# Agenda: Recommendations and Action Plans

- **Technical Aspect**
- **Legal Aspect**
- **Conclusion and Way Forward**



# **Technical Aspect**

# TECHNICAL ASPECT

## Institutional and governance bodies

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<p><b>Institutional and governance bodies</b></p> <p><b>Recommendation 1</b> : Strengthen the institutional mechanism for coordination with stakeholders of (cross-border) paperless trade.</p>	<ul style="list-style-type: none"> <li>• Create a high-level coordinating mechanism for private sector participation</li> </ul> <p><i>Need for capacity building intervention</i></p>	High	Completed as of Feb 2022	PTFC (Lead), private sector

# TECHNICAL ASPECT

## Automation

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Automation</b>				
<b>Recommendation 2</b> : Continue the development and enhancement of the following trade-related electronic systems and other trade IT projects,	<i>Need for capacity building intervention</i>	High	Ongoing	PTFC (Lead), ARTA, All TRGAs
	2.1.World Bank Customs Modernization Project	High	Procurement will be by end of 2021. Implementation is until 2025	BOC
	2.2.Port Community System <i>Need capacity building intervention</i>	High	Ongoing	PPA

## TECHNICAL ASPECT

### Automation

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Automation (continuation)</b>	2.3.Onboarding of TRGAs to PNSW <i>Need capacity building intervention</i>	High	Ongoing	PNSW (L) PTFC
	2.4. Full roll-out of Central Business Portal <i>Need capacity building intervention</i>	High	Ongoing	PNSW (L) PTFC
	2.5.Continuous updating of the PNTR contents <i>Need capacity building intervention</i>	Medium	Ongoing	DTI (L) All TRGAs

# TECHNICAL ASPECT

## Automation

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<p><b>Recommendation 3</b> : Upgrade the PNSW such that it has the capability to handle all types of documents in cross-border trade. : (i) cargo manifest; (ii) goods declaration; (iii) permits and clearances; (iv) proof of payment; (v) release orders; and (vi) other documents needed in the supply chain and transportation</p>	<p>Upgrade PNSW to accommodate other documents</p> <p><i>Need capacity building intervention</i></p>	<p>High</p>	<p>First priority – complete the onboarding of import and export permits and licenses Other documents to be handled by BOC and other agencies</p>	<p>DOF (L) BOC</p>
<p><b>Recommendation 4.</b> Implement the various Programs, Activities and Projects (PAPs) stipulated in the NICTEF and CHIP Comprehensive Implementation Plan</p>	<p>4.1. NBP</p> <p><i>Need capacity building intervention</i></p>	<p>High</p>	<p>Ongoing</p>	<p>DICT</p>

# TECHNICAL ASPECT

## Automation

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Recommendation 4 (continued)</b>	4.2. Free Wi-Fi for All/Free Public Internet Access Program <i>Need capacity building intervention</i>	High	Ongoing	DICT
	4.3. NGDC <i>Need capacity building intervention</i>	High	Ongoing	DICT
	4.4. NGP <i>Need capacity building intervention</i>	High	Ongoing	DICT
	4.5. Central Business Portal <i>Need capacity building intervention</i>	High	Ongoing	DICT
	4.6. iBPLS <i>Need capacity building intervention</i>	High	Ongoing	DICT



# TECHNICAL ASPECT

## ICT Infrastructure

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<p><b>Recommendation 5</b> : Adhere to the National ICT Ecosystem Framework (NICTEF) principles and policies, and follow the applicable measures stated therein..</p>	<p>Adhere to NICTEF principles and policies in harmonizing ICT plans and programmes <i>Need capacity building intervention</i></p>	High	On going	DICT (L) All TRGAs
<p><b>Recommendation 6</b> : Implement the E-Government Masterplan, 2022. The EGMP 2022 serves as the blueprint for a harmonized government information system.</p>	<p>6. Implement the E-Government Masterplan 2022 <i>Need capacity building intervention</i></p>	High	Ongoing	DICT

# TECHNICAL ASPECT

## ICT Infrastructure

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Recommendation 7.</b> Conduct of Vulnerability Assessment and Penetration Test (VAPT) as required in the DICT Department Circular No. 003		High Ongoing	Ongoing	
	7.1. Annual conduct of VAPT to ensure that the integrity and security of the government IT system <i>Need capacity building intervention</i>	High	DICT Dept. Circular 03 is the guideline to follow for TradeNet to perform quarterly VAPT	DICT (Lead), All TRGAs
	7.2. Creation of BOC-CERT team to lead on the VAPT implementation in BOC in coordination with CERT-PH <i>Need capacity building intervention</i>	High	BOC-CERT already creat	DICT (Lead), BOC

# TECHNICAL ASPECT

## ICT Infrastructure

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<p><b>Recommendation 8</b> : Ensure stability of the E2M system while the new customs system is being developed under the World Bank-funded Customs Modernization Project.</p>	<p>Ensure stability of the E2M system while the new customs system is being developed. The new customs system will take about five years to be developed.</p>	<p>High</p>	<p>Ongoing</p>	<p>BOC</p>
<p><b>Recommendation 9</b> : Align the development and implementation of the CBPT with the NICTEF</p>	<ul style="list-style-type: none"> <li>• Resource sharing and capacity-building through ICT</li> <li>• Improved public links and connectivity</li> <li>• ICT user protection and information security.</li> <li>• Enable a sustainable ICT Environment</li> </ul> <p><i>Need capacity building intervention.</i></p>	<p>Medium</p>		<p>DICT (L) BOC</p>

# TECHNICAL ASPECT

## Business process re-engineering

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Business process re-engineering Recommendation 10</b> : Implement the Anti-Red Tape Act (ARTA) by government agencies strictly.	Implement ARTA Law specifically Sections 5, 6 and 9.  <i>Need capacity building intervention.</i>	High	Ongoing	ARTA (Lead), PTFC, All TRGAs

# TECHNICAL ASPECT

## Data Harmonization

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Data Harmonization</b> <b>Recommendation 11</b> : Ensure that data are harmonized when TRGAs are integrated in the PNSW/TradeNet by using available and updated international standards such as UNEDIFACT and WCO, and regional standards such as the ASEAN Harmonized Tariff Nomenclature.	Implement data harmonization in integrating the systems of TRGAs to PNSW/TradeNet  <i>Updated ESCAP BPA Guide is needed.</i>	High	Q1 of 2022	PTFC (Lead), All TRGA

# TECHNICAL ASPECT

## Awareness and Capacity building

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Recommendation 12</b> : The Philippines should build awareness and capacity on (cross-border) paperless trade for its stakeholders, with special attention given to private sector stakeholders.	Build awareness and capacity on (cross-border) paperless trade for its stakeholders, with special attention to private sector stakeholders.  <i>Need capacity building intervention</i>	High	Continuing	PTFC (Lead), All TRGAs

# TECHNICAL ASPECT

## Other Matters

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Recommendation 13.</b> Institutionalize the NSW PMO and include financial/budget resources for hiring of employees, and payment of software licences among other changes.	Amend Executive Order 482 to include financial/budget resources for hiring of employees, and payment of software licences among others.	High	End of 2022 Draft EO under review by DTI. DOF is doing the Legal review.	DOF, BOC, DBM

# TECHNICAL ASPECT

## National status towards cross-border data exchange

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<p><b>Recommendation 14</b> : Fast-track the implementation of the AEO programme as this will increase security while ensuring seamless movement of goods across borders. While BOC has already issued the necessary guidelines and regulations, membership in the programme is running at a snail’s pace.</p>	<p>14.1. Conduct awareness activities on the benefits of AEO membership High Ongoing Yes BOC</p>	High	Ongoing	BOC
	<p>14.2. Secure support of private sector groups and business chambers</p>	High	Ongoing	BOC
<p><b>Recommendation 15</b> : The Senate adopted a resolution on 8 November 2021 concurring on the accession to the Istanbul Convention (adoption of ATA Carnet). With this development, BOC should draft the plan on how to smoothly implement the said Convention.</p>	<p>Expedite the process for accession to the Istanbul Convention (adoption of ATA Carnet)</p> <p>15.1. BOC to draft the plan to smoothly implement the provisions of ATA Carnet High Q1/2 of 2022165 Yes BOC (Lead), DTI</p> <p><i>Need capacity building intervention</i></p>	High	Completed	BOC (L) DTI



# Recommendations and Action Plan

## **Legal Aspect**

# LEGAL ASPECT

## Electronics transactions and signatures law and cross-border aspect

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<b>Recommendation 1</b> : Legislative amendments to the ECA for the following purposes: (i) to ease the requirements for the recognition of electronic and digital signatures, (ii) further facilitate electronic notarization; and (iii) expressly recognize contracts formed by automated message systems	Amendments to ECA <i>Need capacity building intervention</i>	Medium	Uncertain	Congress DTI DICT
<b>Recommendation 2</b> : Accession by the President of the Philippines to the United Nations Convention on Electronic Communications in International Contracts (2005).	2. Ratification of 2005 UN Convention on Electronic Communications <i>Need capacity building intervention</i>	Medium	2022	DFA DTI


# LEGAL ASPECT

## Paperless Trade and Single Window Laws

Recommendation	Indicative Action /Capacity Building	Priority	Timeline	Lead Agency/s
<p><b>Recommendation 3</b> : Enactment of a law related to the management of the NSW, and the rights and obligations attached to the use of that system. A</p>	<p>Enactment of NSW Management Law</p> <p><i>Need capacity building intervention</i></p>	High	Uncertain	BOC DTI
<p><b>Other considerations</b></p>	<p>Enhancement of data-sharing policies across government agencies</p>	High	Ongoing	NPC Office of the President ARTA

# CONCLUSION AND WAY FORWARD

- A. Preparation of an Individual Action Plan under Article 12 of the Framework of Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific (CPTA).
- B. Elaborate more detailed activities at the national and agency levels. The readiness assessments can serve as the foundation.
- C. Additional meetings and consultations among stakeholders may be useful for further refining and specifying actions and their sequencing to achieve the long-term goal of cross-border paperless trade and identify specific pilot projects, capacity-building, and technical assistance needs.



**END**