AID FOR SUSTAINABLE TRADE FACILITATION

Opportunities for Technical Assistance and Capacity Building

The Role of Partnerships
The World Bank Group’s Trade Facilitation Support Program

Trade Facilitation Support – Opportunities for Improvement

Implementation challenges and lessons learned

NTFCs – Key for Long-term Adaptability
The World Bank Group has implemented more than 120 customs, border management, and trade facilitation projects over the past 20 years that have resulted in major improvements in terms of reduced time to import and export, as well as better transparency, predictability, and reduced transaction costs for traders.
THE WORLD BANK GROUP’S FLAGSHIP TRADE FACILITATION SUPPORT PROGRAM

Part of the WBG’s support to the WTO’s TFA agenda is through the Trade Facilitation Support Program (TFSP)

TFSP Program Objective

Assist developing countries in reforming and aligning their TF laws, procedures, processes, and systems to enable full & effective implementation of the WTO TFA requirements

Launched in 2014

Support to 50+ countries

Supported by 9 development partners:

- Australia
- Canada
- European Union
- The Netherlands
- Sweden
- Norway
- Switzerland
- United Kingdom
- USA
## Focus of WBG Trade Facilitation Interventions

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<tr>
<td>Risk-based border clearance</td>
<td>Border collaboration &amp; coordination</td>
<td>Automation &amp; Single Windows &amp; technology</td>
<td>Review of trade-related fees &amp; charges, documents and processes</td>
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5. Transparency & predictability
6. National trade facilitation committees
7. International standards, conventions and agreements

In response to Covid-19, support in these areas have been scaled up.
DIGITAL SOLUTIONS CAN FAST TRACK TRADE INTEGRATION

Use of ICT Tools

- Information Available Through Internet
- Pre-arrival Processing
- Single Window
- Electronic Payment
- Acceptance of Copies
- Customs Cooperation – Provision of Information

Trade Information Portal a good place to start
– requires the same inter-agency coordination
## STAKEHOLDER ENGAGEMENT

**ARTICLE 23.2: NATIONAL COMMITTEE ON TRADE FACILITATION**

### Who should participate?

<table>
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<tr>
<th>Government Agencies</th>
<th>Private Sector</th>
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<tr>
<td>- Department of Trade/Commerce/Industry</td>
<td>- Chamber of Commerce</td>
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<td>- All border agencies including</td>
<td>- Brokers and Freight Forwarders Associations</td>
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<tr>
<td>- Customs</td>
<td>- Industry associations</td>
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<td>- Border Police</td>
<td>- Representation for SMEs</td>
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<tr>
<td>- Human, animal and plant health</td>
<td>- Where ports, airports, clearance terminals or warehousing facilities are</td>
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<tr>
<td>- Standards</td>
<td>privatized representation by trade body or individual senior managers</td>
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<tr>
<td>- Agencies responsible for monitoring imports or exports (documentary or physical</td>
<td></td>
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<td>checks)</td>
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<tr>
<td>- Agencies responsible for international airports, rail or road infrastructure</td>
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</table>
ARTICLE 23.2: NATIONAL COMMITTEE ON TRADE FACILITATION

**Role**

TFA Implementation leadership mechanism

**Responsible for:**
- developing a national implementation strategy
- overseeing development of action plans, and monitoring progress across Government

**What is the purpose**
- To effectively and efficiently implement the TFA, coordinate with technical assistance donors and carry out notification or other requirements
- The NTFC must have the necessary political recognition and financial resources to support its activities

**Private Sector Role**
- Participate in meetings to identify constraints and validate reforms
- Important to be representative of the private sector
- Provide transparency and input into solutions that work
- Need to be committed for the long term
IMPLEMENTATION CHALLENGES AND LESSONS LEARNED

Weak or inactive NTFC

- Early set-up of an NTFC improves coordination and reduces risk of duplicating funds
- NTFC can take lead to sequence reforms based on priorities
- Requires legal framework and mandate; and adequate structure and with dedicated staff

Unclear mandates or frequent changes to Customs and OGAs

- Requires clear legal mandates and legal foundations
- Codifying interagency agreement establishes the ground rules
- Distribution of contact points on the government side to ensure continuity of work despite government changes

Lack of communication, consultation, or coordination

- Bringing stakeholders together at the early stages
- Demonstration of national, regional and international best practices can help motivate reform efforts
- Coordination can help anticipate resistance between different agencies
- Improved donor coordination and collaboration on the ground
IMPLEMENTATION CHALLENGES AND LESSONS LEARNED

Stakeholders are unaware of the benefits of reforms

- Bottom-up approach drives the development of a better solution
- Early achievable reform will bring benefits to multiple work areas and spur commitment to reform plans
- Communicating the benefits to secure buy-in from the private sector through open dialogue

Lack of automation and reliance on old paper-based systems

- Base level of automation across border agencies is needed
- Adequate automation will enable deployment of TFA to be more effective as all border agencies will be better positioned to implement reforms

Change Management & Capacity of border agencies varies

- Customs often has higher capacity than other agencies; capacity building across all border agencies is vital
- CB to enhance overall understanding of trade reforms and ensure that benefits of interventions are maximized is critical
- CB is often also required to ensure client buy-in and cooperation in delivering project results
NTFCs – THE KEY FOR LONG TERM ADAPTABILITY

Inclusiveness
Helps to identify problems and promotes ownership

Transparency
Helps to build trust and manage expectations

Accountability
Promotes compliance with deadlines and budgets

Communication
Strengthens the credibility and reputation

Constantly measure progress

Realistic expectations

Adapt

Political support

Result

Source: WTO Secretariat based on the e-survey on National Committees on Trade Facilitation, 2016.
Thank you!
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