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# **Historical Perspective on National Trade Facilitation Bodies**

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## **Evolution of Recommendation Number 4**

- 1961 – UNECE Working Party on Facilitation of International Trade Procedures – WP4 – now UN/CEFACT
- 1974 - Recommendation Number 4 – National Trade Facilitation Organs – focus on trade procedures, document alignment and EDI
- 1999 – Recommendation 4 revised by UN/CEFACT (publication in 2001 – ECE/TRADE/242) – National Trade Facilitation Bodies – stronger focus on EDIFACT
- 2000 - Guidelines to Recommendation Number 4 – Creating an Efficient Environment for Trade and Transport – UNCTAD and UNECE. National Trade **and Transport** Facilitation Committees (NTTFCs)



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## **Focus Changed over time**

- Facilitation bodies focus has evolved over time:
  - Documents
  - Procedures
  - Computers, EDI, UN/EDIFACT
  - Paperless trade
  - Single Window
- 
- Mandate must evolve with the development stages of countries.



## **Recommendation 4**

- *Governments should establish and support national trade facilitation bodies with balanced private and public sector participation in order to:*
  - *identify issues affecting the cost and efficiency of their country's international trade;*
  - *develop measures to reduce the cost and improve the efficiency of international trade;*
  - *assist in the implementation of those measures;*
  - *provide a national focal point for the collection and dissemination of information on best practices in international trade facilitation; and*
  - *participate in international efforts to improve trade facilitation and efficiency.*



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**Original Recommendation 4**

**Organisation and Functioning of Facilitation Committee  
(FALCOM)**

***FALCOM: a framework for permanent consultation and co-operation between the various parties interested in facilitation of international trade***

- It should include representatives from all relevant sectors of public administration as well as private interests concerned,
- it should be given a considerable degree of independence.
- can either be a body attached to the highest level of government, or to a body in charge of general planning, or, on the contrary, be entirely independent of the public administration.



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## **Organisation and Functioning**

- should be capable of making recommendations or proposals in every sector concerned, public as well as private.
- it should also be able to pursue the implementation of its recommendations and proposals .
- requires a permanent secretariat function for the organization and co-ordination of its work
- Financing can be provided in various ways, either completely from the State budget, or by membership contributions, or by a combination of these two forms .



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**About us**

- Introduction
- Main documents
- Structure

**Organization**

**Recommendations**

**Standards**

**Technical Specifications**

**Codes for Trade**

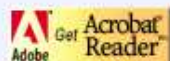
**Meetings and Events**

**Publications**

**Committee on Trade (CT)**

**Trade home page**

**Official Document System of the United Nations (ODS Search)**



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**Public-Private sector dialogue in developing trade facilitation strategies**

Trade facilitation involves the simplification, standardization and harmonization of procedures and associated information flows required to move goods from seller to buyer and to make payment. As this encompasses both commercial and regulatory processes, it should be approached on a partnership basis between governments and trade in order to ensure that practical and implementable solutions are developed. UN/CEFACT Recommendation Number 4 addresses this issue by suggesting that Governments establish and support national trade facilitation bodies or committees with balanced private and public sector participation in order to:

- Identify issues affecting the cost and efficiency of their country's international trade;
- Develop measures to reduce the cost and improve the efficiency of international trade;
- Assist in the implementation of those measures;
- Provide a national focal point for the collection and dissemination of information on best practices in international trade facilitation; and
- Participate in international efforts to improve trade facilitation and efficiency.

There are over sixty such trade facilitation bodies and committees established worldwide, details of which are listed below:

**Background documents:**

[Recommendation No.4: National Trade Facilitation Bodies \(ECE/TRADE/242\)](#), Second Edition, UN/CEFACT, Geneva, October 2001.

Creating an efficient environment for trade and transport: [Guidelines to Recommendation No.4 on National Trade Facilitation Bodies](#), (ECE/TRADE/256), UN/CEFACT, Geneva, March 2000.

**National Trade Facilitation Bodies / Committees**

[A - H] [1 - Z]

Last modified: 02/03/2009 16:26:22





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## **Repository on National Working Groups on Trade Facilitation**

- Collaboration by UNCTAD and UN/CEFACT Repository will report case studies on a voluntary basis
- Information report using a Case Study Template
- Information will be published and updated online
- By June 2009 first examples online
- Hosted on the UNCTAD website  
[www.unctad.org/ttl](http://www.unctad.org/ttl)





# UNCTAD

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

## SECTION MENU

PROGRAMMES > SERVICES INFRASTRUCTURE > TRANSPORT & TRADE LOGISTICS

Welcome to ...

Transport & Trade Logistics Branch

### Trade Facilitation working groups

Benin

Malaysia

**Honduras**

St. Lucia

Uganda

Printer-friendly version

### Interest

Joint GFP/UNTF website



## National Trade Facilitation Working Groups

### Case Studies on setting up and maintaining national working groups on Trade Facilitation

#### Honduras

Background Establishment	Composition Structure	Lessons learned Contact
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#### Background

What motivated the establishment of the TF working group?	The group was established in the framework of a technical assistance project on Customs modernisation	
What year was it established?	2005	
What is the current status of the working group (running, pilot phase, study)	Running	

#### Establishment

What kind of intervention was necessary to set up the group?	Was the group established as a standing formal body?
Was the group established as an ad-hoc informal body?	How does the working group relate to other existing bodies or coordinating mechanism?

## LANGUAGES

French

## SEARCH

web pages

whole site

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## **ProOrg Survey 2004 Structure and staff**

Number of staff	TF body	TF committee	Other	Total
1-3	2	3	2	7
4-10	2	0	1	3
> 10	2	2	2	6
Total	6	5	5	16



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## **ProOrg Survey 2004 Financing**

<b>Government ~ 100%</b>	<b>Government &gt; 50%</b>	<b>Private sector &gt; 50%</b>	<b>Private sector 100%</b>
<b>8</b>	<b>3</b>	<b>3</b>	<b>2</b>



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## **ProOrg Survey 2004 Main obstacles**

- Lack of funding and resources (10)
- Lack of knowledge/information (8)
- Lack of cooperation between government and business (8)
- Lack of political will, adverse political structure and corruption (7)



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**2006 UNECE & UNCTAD Workshop on  
“Strengthening National and Regional  
Trade Facilitation Organizations”**

[http://www.unece.org/trade/workshop/geneva  
\\_oct06/welcome.htm](http://www.unece.org/trade/workshop/geneva_oct06/welcome.htm)

<date>

<title of presentation>  
<name of presenter>



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**Critical Components for TF organisations - 2006  
meeting conclusions**

- Sound mechanism for analyzing TF priorities;
- Research on TF impact and benefits;
- Trained staff;
- Use of ICT and internet collaborative tools;
- Addressing new challenges for trade, such as security measures.



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**2006 meeting conclusions –  
Funding and Sustainability Key  
Factors**

- **Government versus Business Funding**
  - a. Governments should provide funding, especially for developing countries
    - i. Government funding implies commitment
    - ii. Need government to implement TF measures
  - b. Business community will support if they see benefit
    - i. 1.CCI may lead in some countries
    - ii. 2.Note – contributions in kind from either government or business
- **Various revenue mechanisms - Projects and fees**



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**2006 meeting conclusions – Funding and Sustainability Key Factors**

- One size does not fit all!
- Priorities – Should be needs driven and focused
  - Business case for specific initiatives





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## **Success factors - Personal Observations**

- Political Will – Chaired by the Minister (or have the “ear” of the Minister)
- Programme linked to government/business priorities
- High level representatives from government / business organisations (decision makers)
- Targets (Benchmarks) and Review mechanism
- Communications - Success stories
- A good home
- Dynamic – open to change
- Link to international work (UN/CEFACT, UNCTAD, WCO, World Bank, etc)



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## **Possible Areas of Focus**

- WTO Trade Facilitation Negotiations
  - Negotiating Position
  - National / Regional TF Implementation Action Plan
  - Coordination/Integration with other (existing) TF plans/programmes
  - Negotiating/Coordinating with donors on TF implementation
- National / Regional Trade Facilitation Implementation Strategies - Benchmarking
- Single Window Implementation
- Data Harmonization
- Paperless Trade – cross border data exchange
- TF and Security



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# Follow-up

- All UNECE Recommendations, codes, standards and publications are available for free on our website at:
  - [www.unece.org/trade](http://www.unece.org/trade)
  - <http://www.unece.org/cefact/>
- For further information:  
[tom.butterly@unece.org](mailto:tom.butterly@unece.org)