Skills development and Capacity building in Trade Facilitation for MSMEs

Lisa McAuley
CEO
Global Trade Professionals Alliance
Barriers to trade

Nearly all studies into international business behaviour highlight the same common key barriers or perceived barriers:

- a lack of awareness of or information about the international opportunities available to them
- a lack of capability and capacity to engage in international trade
- a lack of information on trade requirements, regulations and markets
- relatively higher costs of complying with regulation—not just those imposed by overseas governments but also regulations in their own country
- relatively higher transaction costs for doing business internationally
- inadequate access to financing, including trade finance, for international opportunities.
INTERNATIONAL TRADE STRATEGY, PLANNING AND LEADERSHIP
- Global business environment and international trade economics
- Strategic planning
- Overview international business
- Leadership in trade strategy

INTERNATIONAL TRADE PROMOTION, MARKETING AND SALES
- Understanding value and pricing
- International market research
- International marketing and sales
- E-commerce, internet selling and technology in trade

INTERNATIONAL SUPPLY CHAIN MANAGEMENT
- International Logistics
- Global value chains (GVCs) and international supply chain management

INTERNATIONAL TRADE COMPLIANCE AND DOCUMENTATION
- Import/export operations
- Managing – Non-Tariff Barriers (NTBs) & Technical Barriers to Trade (TBTs)
- International human resources

INTERNATIONAL LEGAL ISSUES
- Trade Law Basics and Regulatory Compliance
- Intellectual property (IP) management

BUSINESS PRACTICE
- Cultural and business practices
- Trade in services
- Building diversity in trade

INTERNATIONAL RISK AND RISK MANAGEMENT
- Risk management and control
- Risk leadership and governance

INTERNATIONAL INVESTMENT AND TRADE FINANCE
- Financial management for international business

INTERNATIONAL TRADE POLICY AND PROCEDURES
- Trade facilitation
The exporter has complex documentation requirements. In addition to an export declaration number (EDN) it can require:

- certificates of origin (CoO)
- health certificates
- halal certificates
- organic certificates.
Standard documentation costs are expensive. Whether it’s a pallet or a container, documentation could typically cost around $500. This includes:

- between $100 and $300 for halal certificates (depending on the number of cuts)
- $70 to courier the documents to the importer
- between $50 to $80 for an organic certificate (depending on the number of cuts, multiple certificates may be required)
- $49 for a health certificate
- $38.40 for a certificate of origin
- a fee to BSM Global per consignment
- $15 to have the health certificate couriered from DAWR
- $0 for the EDN.
Benefits of trade digitisation

- Smart Ledger technology has the potential impact from a ‘modest’ rise in global trade of $35 billion per annum to perhaps as much as $140 billion.

- Even this conservative estimate of $35 billion would be associated with $3 to $6 more GDP per average global worker in a world where many still earn below $2 per day.

- The cost of importing a single container could be reduced by around $46, by simplifying procedures.

- This would boost world GDP by $10 to $20 billion and could, potentially,

- Add between 450,000 and 900,000 to the worldwide demand for labour, boosting wages and living standards worldwide.
Benefits to trade digitisation

- Simpler processes will mean more businesses are able to engage in international trade
- Value chains will operate more efficiently and with greater certainty
- Inefficiencies and challenges caused by inconsistent regulations as goods cross multiple jurisdictions will be reduced significantly
- Working capital requirements will be reduced as processing times (especially at customs, ports etc) are reduced compared to the handling of manual documents
- Waste (especially for dairy and other perishable products) will be reduced as goods transfer faster through ports to the end consumer/user, and
- Innovative new products and services will emerge around tracking, financing and insuring goods in most efficient and real time manner.

Source: Export Council of Australia
A global trade ecosystem

Our goal is to bring people and organisations together to:

- build professional capabilities in trade
- advocate the benefits and opportunities of trade
- facilitate networking
- improve the performance and success of companies in global trade
- improve the trade process
- advance international development
- support the development of MSMEs and their access to global supply chains
- empower greater diversity through women-owned engagement in trade

Globally trusted ecosystem to support the advancement of international business

Academic Partners
ISO 17024

Global Trade Professionals
ISO 17024

Industry Associations

Certified Global Business
ISO 17065

Government

Certified Global Trade Consulting Service
ISO 17065

GTPA
GLOBAL TRADE PROFESSIONALS ALLIANCE
Key areas for action

- A commitment to move forward an agenda for regulating the acceptance of digital trade documentation;
- A harmonised standardisation of import and export documentation;
- Supporting capability and capacity of MSMEs to understand the trade regulation and compliance or engage the right professionals within their business;
- A global standard for Global Trade Professionals in Trade Regulation and Compliance;
- A global standard for Trade Facilitation consulting service providers to support MSME engagement.