National Trade Facilitation Bodies

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Trade Facilitation and Its Stakeholders

TRADE FACILITATION
“Simplification, harmonisation and standardisation of procedures and associated information flows required to move goods internationally from buyer to seller and to pass payment in the other direction”
UN/CEFACT

Traders & Intermediaries
Business associations
Customs
Other Government Agencies
What is the problem?

Commercial goods and means of transport should conform to various acts and regulations for market entry, exit and conveyance. Different governmental bodies are tasked with ensuring conformity with regulations and intervene in the processes of international trade ⇒

- Different institutional mandates & objectives
- Vested interests (legal and illegal)
- Complexity of international trade
- Unclear objectives
- balance TF and safety and security for society’s benefit
What solutions?
UNECE 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 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.
National TF Bodies: Emphasize the FUNCTION rather than the structure

Functions of the national body for TF (TFA & beyond):

• Lobby the Government for trade facilitation,
• Forum for dialogue, cooperation, and defining priorities
• Implement TFA
• Implement TF standards, create practical tools, SW, etc.
• Partner of UN and other organizations on projects
• Organize training and capacity-building courses on TF

What is the problem?
Lack of funding and resources (10)
Lack of knowledge / information (8)
Lack of cooperation bet. government & business (8)
Lack of political will, adverse political structure, corruption (7)
What to look for when planning NTFC

Contents/Focus/Scope
- TF along the Supply Chain
- WTO TFA implementation
- Analyze TF issues; solutions for SMEs, Governments, IOs
- Forum to discuss TF issues and solutions
- Produce deliverables: e-docs; guides for border-crossing, training, etc.
- Implement int’l standards

Organizational matters
- Mandate / ToR
- Structure: Committee / specialized sub-committees
- CEO
- Regular meetings
- Secretariat

Financing from
- State budget
- business contributions
- in-kind contributions
- NTFC products
- Participation in international projects
Funding and Key Sustainability Factors

• Government vs Business Funding
  a. Governments fund NTFCs, esp. in developing countries
     i. Government funding implies commitment
     ii. Need government to implement TF measures
  b. Business community will support if they see benefit
     i. Contributions in kind from either business or government

• Various revenue mechanisms – projects, fees, training revenue

• One size does not fit all!

• Priorities: needs-driven and focused, business case clear for specific initiatives (e.g. the Odessa PCS)
Methodology for establishing an NTFC

- No model fits all / No two structured the same
- Bring together a forum for discussion
- Lobby group
- Local ownership and responsibilities
- Implementation of international standards
- Gradual development process
- Financing - a concern (balance state funds with border operations, not e-business)
- Cross border cooperation institutionalized (bilateral meetings; cooperation with neighbouring countries)
- Combine facilitation with promotion
- Links to projects
Thanks!

For more information:
Link:
http://tfig.unece.org/contents/itinerary-09-start.html