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FIRST INTERNATIONAL FORUM FOR NATIONAL TRADE FACILITATION COMMITTEES

Boosting capacities and partnerships for implementation

23-27 January 2017

PREMIER FORUM INTERNATIONAL SUR LES COMITÉS NATIONAUX DE FACILITATION DES ÉCHANGES

Renforcement des capacités et des partenariats pour la mise en œuvre

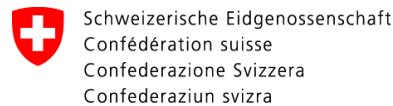
23-27 janvier 2017

How to formally establish and sustain an NTFC

Poul Hansen, UNCTAD



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NTFC: SCOPE AND MANDATE

- Any TFC **must include** in mandate to facilitate ‘**domestic coordination**’ and ‘**implementation of TF Agreement**’
- It can continue to perform already mandated tasks....especially if existing mechanism is designated
- By virtue of facilitating implementation, other areas could also be included
- TF Committee very suitable instrument for implementing Article 2 (**Consultations**)



DEGREE OF + INSTITUTIONAL LISATION

DEGREE OF INSTITUTIONALISATION

- Some studies on TF bodies have found that there likely is a **strong correlation between the degree of institutionalisation and the effectiveness and sustainability** of TF bodies.
- Having an appropriate legal backing can **prevent blockage** of the implementation of reforms
- Strong **political will** manifested by instituting legal basis

DEGREE OF INSTITUTIONALISATION

- **HOWEVER** – other studies showed that **there is no intrinsic relation between the level of institutionalisation and the effectiveness of a committee.** Working groups without institutionalisation might be effective if motivation is high and the necessary resources are made available.



LEGAL ESTABLISHMENT (1)



STARTING POINT:

National requirements and/or precedence

- Legal establishment
- Types
 - Law, Act, decree, Ministerial decision etc.
- Publication



LEGAL ESTABLISHMENT (2)



THE KENYA GAZETTE

Published by Authority of the Republic of Kenya
(Registered as a Newspaper at the G.P.O.)

GAZETTE NOTICE No. 7319

THE NATIONAL COMMITTEE ON TRADE FACILITATION

APPOINTMENT

IT IS notified for the general information that the Cabinet Secretary responsible for International Trade has established a Committee to be known as the National Committee on Trade Facilitation (NTFC) pursuant to the *Marrakesh Agreement* and further to *Article 23 of the Agreement on Trade Facilitation* of the World Trade Organization (WTO).

DEGREE OF INSTITUTIONALISATION

- **70%** of TF bodies are formally established
- Each country should decide which degree of institutionalisation would be beneficial for its TF body based on its national bureaucratic working culture and political priorities.



*Recommendation:
Make it
official – give
the national
trade
facilitation
body a
strong legal
backing.*





+ **ToRs**

TERMS OF REFERENCE ToR (1)

- **ToRs is a document that sets-up the basis for a common understanding among the parties involved in a TF body. In an ideal situation, ToRs will include the objectives of the committee, its scope of action and its working structure, among others.**
- **The document will be created in consultation and validated by the members of the group, laying down the basis for building trust and dialogue within the group.**

TERMS OF REFERENCE ToR (2)

- Elements (example)
 - Objective
 - Structure
 - Composition/Members (institutions)
 - Chairmanship
 - Secretariat
 - Meetings and regularity
 - Decisions/Quorum
 - Reporting
 - Financing/budget

TERMS OF REFERENCE ToR (3)

Trade Facilitation Body: The case of Nepal

Background	Institutional Framework	
Institutional Framework	Type of organisation (ad hoc group, legal entity/organisation, etc)	Legal entity formed by Government decision
Objectives / Evaluation	Degree of institutionalisation	Ministerial Decision
Membership / Composition	Scope/mandate	The Committee focuses in national reforms initiatives for reducing time and cost of trade such as, Customs (border point) process simplification and coordinated border management, including transit, trade and market access.
Participation	Terms of reference	The Committee has Terms of Reference, which set up the following tasks: <ul style="list-style-type: none"> • Reviewing and advising on regulatory reform with a view to facilitate domestic and international trade; • Monitoring and coordinating activities related to trade transport and transit facilitation; • Capacity building, training and skill development of the public and private sector institutions • Identification of best practices and implementation of such measures in the Nepalese setting • Suggesting measures for simplification and harmonization consistent with the objectives of facilitating trade. • Improving coordination and dialogue among trade and transport-related agencies • Providing policy feedback for advancing the concept of cooperation in trade, transport and transit facilitation at the sub-regional and regional level. • Promoting training and research in international trade, transit and transport and upgrade common knowledge of the stakeholders on the international practices • Promoting the adoption of standard trade and transport terminology and particularly the use of INCOTERMS, • Mobilising the Trade Related Technical Assistance and Aid for Trade on trade and transport facilitation.
Promotion / Communication		
Benefits		
Lessons learned		
Future plans		
Contact information		



***Recommendation:
Be SMART
when setting
up the
objectives and
scope of a
national trade
facilitation
body.***

**Its objectives should
be SMART:**

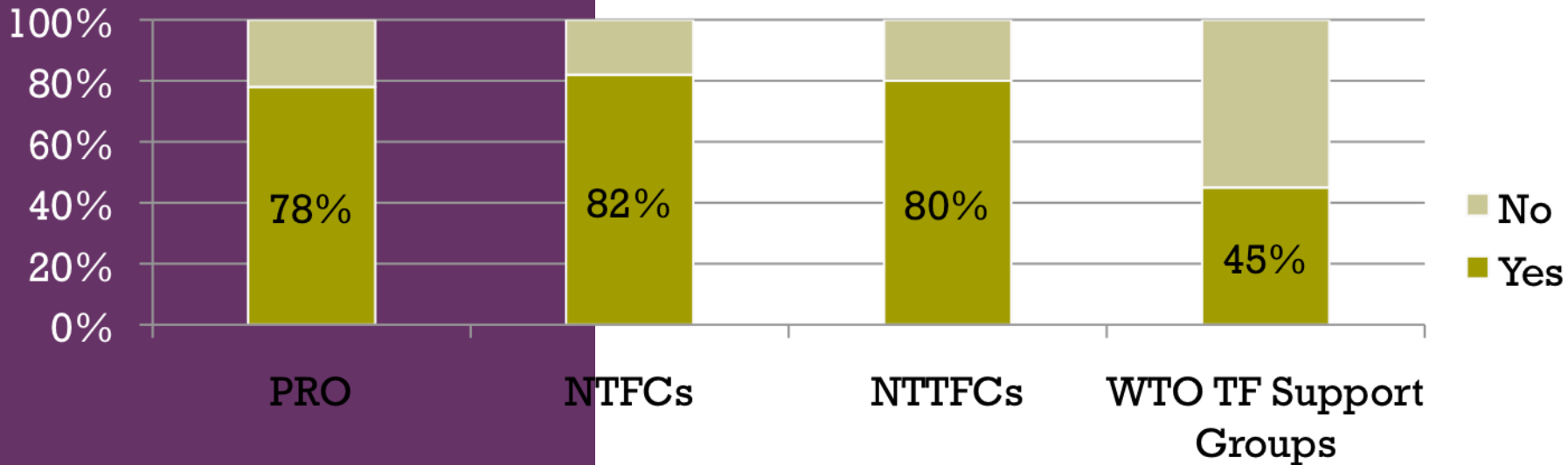
- **Sustainable,**
- **Measurable,**
- **Attainable,**
- **Realistic, and**
- **Time-bound**



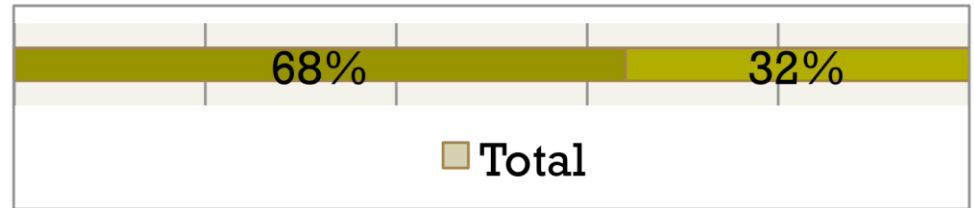
Recommendation :

Set clear game rules – define terms of reference in a comprehensive and inclusive way.

3. Institutional Framework



Terms of reference



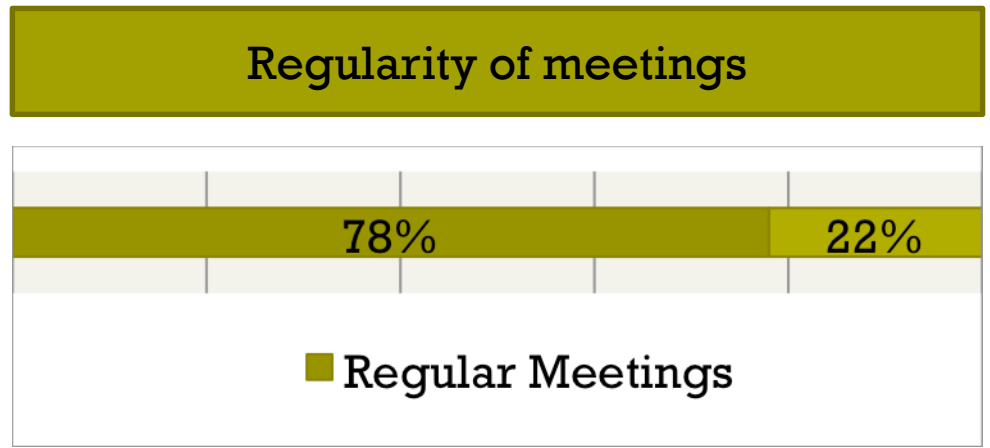
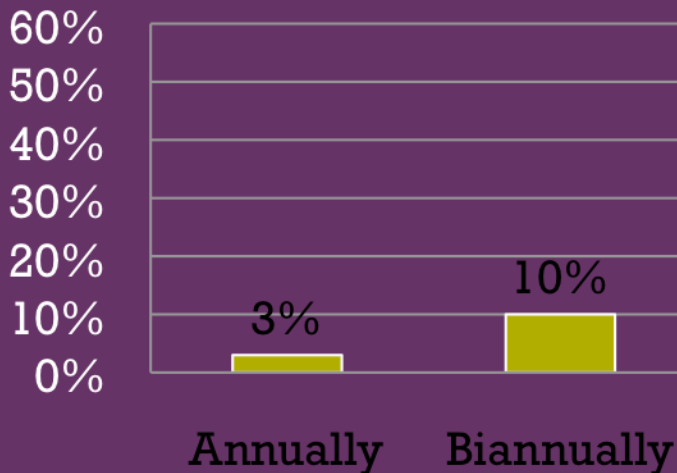


Recommendation:

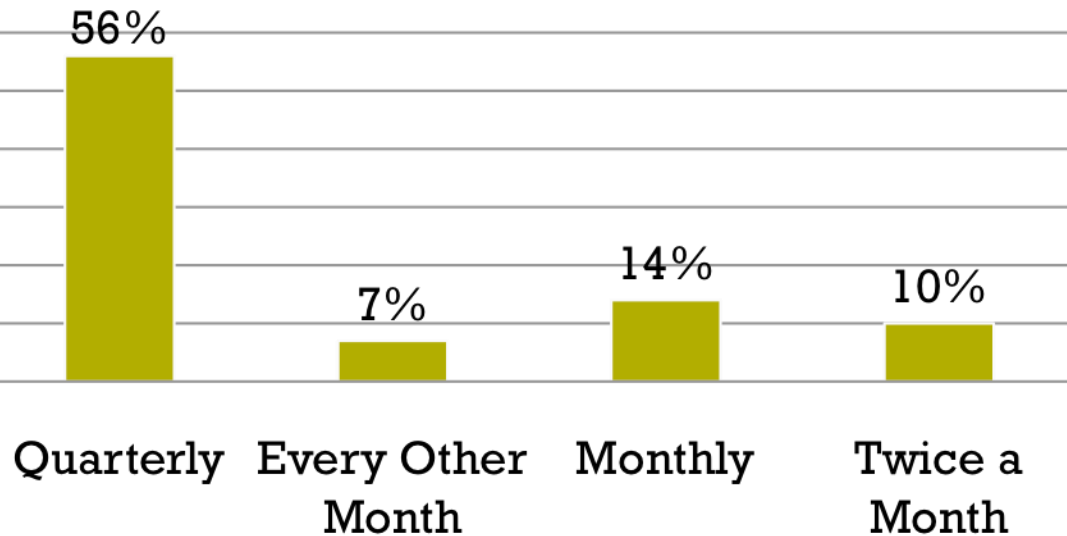
Meet regularly.

The regularity and frequency of meetings can contribute to the sustainability of a trade facilitation body.

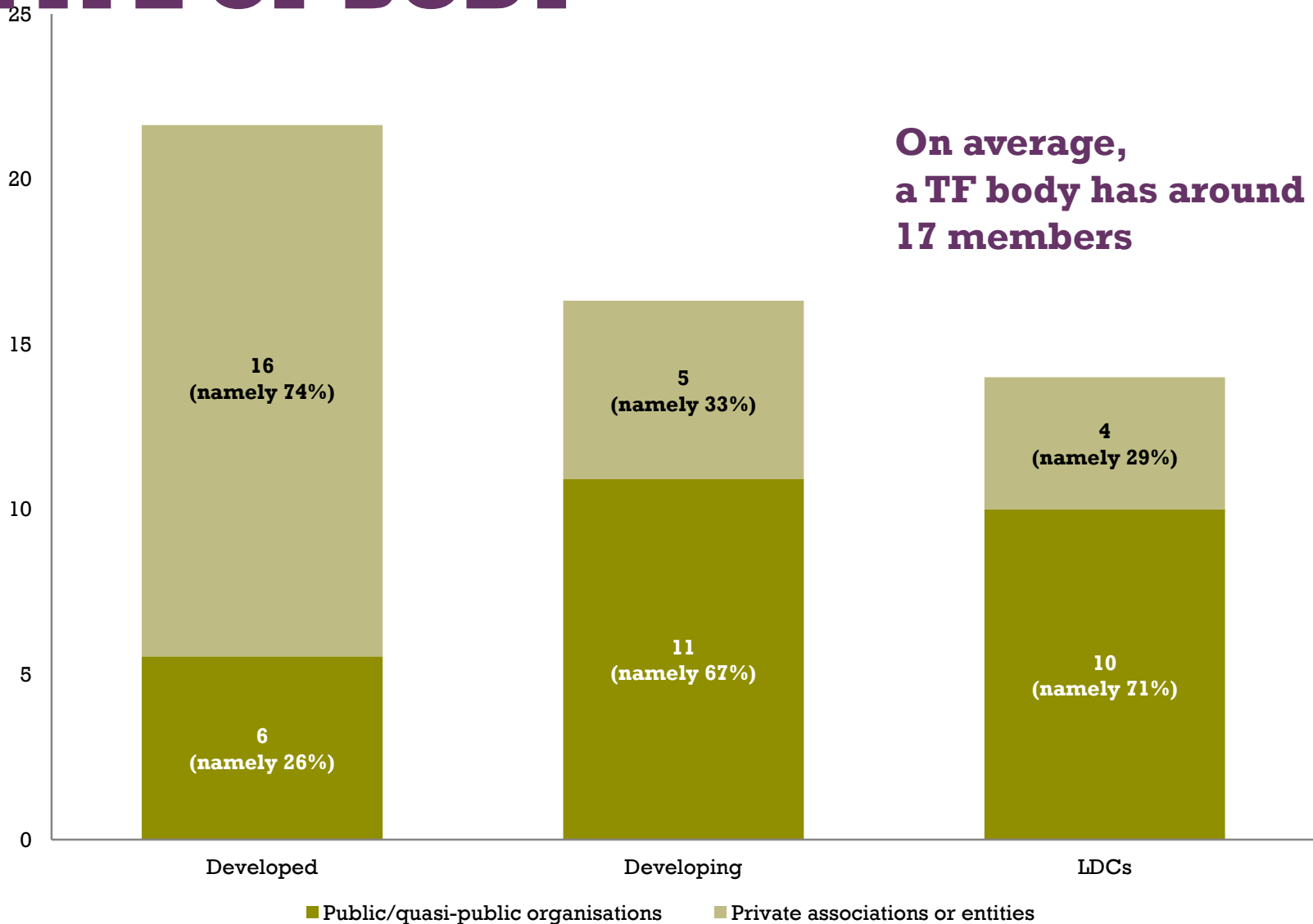
3. Institutional Framework



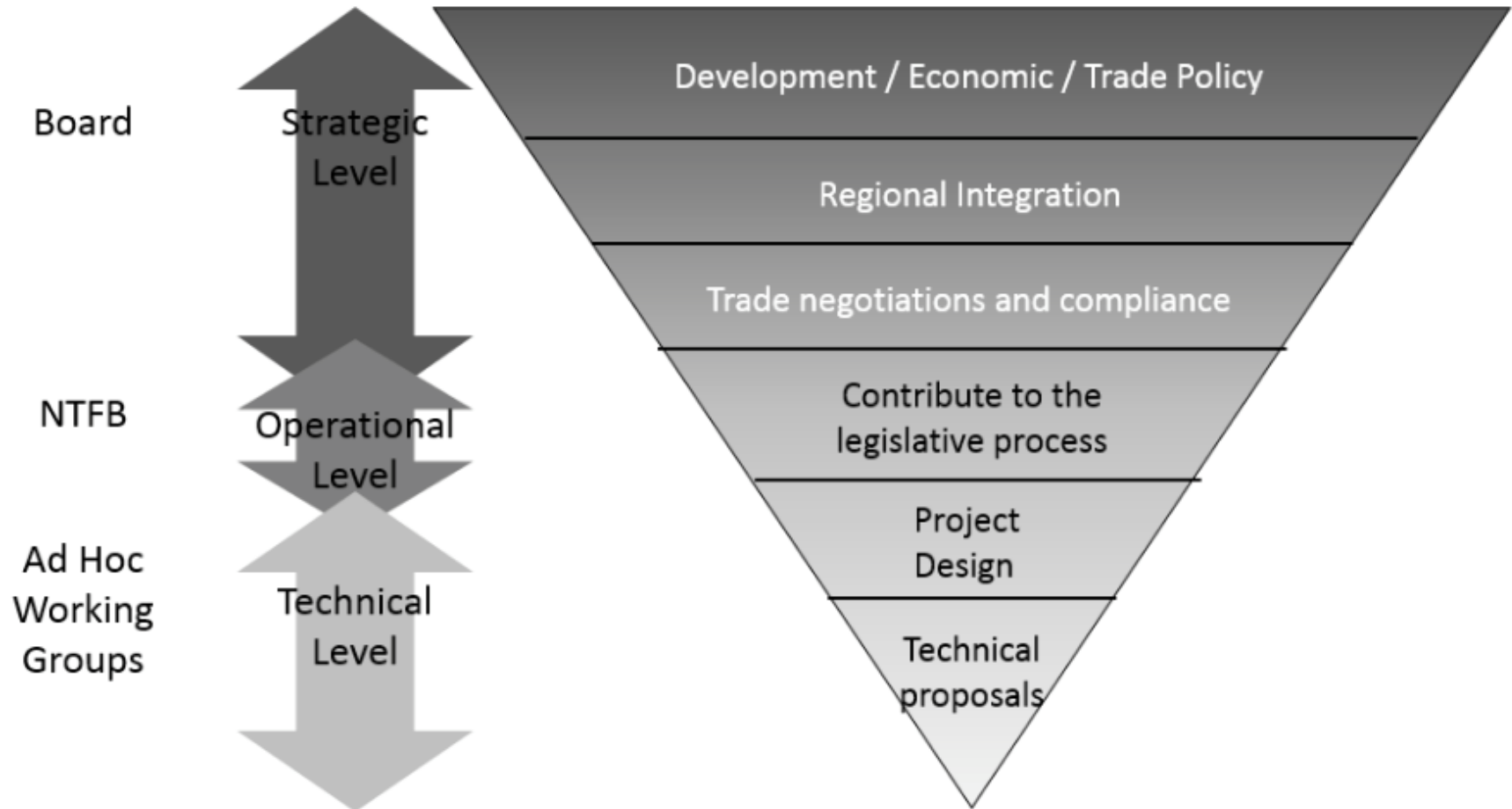
Frequency of Meetings



PRIVATE / PUBLIC RATIO PER TYPE OF BODY



STRUCTURE OF NTFC



Source: UNECE Recommendation 4



Resources

Financial Resources
and Permanent
Secretariat

NTFB Institutionalization

Working Plan,
Subgroups, Regular
Meetings, Flexible
Mandate, Practical
Approach

Participants

Motivation,
Commitment,
Leadership,
Teambuilding and
Trust

Outcomes

Same Vision,
Standardization,
Preparation, TFA
Implementation, New
Projects, Dialogue,
Self-Assessment

Thank you

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<http://unctad.org/en/Pages/DTL/TTL/Trade-Facilitation>