National Trade Facilitation Committees

Main challenges and lessons learned

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**Objectives**
- Simple, transparent and effective processes for global business
- Efficient and automated exchange of information

**Outputs**
- Global Trade Facilitation and Electronic Business Recommendations and Standards

**Means**
- Public Private Sector Partnership – over 300 experts from government and business
- Meet virtually every week plus two Forums per year

Global Remit
We will cover...

- UNECE’s Recommendations
- What is a NTFC
- Lessons learned: What UN/CEFACT recommends
- NTFC Challenges
- NTFC Basic Principles
- NTFC Benefits
UNECE Recommendations
UNECE Recommendation 4

The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) recommends that governments establish and support national trade facilitation bodies with balanced private and public sector participation.
NTFC encompasses all trade facilitation issues including:

- Agriculture
- Sanitary and Phytosanitary
- Health
- Multimodal transport
- Operational
- Electronic business issues
- Customs
- Logistics
- Banking and Finance
- Regulatory
- Transit
What is a National Trade Facilitation Committee?

UNECE Recommendation 4

An NTFC is a formally constituted body where all public and private-sector parties who are interested in the country’s international trade ... can present their respective views and problems, and seek, through consultation and consensus, mutually agreeable solutions.
Suggested Itineraries:

Suggested itineraries respond to a number of frequently asked questions (FAQs) for trade facilitation and, through roadmaps, explore specific contents in the Guide.

WTO Agreement on TF

WTO Members adopted a new Agreement on Trade Facilitation in December 2013. Read about the negotiations and how they led to the new Agreement and understand the key provisions of the new Agreement.

See more...

Setting up a National Trade Facilitation Body

This itinerary is not only a WTO requirement but also an effective means for better policy decision and implementation. A successful NTFB is a platform for dialogue and cooperation of all relevant stakeholders including from the private and public sector.

See more...

Developing a National Trade Facilitation Roadmap

This Itinerary presents the components of a National Trade Facilitation (NTF) Roadmap and describes how such a document can be drafted in a country. It presents a tailor-made methodology and document structure and is based on lessons learned from trade facilitation (TF) experts around the world.

See more...

Identifying bottlenecks and opportunities

Learn how a business process analysis (BPA) can help locating problems and bottlenecks in the current conduct of the procedures and formalities for a cross-border trade transaction. Understand how to use and undertake a BPA.

See more...
TFig NTFC Itinerary

Setting up a National Trade Facilitation Body itinerary:

- Steps for setting up a National Trade Facilitation Body
- Benefits and Objectives
- Organizational aspects: structure, membership and resources
- Basic principles that underpin a sustainable collaboration

START. Click on the individual items of the graphic above to navigate the itinerary!
UN/CEFACT recommends...

That a National Trade Facilitation Committee should:

- **Identify issues** affecting the cost and efficiency of their country’s participation in international trade;

- **Develop simplification measures** to eliminate or reduce such barriers - and assist in the implementation of these measures;

- **Strive** to establish trade facilitation as an integral part of a national trade policy and sustainable economic development;

- **Participate in international efforts** to improve trade facilitation and efficiency.
Purpose of the NTFC ...

- **Strategic Work:** Make proposals to government on measures to enhance trade facilitation

- **Operational Work:**
  
  Implement, coordinate and monitor TF initiatives

  Facilitate inter-agency coordination and engagement of the business community in TF

  Contribute to the work of TF in international organizations (UN, WCO, WTO, etc.)

- **Technical work:** simplify, harmonize and standardize formalities, procedures and documentation used in international trade

Lessons learned
Consultations

In order for the NTFC to be a success, the consultation process must be fair, transparent, accountable, participatory, and effective.

UNECE Recommendation 40 (Consultation Approaches) lists six basic principles for effective public-private consultation for trade facilitation:

1. Partnership and trust
2. Transparency
3. Managing differences of opinion and interests
4. Results orientation
5. Consultations as an iterative process with respect for time and timing
6. Accountability and responsibility
Mandate

Narrow mandate of NTFC (minimum TFA requirements)
- Facilitate domestic coordination
- Facilitate implementation of the TFA

Should an existing committee be appointed as the NTFC, it can continue to perform its initial mandate
- In addition to the TFA requirements

The key mandates identified by the UNCTAD are:
- **Foster trade facilitation:** by simplifying, standardizing and harmonizing trade procedure
- **Coordinate:** ensure coordination between agencies involved in TF and enhance partnership and confidence between private and public sectors
- **Negotiate:** improve position in trade facilitation negotiations
National context

Depending on the national context, the specific purposes of the NTFC could entail, among others, to:

- **Facilitate** inter-agency coordination;
- **Provide** directives on major trade facilitation issues;
- **Champion** the national strategic trade priorities;
- **Develop** new national policies mapped against existing international, standardized and harmonized methods;
- **Promote** existing facilitation solutions and help implement them;
- **Participate** actively in the creation and maintenance of trade facilitation measures internationally.
The challenge: Move from this ....

Main challenges in international trade

- Operational Issues
- Regulatory Issues
- Bank & Insurance Issues
- Customs Issues
To this .....
Challenge

Private sector should play a major role in the NTFC

The private sector should be involved in the governance of the Committee
• Co-presidency mechanisms or alternate presidency between the public sector and the private sector

The private sector should be represented in all its diversity
• Representatives of different professions / industries involved in international trade such as SMEs, large exporters, freight forwarders, carriers, shipping companies, banks, insurance ... 

The private sector should finance the Committee together with the government agencies
• Ex. Provision of premises, financing the secretariat, funding of activities

The sector must be involved in the development of the Committee’s technical recommendations by bringing (realistic) proposals forward
NTFC Benefits

• **Elimination or drastic reduction** of barriers to efficient and effective trading

• **Reduction in the costs** and time of international trade (both for Government and Trade)

• **Enhanced** global competitiveness

• Adoption of the **most efficient and effective best practices** (government procedures and business processes aligned to international standards)

• Bringing the public and private sector together **to adopt and support** trade facilitation practices.
To sum up...

- Facilitating ‘Domestic Coordination’ and Implementation of TFA must be part of the NTFC’s mandate.

- NTFCs play a key role in supporting the implementation of the TFA, as in many measures require inter-agency and public-private coordination for effective implementation in a way that promotes trade and development.

- The NTFC’s role in facilitating implementation is therefore particularly important to prevent possible future disputes or other negative consequences associated with non-implementation.
Thank you!

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