Public Private Dialogue
The role of the private sector in monitoring & evaluation
Public-private dialogue must be leveraged at each step of the reform process.

- **Structured dialogue**
  - Engagement
  - Definition
  - Empowerment

- **Workable reforms**
  - Consensus building
  - Filtering

- **Reforms that work**
  - Ongoing support
  - Watchdog
  - Feedback loop

**PPD contributes to all steps of reform process**
PPD enhances the benefits of policy reform

- Raising the importance of issues on the government’s agenda
- Increasing the policy desirability and feasibility of these reforms
- Building a constituency for reform
- Officials are exposed to exchange of experiences

Source: World Bank
GOVERNMENTS HAVE LEGITIMATE POLICY OBJECTIVES TO IMPLEMENT BORDER CONTROLS

- Revenue collection
  - In developing countries duties and taxes can account up to 50% of government revenues

- Prevent smuggling and entry of banned products
  - The increasing security threats (e.g. terrorism) and booming drug trafficking requires adequate response from border authorities

- Answer new demands for protection from society
  - Concern about public health, fauna and flora and the environment
  - Protection from unfair international practices
AND BUSINESS HAVE LEGITIMATE REASONS TO REQUEST SIMPLE, CHEAP AND EFFICIENT BORDERS

**Business performance**
Inefficient borders lead to direct and indirect costs that jeopardize businesses financial and operational performances

**Input prices**
Inefficient borders pushes imported inputs prices up and reduces business competitiveness

**Business environment**
Inefficient borders drive out foreign direct investment that are critical to create a dynamic business environment
PUBLIC AND PRIVATE SECTORS HAVE A SHARED RESPONSIBILITY TO OVERCOME CHALLENGES

- Avoidance
- Turf issues
- Control mind set
- Individual over business community interests
- Personal vested interests
- Evasion
SO WHO IS RESPONSIBLE FOR “FACILITATION MINDSET”? EVERYONE, INCLUDING YOU!

All stakeholders must contribute to the shift from an inefficiency cycle to an efficiency cycle.

**The inefficiency cycle**
- Non facilitative mindset
- Overly complex and unfair rules
- Evasion and personal vested interests
- Excessive controls
- Greater inefficiency

**The efficiency cycle**
- Facilitative mind-set
- Fairness & Transparency
- Less evasion and personal vested interests
- More reasonable controls
- Greater efficiency

The efficiency cycle

- Everyone, including you!
EFFECTIVE PRIVATE SECTOR PARTICIPATION

The 4 step process to compliance

1. Stay informed
2. Participate in the consultative process
3. Develop trusted relationships
4. Getting your own systems in order and be compliant and honest

TRADE IMPACT FOR GOOD
STAY INFORMED

Be pro-active in looking for procedural and regulatory requirements

Monitor the issuance of new laws, regulations and procedures
- Dedicate resources to legal monitoring

Subscribe to notification mechanisms
- E.g. enhanced controls alert mechanisms

Set up mechanism to share the information internally so that all agents are aware of new laws and regulations
PARTICIPATE IN THE CONSULTATIVE PROCESS

There are four main types of actions to take as a business community:

1. Organize yourself as a voice
2. Engage with cross border agencies
3. Substantiate your position and recommendation with evidences: data and experiences
4. Get involved in public-private dialogue platforms and know your rights
When making recommendations or identifying problems, it is vital that these submissions are supported by evidence.

- Documenting experiences in a central place
- Collect data from your own company (e.g. clearance time experienced, testimonials)
- Do business process analysis
- Learn to use third party data sets: Doing Business, LPI, OECD
Develop Trusted Relationships

Meet regularly with cross border agencies to:

1. Discuss particular bottlenecks or problems
2. Discuss the implementation of new formalities
3. Provide feedback on the practicalities of formalities

And remember there are always two topics: the regulation and its implementation modality.
GETTING YOUR SYSTEMS IN ORDER

1. Endeavour to submit timely, complete and accurate declarations
2. Seek out and work with reputable and competent service providers
3. Develop your staff through training and coaching
4. Keep records of past submissions that is easily assessable
5. Do your best to automate your processes internally

These are pre-requisites to benefit from facilitative mechanisms such as Authorized Operators schemes
THE TFA ACCOMMODATES PRIVATE SECTOR PARTICIPATION

Article 2
Opportunity to comment, information before entry into force and consultations

Article 23.2
National trade facilitation committee
REMINDER: ARTICLE 2 OF THE TFA STRUCTURES PUBLIC-PRIVATE DIALOGUE

Art. 2.2
Hold regular consultations between border agencies and traders

Art. 2.1.a
Provide traders opportunity and appropriate time to comment on new or amended trade laws and regulations

Art. 2.1.b
Publish trade related laws and regulation as early as possible before their entry into force
Establishing a National Trade Facilitation Committee is a must!

All border agencies and representative from the private sector must be represented to coordinate and facilitate trade facilitation reforms.

It is your right – and your duty – to be consulted and contribute. Join the hand of the government to make the NTFC work.
HOW CAN THE NATIONAL TRADE FACILITATION COMMITTEE CONTRIBUTE

What is the mandate of the National Trade Facilitation Committee

- Identify bottlenecks to cross-border trade
- Formulate recommendation for regulatory and procedural reforms
- Monitor the effective implementation of trade facilitation reforms

How can you contribute

- Have a seat at the table
- Ask that private sector be represented in the governance structure
- Participate in activities
- Contribute to financing
Thank you for your attention