



THE NEW FRONTIER OF COMPETITIVENESS IN DEVELOPING COUNTRIES

Implementing trade facilitation

Transport
and Trade
Facilitation
Series No. 5





**The new frontier of
competitiveness in developing
countries:
Implementing trade facilitation**

Note

The designations employed and the presentation of the material do not imply the expression of any opinion on the part of the United Nations concerning the legal status of any country, territory, city or area, or of authorities or concerning the delimitation of its frontiers or boundaries.

Material in this publication may be freely quoted or reprinted, but acknowledgement is requested, together with a copy of the publication containing the quotation or reprint to be sent to the UNCTAD secretariat.

This publication has not been formally edited.

Table of Contents

List of tables	4
List of figures	4
Abbreviations	6
Introduction.....	7
A. Trade facilitation in UNCTAD	7
B. Goals and methodology	8
C. Scope and content.....	10
CHAPTER I.....	11
Moving ahead at a variable speed: Level of implementation of trade facilitation in developing countries	11
A. Linking the implementation and a country’s level of development	11
B. Identifying the major non-implemented areas	13
C. Identifying the main reasons for non-implementation	20
D. Conclusions chapter I.....	24
CHAPTER II.....	25
Getting ready to move forward: Implementation priorities and time and financial requirements	25
A. Identifying the trade facilitation implementation priorities	25
B. Estimating implementation times	27
C. Assessing the implementation costs	33
D. Conclusions chapter II.....	37
CHAPTER III.....	39
Getting the right assistance: Expressed needs for special and differential treatment.....	39
A. Measures expected to be included in requests for special and differential treatment.....	39
B. Needs and priorities in terms of technical assistance and capacity-building	42
C. Conclusions chapter III	45
CHAPTER IV.....	47
Use of specific implementation tools: Customs automations systems and national trade facilitation committees	47
A. Trade facilitation and customs automation systems	47
B. The role and impact of the national trade facilitation committees	51
C. Conclusions chapter IV	54
Conclusions	55
References.....	57
Annex 1: List of trade facilitation measures covered in the report	59
Annex 2: List of countries covered in the report	61

List of Tables

Table 1: Main trade facilitation measures by level of implementation.....	18
Table 2: Main reasons for non-implementation of trade facilitation measures (all countries).....	22
Table 3: Trade facilitation measures by level of priority (all countries).....	26
Table 4: Top 10 measures with the highest estimated implementation times.....	32
Table 5: Estimated costs of trade facilitation measures (thousands of \$).....	35
Table 6: Ten measures with the highest estimated implementation costs (average).....	37
Table 7: Top 10 measures with the highest estimated need for TACB.....	43
Table 8: List of trade facilitation measures that can particularly benefit from ASYCUDA.....	47
Table 9: Use of ASYCUDA for implementing trade facilitation reforms.....	48

List of Figures

Figure 1: Level of the implementation of the trade facilitation measures per country.....	12
Figure 2: Distribution of the countries according to the percentage of the fully implemented measures (LDCs and non-LDCs).....	12
Figure 3: Distribution of the percentage of the non-implemented measures for LDCs and non-LDCs.....	13
Figure 4: Full implementation level per area (all countries).....	14
Figure 5: Major non-compliance areas for LDCs and non-LDCs.....	15
Figure 6: Full implementation level per area: LDCs and non-LDCs.....	15
Figure 7: Full implementation level for the trade facilitation measures (all countries).....	17
Figure 8: Full implementation level of the trade facilitation measures (LDCs and non-LDCs).....	19
Figure 9: Top 10 least implemented measures for LDCs and non-LDCs.....	20
Figure 10: Top 10 most implemented measures for LDCs and non-LDCs.....	20
Figure 11: Most quoted reasons for the non-implementation (all countries).....	23
Figure 12: Most quoted reasons for non-implementation (LDCs and non-LDCs) (percentage).....	23
Figure 13: Trade facilitation implementation priorities (all countries).....	25
Figure 14: Highest trade facilitation implementation priorities for LDCs and non-LDCs.....	27
Figure 15: Estimated priorities of trade facilitation measures (LDCs and non-LDCs).....	27
Figure 16: Estimated total implementation time (LDCs and non-LDCs).....	28
Figure 17: Estimated total implementation time (all countries).....	28
Figure 18: Estimated implementation times and current implementation level.....	29
Figure 19: Average implementation time per measure.....	30

Figure 20: Distribution of measures according to their average implementation time.....	31
Figure 21: Implementation times for the trade facilitation measure (LDCs and non-LDCs)	32
Figure 22: Estimated total implementation costs (LDCs and non-LDCs) (millions of \$)	34
Figure 23: Distribution of the estimated total costs (millions of \$, number of countries).....	34
Figure 24: Estimated costs and the level of compliance	35
Figure 25: Average costs of trade facilitation measures (thousands of \$).....	36
Figure 26: Distribution of measures based on their average costs (thousands of \$).....	36
Figure 27: Percentages of the measures requiring STD (categories B and C).....	40
Figure 28: SDT needs expressed by the countries	40
Figure 29: Expressed SDT needs by measure.....	41
Figure 30: Percentage of the measures requiring TACB.....	42
Figure 31: Planned requests for TACB for individual trade facilitation measures	43
Figure 32: Requests for TACB from LDCs and non-LDCs	44
Figure 33: Top 10 measures requiring TACB (LDCs and non-LDCs)	45
Figure 34: ASYCUDA and the full implementation levels.....	50
Figure 35: The non-implementation level for selected measures (ASYCUDA countries).....	50
Figure 36: Full compliance level in the countries having a national trade facilitation body in place.....	52
Figure 37: National trade facilitation committees in the participating countries	53
Figure 38: Proposed commitments on national trade facilitation committees.....	54

Abbreviations

ASYCUDA	Automated System for Customs Data
FALPRO	UNCTAD Special Programme on Trade Facilitation
ICT	information and communications technology
IT	information technology
LDCs	least developed countries
LLDCs	landlocked developing countries
OECD	Organization for Economic Cooperation and Development
OECS	Organization of Eastern Caribbean States
SIDs	small island developing states
TACB	technical assistance and capacity-building
UNDP	United Nations Development Programme
WCO	World Customs Organization
WTO	World Trade Organization

Introduction

A. Trade facilitation in UNCTAD

Trade facilitation has a long history in UNCTAD, whose mandate in this area dates from the Final Act of its First Ministerial Conference in 1964. The Final Act of the Conference recommended that UNCTAD “should promote, within the United Nations family, arrangements for: ... (c) Inter-governmental action for research into improved marketing techniques, the organization of trade fairs, the dissemination of market intelligence and the simplification of formalities relating to Customs procedure, commercial travel, etc.” (UNCTAD, 1964).

Over the past fifty years, UNCTAD’s work in the trade facilitation area took a variety of forms, constantly adjusting to the needs and the priorities of its diverse membership. It included helping countries assess their needs for trade facilitation reforms, developing institutional and technical tools for implementing these reforms, and facilitating the participation of the developing countries in the regional and multilateral standard setting activities. The Automated System for Customs Data (ASYCUDA), used by more than 90 countries, is possibly the most concrete result of UNCTAD’s work in this field (see <http://www.asycuda.org/>). Another example is the UNCTAD Special Programme on Trade Facilitation (FALPRO) and the Expert Working Group on Trade Efficiency, which lead to adoption of the 1994 Columbus Ministerial Declaration on Trade Efficiency. This declaration, in turn, was instrumental for the inclusion of trade facilitation in the World Trade Organization (WTO) agenda at the Singapore Ministerial Conference in 1996.

With the beginning of the negotiations on a WTO Trade Facilitation Agreement in 2004, supporting the developing countries in these negotiations became another major focus of the UNCTAD trade facilitation activities (UNCTAD, 2013). This support included preparing analytical and policy publications on trade facilitation issues, organizing training and awareness-raising events in the developing countries and in Geneva for Geneva-based delegates, as well as implementing technical assistance and capacity-building (TACB) activities tailored to the needs of developing countries.

Towards the end of 2011 UNCTAD proposed to take the analysis of the practical actions that a future agreement of trade facilitation at the WTO would require at national level one step further. For this purpose UNCTAD developed a new approach and took the lead in an effort carried out in collaboration with Annex D organizations aimed at helping developing countries prepare national implementation plans for the trade facilitation measures proposed within the WTO negotiations. This work was funded through different projects, funded by the European Union, Norway, Sweden, and the United Nations Development Account. In two additional countries, UNCTAD carried out specific national projects, funded by the World Bank and the United Nations Development Programme (UNDP), which included a trade facilitation component.

Under the framework of these projects, in 2012 and 2013 UNCTAD worked closely with 29 developing countries, which included least developed countries (LDCs), middle income developing countries, landlocked countries, transit developing countries, and small island economies in Africa, Asia, the Caribbean and Latin America. At the time of writing, three countries were still finalizing their project activities; the present study is based on results from 26 countries.

In implementing the project activities, UNCTAD mobilized local and international expertise and actively engaged a wide range of trade facilitations stakeholders through

the existing national trade facilitation committees, informal working groups and other types of the cooperation platforms.

The resulting 26 national trade facilitation implementation plans contain an update on the current implementation status of the trade facilitation measures, as considered in the WTO, the activities required for their implementation to reach full compliance capacity, as well as the countries' needs in terms of time, resources and TACB. The implementation plans built and expanded upon and are complementary to the previously (between 2007 and 2010) prepared WTO self-assessments.

While the individual implementation plans prepared for the respective Governments remained confidential in many cases, UNCTAD has compiled the results and lessons learned into the present analytical report, designed to assist developing countries and donor countries and agencies to gain a more factual view of the implementation challenges, including resource and time requirements.

The following section will describe the methodology used by UNCTAD in helping countries prepare their national implementation plans.

B. Goals and methodology

As described above, the goal of the assistance provided by UNCTAD to the participating developing countries was to elaborate national implementation plans for the measures included in the WTO draft consolidated negotiating text on trade facilitation at the time of the elaboration of the plan.

For this purpose, a standardized questionnaire was developed by UNCTAD based on the latest available revision of the draft consolidated negotiating text available (TN/TF/W/165). The questionnaire was structured around the content of section I of the negotiating text. For the purpose of the project, the provisions of section I were divided into 39 measures.

The full list of the analysed measures is included in annex 1.

Out of these 39 measures, one (measure 4 on notification) is a post-implementation measure which could not be complied with prior to the entry of the force of the agreement. This measure was, therefore, not analysed during the project. Another measure (measure 10 on appeal mechanism in a customs union that is a WTO member) was not applicable to all the countries, as not all of them belonged to such a union.

For each of the considered measures, the questionnaire included:

- (a) The relevant excerpt from the WTO draft consolidated negotiating text (as is) including text in squared brackets;
- (b) Background information on each measure, including an extract if available of the country's earlier WTO "Self Assessment of Trade Facilitation Needs and Priorities" and/or any other relevant sources of information, such as UNCTAD's "Technical Notes on Trade Facilitation Measures" (UNCTAD/DTL/TLB/2010/1);
- (c) Questions on each measure, including specific questions relating to the measure and general questions on the implementation issues.

In each participating country, the questionnaire was completed based on in-person interviews with selected officials in all relevant government agencies as well as members of the private sector. The interviews were conducted by a UNCTAD national consultant. The choice of interviewees was based on their involvement, knowledge and understanding of trade facilitation negotiations and/or implementation, and was made

by UNCTAD together with the national consultant and government focal point(s) for the project. In the countries with functioning national trade facilitation committees or similar bodies, all project activities were carried out in close cooperation with the respective competent institution.

The in-country activities included the following:

- (a) A launching event in the country usually through a special meeting of the national trade facilitation committee or trade facilitation stakeholders;
- (b) Recruitment of a national consultant by UNCTAD;
- (c) Collection of information by the national consultant through interviews, desk research and field visits;
- (d) Preparation of the draft implementation plan;
- (e) National validation conference;
- (f) Finalization of the implementation plan, incorporating feedback received at the validation conference.

The draft implementation plans, elaborated using the questionnaire and a common template made available by UNCTAD, contained (a) a description of the current situation for the individual trade facilitation measures, (b) the list of actions which would be required for the implementation of the measures which are not yet implemented in the country, (c) the need for external resources, (d) the leading implementation agency, and (e) a preliminary implementation sequence.

Each national validation conference entailed an in-depth presentation of the draft implementation plan to the members of the national trade facilitation committee or trade facilitation stakeholders at large and aimed at validating the findings and the proposed actions, as well as reinforcing the national ownership of the document. The final version of the implementation plan was then completed by UNCTAD to become the property of the Government.

The content of a national plan is, therefore, a result of a joint analysis by UNCTAD, the national consultant, and national public and private stakeholders with an interest in trade facilitation. While this national plan of implementation does not necessarily represent a country's official negotiating position on the considered trade facilitation issues, it reflects the consensus reached between the major trade facilitation stakeholders in a given country on the stage of implementation reached in the respective country on these issues at the time of the validation conference.

All annex D organizations have received the project documents and main tools (the questionnaire and the template for the national implementation plans). The Organization for Economic Cooperation and Development (OECD), the World Customs Organization (WCO) and the World Bank have also contributed to the project execution by designating experts to carry out selected fact-finding and validation missions and participating in the drafting or reviewing of the national trade facilitation implementation plan.

This project methodology was implemented for all 26 participating countries, which cover all major regions, LDCs and non-LDCs, land-locked, transit, and small island developing States, mostly WTO members but also some WTO observers. The list of the participating countries is included in annex 2.

The present report uses the information available from the countries participating in the project, without disclosing the individual countries' name or disclosing information on any specific country's situation.

C. Scope and content

The consolidated results of the 26 national implementation plans provide a series of insights on the progress achieved so far in the implementation of the trade facilitation measures, negotiated at the WTO, and the challenges which remain to be addressed.

These insights, summarized in the present report, concern:

- (a) Level of implementation of trade facilitation in the participating countries (chapter I);
- (b) Implementation priorities and time and financial requirements (chapter II);
- (c) Expressed needs for special and differential treatment (SDT) (chapter III);
- (d) Use of selected implementation tools: A special focus on customs automation systems and national trade facilitation committees (chapter IV).

The conclusions (chapter V) will present a number of policy implications that can be drawn in terms of implementing the trade facilitation reforms under the framework of the future WTO Trade Facilitation Agreement.

The analysis pays particular attention to the situation of LDCs and highlights their specificities in their situation and the expressed implementation needs.

It is hoped that the report will provide a guidance tool for trade facilitation policymakers at the national, regional and multilateral levels in both developed and developing countries, assisting them to plan and implement trade facilitation reforms and/or tailor TACB activities to the needs of the developing countries.

CHAPTER I

Moving ahead at a variable speed: Level of implementation of trade facilitation in developing countries

Under the framework of the UNCTAD projects on the development of national trade facilitation implementation plans, 26 countries, comprising LDCs, middle income developing countries, landlocked countries and small island economies in Africa, Asia, the Caribbean and Latin America, evaluated their current situation with respect to the considered trade facilitation measures being negotiated in the WTO. In doing so, they assessed the current level of implementation of each measure included in the WTO negotiating text, rating the implementation level as absent, partial or full.

The results of these national assessments shed some light on the current state of the implementation of the trade facilitation measures in developing countries and, in particular, on:

- (a) Linking the implementation and a country's level of development;
- (b) Identifying the major non-implemented areas;
- (c) Identifying the main reasons for non-implementation.

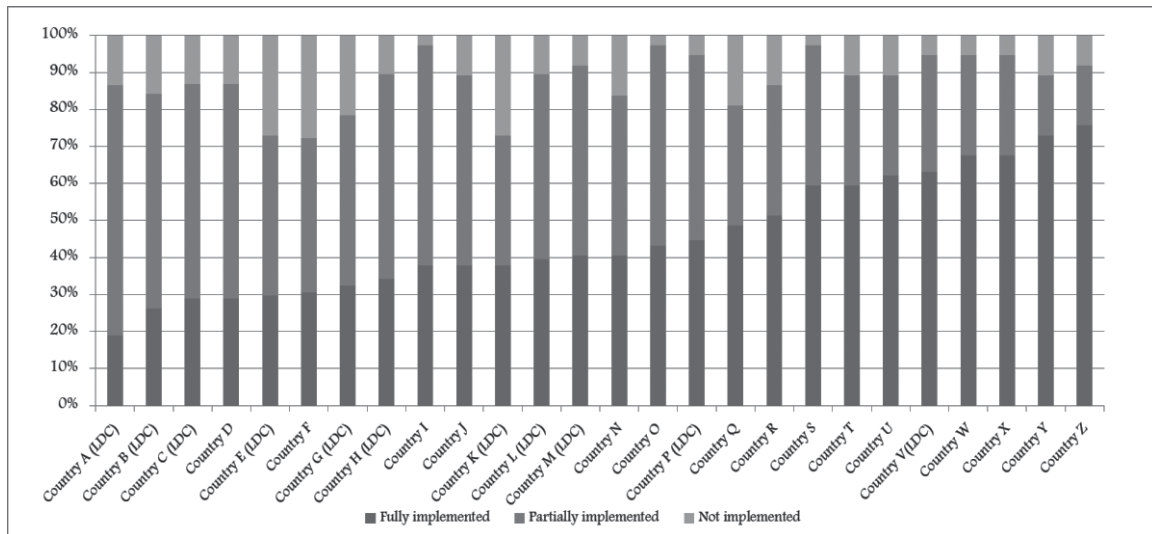
A. Linking the implementation and a country's level of development

Less than 50 per cent of the considered trade facilitation measures are currently fully implemented in the majority of the participating developing countries. None of the countries considered that it had reached the level of full implementation of all the analysed measures.¹

The following graph (figure 1) presents the consolidated results of the countries' implementation levels (the order of the countries is based on the percentage of the fully implemented measures). In none of the participating countries did the rate of the full implementation go beyond 76 per cent, with the lowest implementation rate being 19 per cent.

¹ The full implementation is defined here as meaning that all measures included in the WTO draft consolidated negotiating text are implemented in a manner to achieve compliance.

Figure 1. Level of the implementation of the trade facilitation measures per country

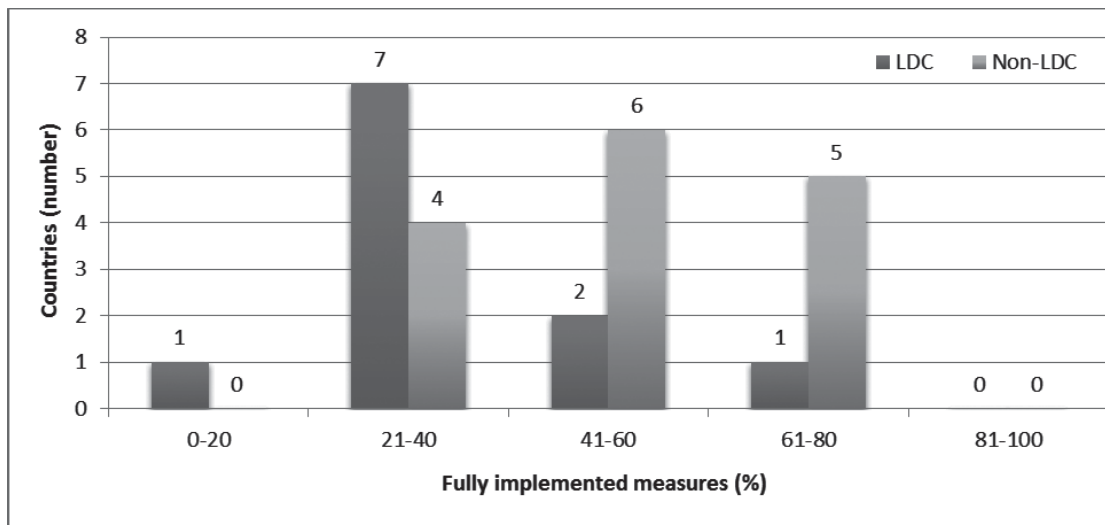


At the same time, the measures which have not been implemented at all constitute a clear minority, ranging from 3 to 28 per cent. The majority of the trade facilitation measures, that is from 16 per cent to 68 per cent, depending on the country, appear to be at the midway of the implementation process.

The results also suggest a significant correlation between the level of development and the level of implementation of the trade facilitation measures. The level of implementation is clearly much lower in LDCs, most of which are located to the left in Figure 1.

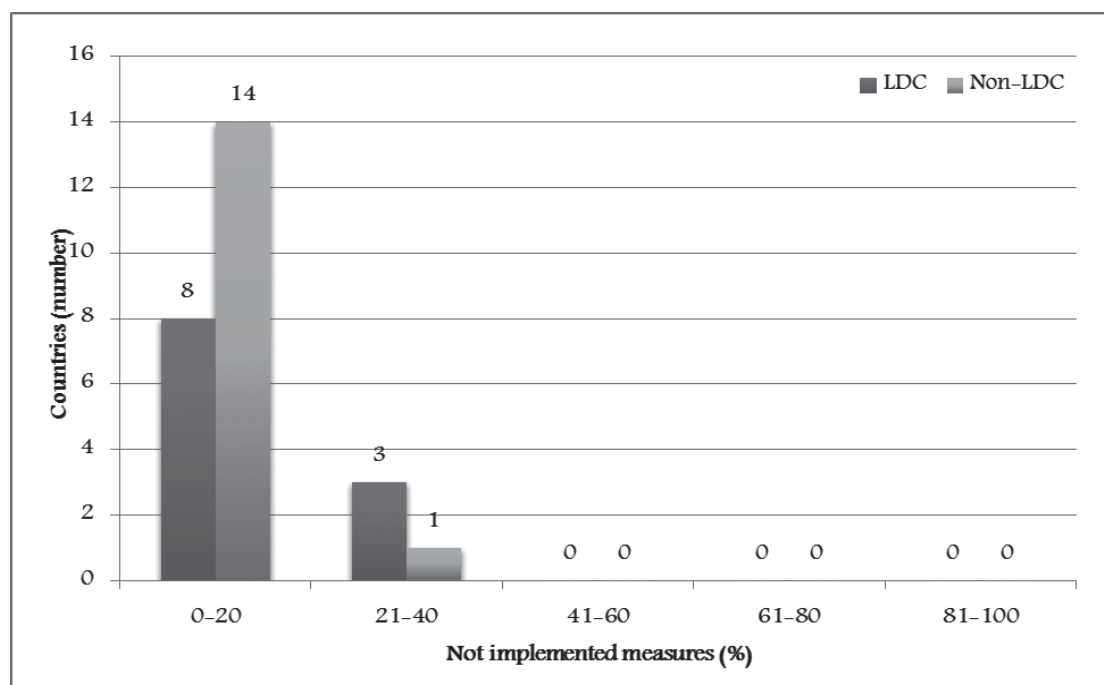
As can be seen from Figure 2, 8 out of 11 LDCs (or 73 per cent) situate themselves below the 40 per cent implementation level; two LDCs (or 18 per cent) belong to the third quintile and one (9 per cent) to the fourth. The country at the lowest implementation level is also an LDC.

Figure 2. Distribution of the countries according to the percentage of the fully implemented measures (LDCs and non-LDCs)



However, as can be seen from Figure 3, the percentage of the non-implemented measures appears to be relatively low for the majority of both LDCs and non-LDCs.

Figure 3. Distribution of the percentage of the non-implemented measures for LDCs and non-LDCs



These results indicate that the implementation of trade facilitation remains a major challenge for the developing countries and even a greater one for LDCs. In this sense, the findings of this report provide further evidence of the strong link between the level of the country's development (or its income group) and its trade facilitation performance, already highlighted in other recent trade facilitation-related studies (Moïsé and Sorescu, 2013, p. 17), (Wang and Duval, 2013, p. 12). At the same time, it also appears that only a handful of the trade facilitation reforms are completely new for the 26 developing countries concerned, which are already half way through implementing most of the considered measures.

B. Identifying the major non-implemented areas

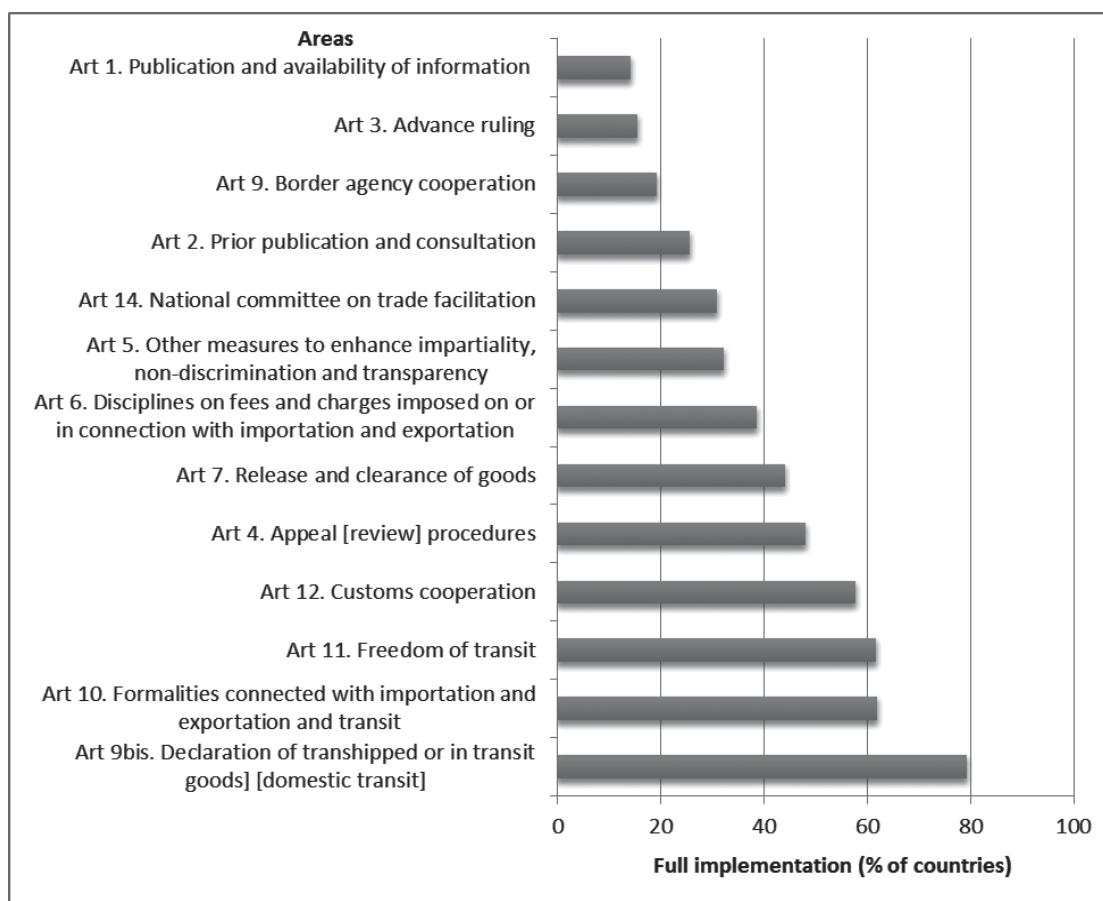
Analysing implementation levels according to the specific areas of trade facilitation measures and individual trade facilitation measures helps to identify the major areas of non-compliance for the developing countries.

There are fourteen substantive areas of the trade facilitation measures currently considered in the WTO. They include the following: publication and availability of information (article 1); prior publication and consultation (article 2); advance ruling (article 3); appeal/review procedures (article 4); other measures to enhance impartiality, non-discrimination and transparency (article 5); disciplines on fees and charges imposed on or in connection with importation and exportation (article 6); release and clearance of goods (article 7); consularization (article 8); border agency cooperation (article 9); declaration of transhipped or in-transit goods (article 9bis); formalities connected with importation and exportation and transit (article 10); freedom of transit (article 11); customs cooperation (article 12); and National Committee on Trade Facilitation (article 14).

Out of these fourteen areas, as illustrated in Figure 4 the lowest implementation levels were, in general, observed for:

- Publication and availability of information (article1);
- Advance ruling (article 3);
- Border agency cooperation (article 9);
- Prior publication and consultation (article 2);
- National Committee on Trade Facilitation (article 14).

Figure 4. Full implementation level per area (all countries)



As can be seen in Figure 5 and Figure 6, the major non-compliance areas largely coincide for LDCs and non-LDCs. However, the situation is far from being identical in both sets of countries. The differences in performance between LDCs and non-LDCs are particularly significant in the areas of freedom of transit, customs cooperation, border agencies cooperation and publication, and availability of information, where LDCs generally have a lower performance.

Figure 5. Major five areas of non-implementation for LDCs and non-LDCs

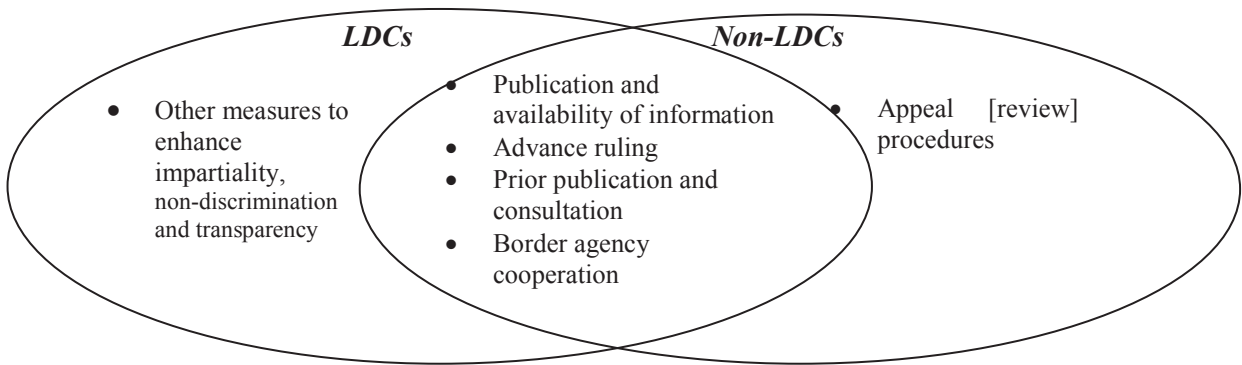
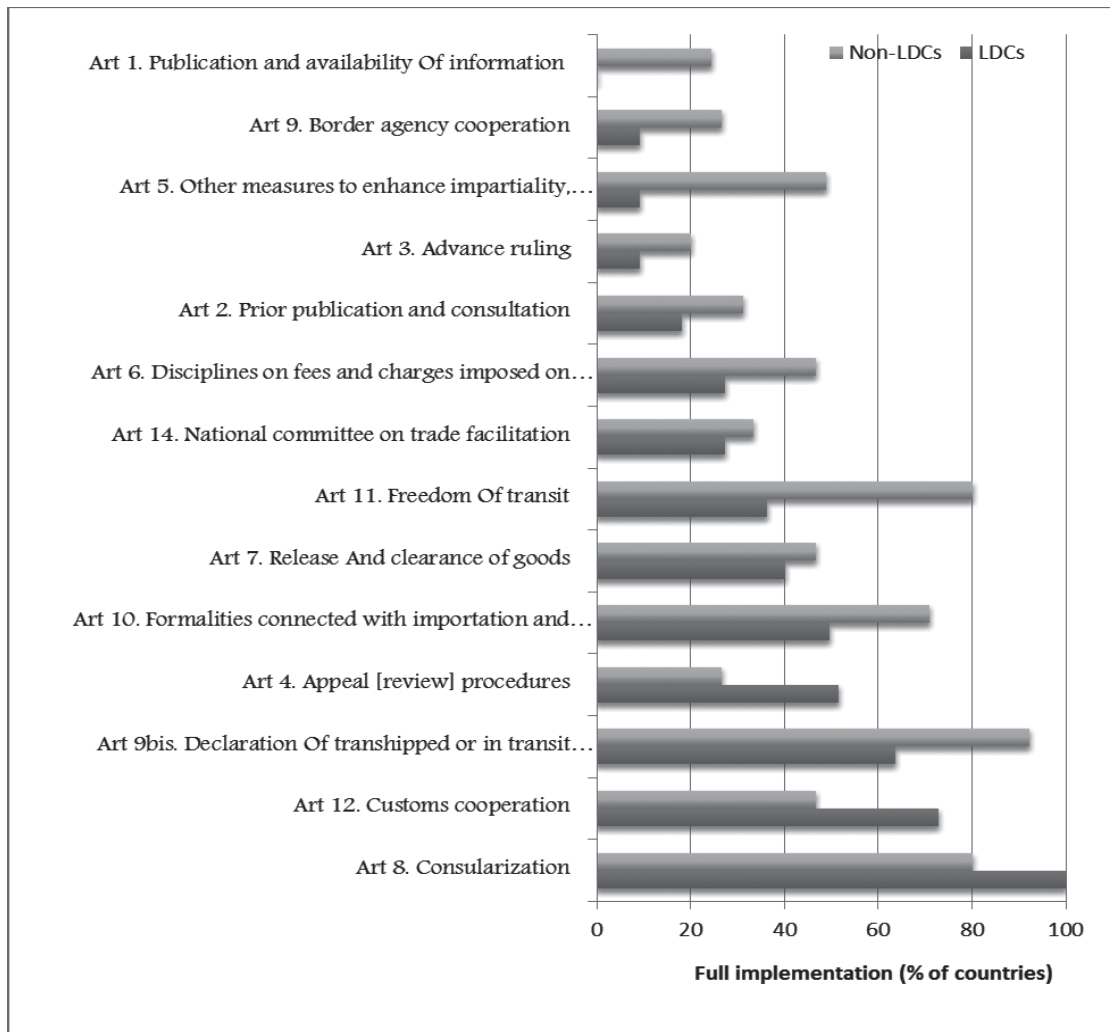


Figure 6. Full implementation level per area. LDCs and non-LDCs

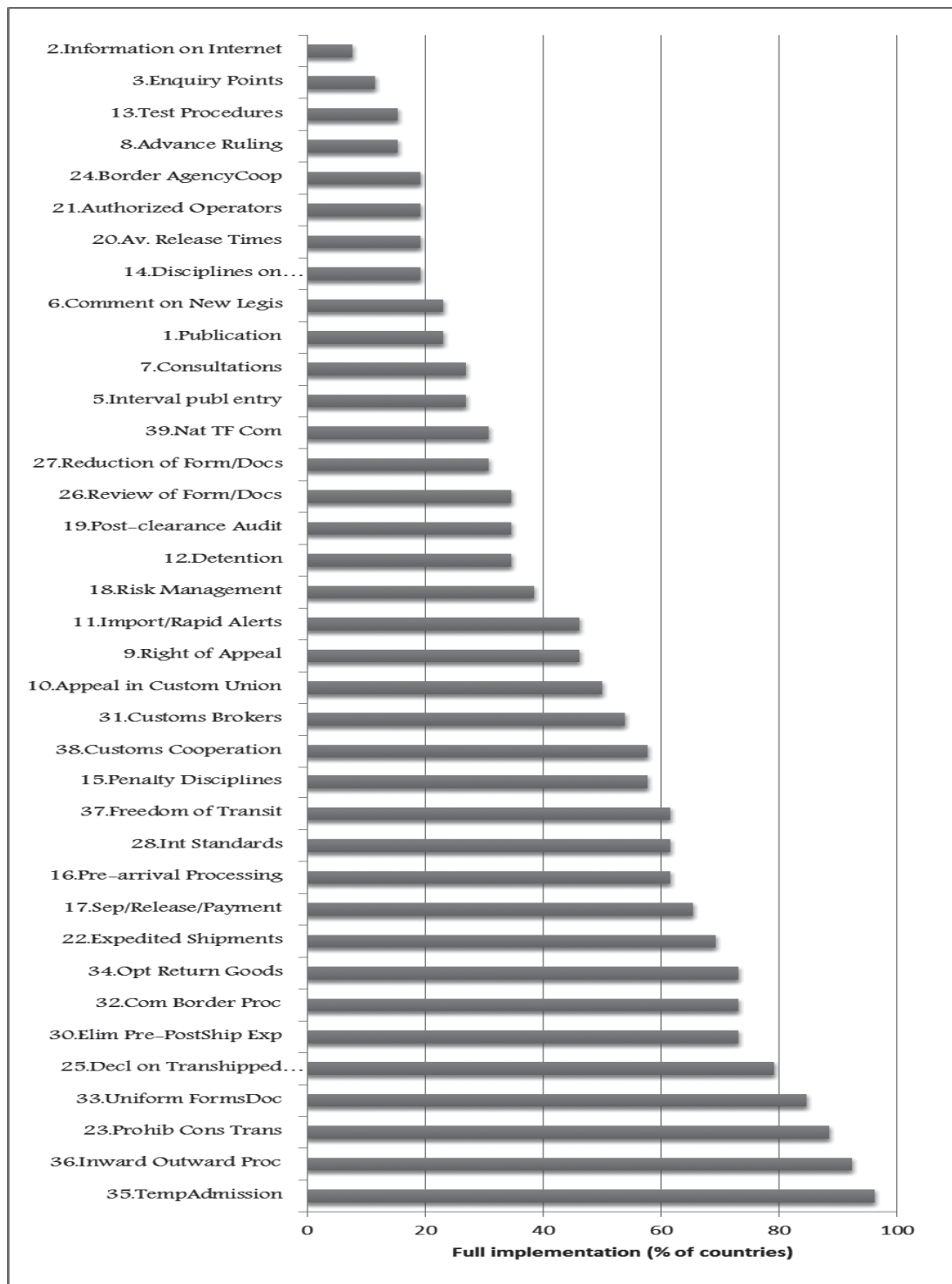


A more detailed picture can be obtained from analysing the implementation levels for each of the considered trade facilitation measures (in terms of the percentage of

countries where the measure is fully implemented).² Figure 7 presents the implementation rate for the individual measures ranking them from lowest to highest.

² Due to the limitation in space, here and hereafter, only abbreviations of names of the considered trade facilitation measures are used. See annex 1 for the full title of the measures and the reference to the WTO draft consolidated negotiating text.

Figure 7. Full implementation level for the trade facilitation measures (all countries)



According to the observed implementation levels, the following measures are, respectively, the most and the least implemented in the developing countries (Table 1):

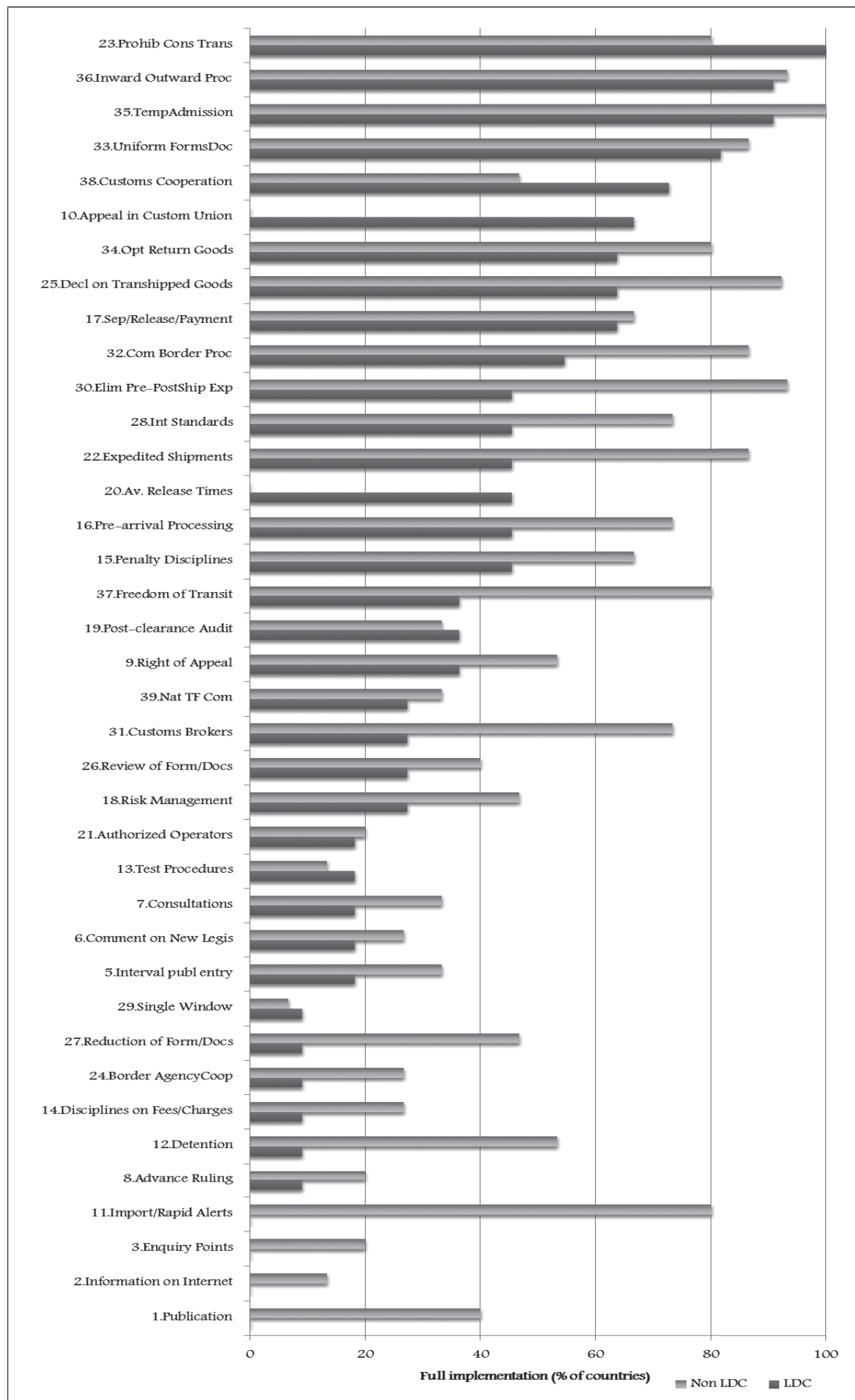
Table 1. Main trade facilitation measures by level of implementation

Top 10 most implemented measures	
1. TempAdmission (measure 35)	↑
2. Inward Outward Proc (measure 36)	
3. Prohib Cons Trans (measure 23)	
4. Uniform FormsDoc (measure 33)	
5. Decl on Trans Goods (measure 25)	
6. Elim Pre-PostShip Exp (measure 30)	
7. Com Border Proc (measure 32)	
8. Opt Return Goods (measure 34)	
9. Expedited Shipments (measure 22)	
10. Sep/Release/Payment (measure 17)	
Top 10 least implemented measures	
1. Information on Internet (measure 2)	↓
2. Single window (measure 29)	
3. Enquiry Points (measure 3)	
4. Advance Ruling (measure 8)	
5. Test Procedures (measure 13)	
6. Disciplines on Fees/Charges (measure 14)	
7. Av. Release Times (measure 20)	
8. Authorized Operators (measure 21)	
9. Border AgencyCoop (measure 24)	
10. Publication (measure 1)	

It appears from these results that the measures with the strongest and traditional customs-related component, such as measures on option to return rejected goods to the exporter, temporary admission of goods, inward and outward processing, declaration of transhipped or in transit goods and common border procedures and requirements, have the highest implementation rate. At the same time, most of cross-sectoral or cross-agency measures, such as single window, enquiry points, publication, disciplines on fees and charges, together with some advanced customs techniques, such as advance ruling and authorized operators, are rather found at the bottom of the implementation ladder.

The situation is even more clearly pronounced for LDCs, as shown Figure 8 which compares the levels of full implementation in LDCs and non-LDCs (the measures are ranked by their implementation levels in LDCs).

Figure 8. Full implementation level of the trade facilitation measures (LDCs and non-LDCs)



It can be observed that LDCs full implementation performance is either non-existent or very low for cross-sectorial measures such as publication, publication on Internet and enquiry points, and the like, and the advanced customs measures, such as advanced ruling and authorized operators.

Generally, there is a large overlap between the most and least implemented measures for LDCs and non-LDCs, except that the level of the implementation is generally higher for the latter.

From Figure 9 and Figure 10 it can be seen from that the 6 out of 10 least implemented and 7 out of 10 most implemented measures are the same for LDCs and non-LDCs:

Figure 9. Top 10 least implemented measures for LDCs and non-LDCs

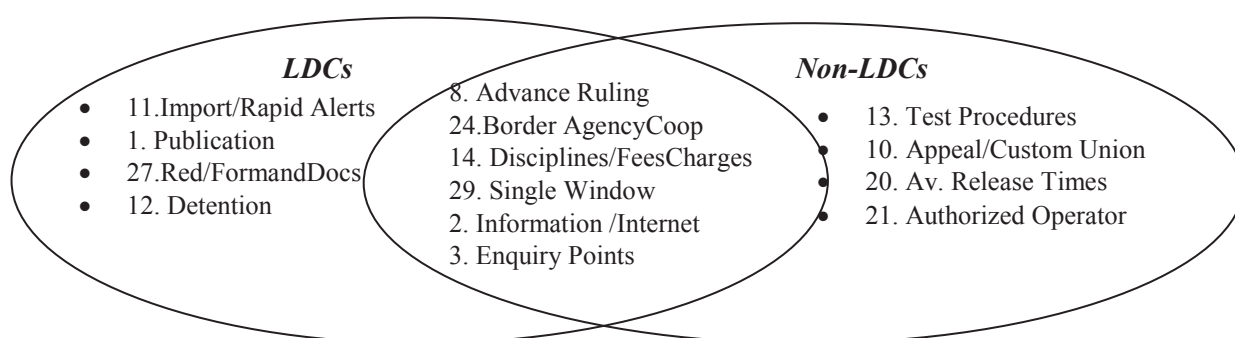
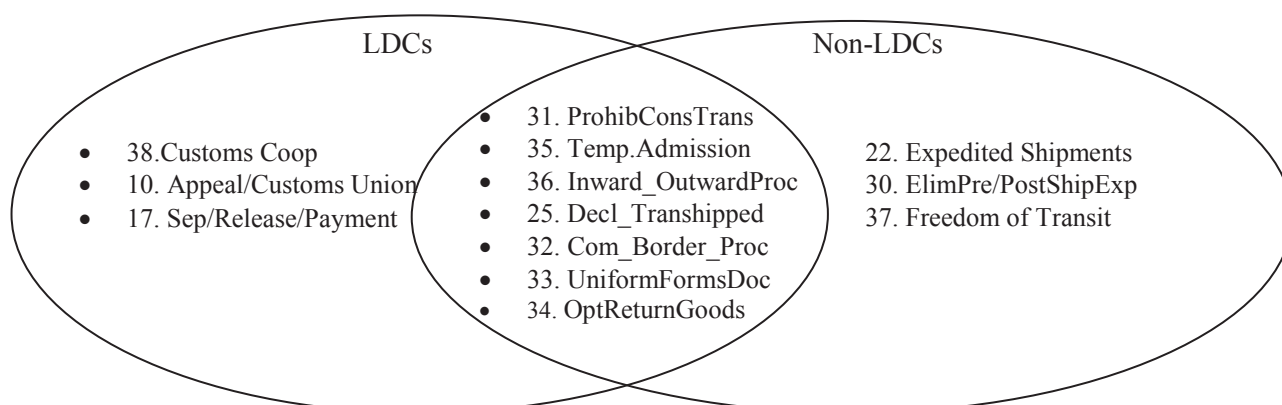


Figure 10. Top 10 most implemented measures for LDCs and non-LDCs



The above results suggest that some of the most challenging and demanding trade facilitation measures, in terms of the required level of inter-agency cooperation and the sophistication of the existing institutional, legal and regulatory framework, remain yet to be implemented by the developing countries.

C. Identifying the main reasons for non-implementation

In the course of the assessment of the current implementation status, when a partial or non-implementation of a particular trade facilitation measure was observed, trade facilitation stakeholders in the countries were invited to offer their opinion for the main reasons behind this fact.

On the basis of the responses received, as well as the additional insights inferred from the description of the current situation, the following broad categories of the reasons behind the partial or non-implementation status could be identified:

- **Lack of understanding of the proposed measure or lack of knowledge about the benefits of the measure:** That is, either this particular trade facilitation measure or, more frequently, its benefits for traders and/or for the administrations involved, were not understood or known by the trade facilitation stakeholders.
- **The existing legal framework:** Here, two particular situations are captured. First, the measure is applied in practice by the administrations concerned, as a common practice, but with no clear legal basis for this action, which may and, in some cases, does lead at any given time to a discontinuation of its application at the administration's discretion. For example, in many countries, administrations do consult the private sector on the forthcoming trade related legislation but are under no explicit legal obligation to do so. Second, the existing legal framework is an obstacle to the application of the measure, otherwise acceptable as a providing clear and tangible benefits. For example, in some countries, the outdated customs code still requires the goods to be physically present when a customs declaration is submitted, effectively preventing the use of the pre-arrival processing.
- **Lack of resources:** The term "resources" encompasses financial, technological, institutional or human resources or the necessary equipment or facilities.
- **Information and communications technology (ICT) and infrastructure issues:** ICT in use and infrastructure in place effectively prevent the application of the measure. A frequent example is the lack of interoperability of the information technology (IT) platforms used by the administrations involved in a particular process or procedure.
- **Lack of inter-agency cooperation:** The lack of a dialogue and cooperation between governmental agencies involved, especially in the absence of a well-established mechanism for such cooperation or "turf" issues between the respective institutions.
- **Lack of organizational framework:** Absence of a dedicated coordinating or responsible unit within a particular agency, the operation of which would be necessary for the proper implementation of the measure.

It should be noted that in many cases the reasons quoted by trade facilitation stakeholders indicated a particular interpretation of the considered trade facilitation measure, which was not always in line with the requirements proposed in the WTO. A representative example of this situation is the measure on test procedures (measure 13), which, in the WTO context, only concerns the administrative procedures that trigger or request the testing of the goods and does not encompass the need for specific equipment or other resources involved in sampling and testing the goods. In many cases, however, the administrations concerned considered that the measure could not be properly carried out without upgrading their testing facilities. The lack of resource was, therefore, frequently quoted as the main reason for non-implementation. In some countries, the laboratories perceived as needed to implement this measure constituted the highest amounts budgeted as part of the implementation of a future agreement at WTO.

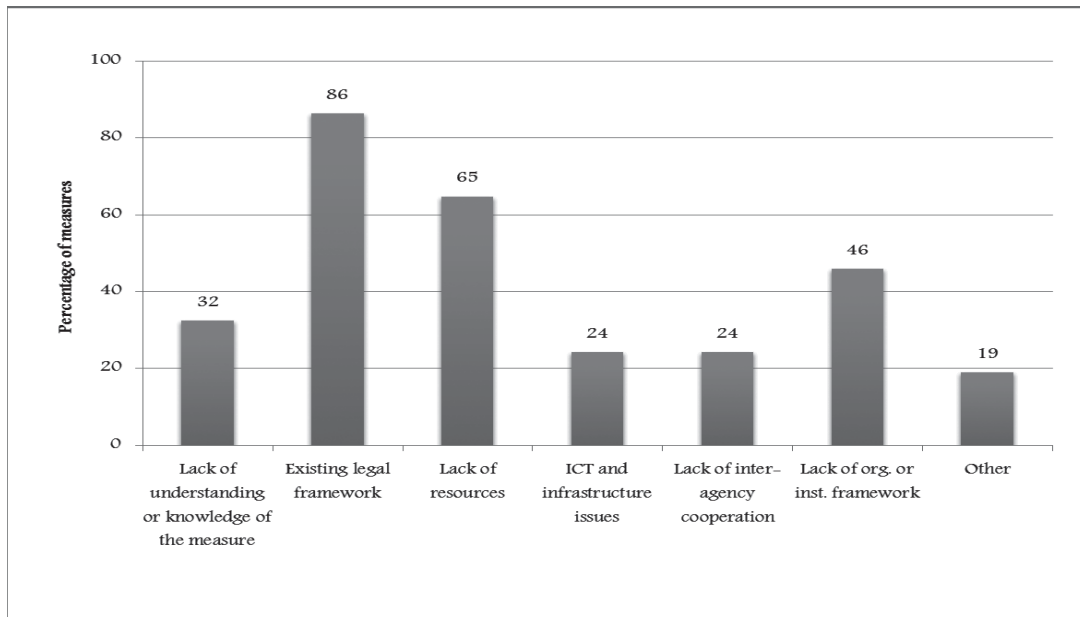
Table 2 indicates the most quoted reasons by the trade facilitation stakeholders in the countries in which the measure has not been fully implemented.

Table 2. Main reasons for non-implementation of trade facilitation measures (all countries)

Measure	Lack of understanding /knowledge of the measure	The existing legal framework	Lack of resources	ICT/ infr. issues	Lack of inter-agency cooperation	Lack of org. or inst. framework	Other
1. Publication			X		X	X	
2. Information /Internet			X		X	X	
3. Enquiry Points	X				X	X	
5. Interval publ/entry	X	X				X	
6. Comment/New Legis		X			X	X	
7. Consultations		X			X	X	
8. Advance Ruling	X	X				X	
9. Right of Appeal	X	X				X	
10. Appeal/Custom Union		X					
11. Import Alerts/Rapid		X	X			X	
12. Detention		X	X			X	
13. Test Procedures		X	X	X			
14. Disciplines/FeesCharg		X	X				X
15. Penalty Disciplines		X	X			X	
16. Pre-arrival Processing	X	X		X			
17. Sep/Release/Payment		X	X	X			
18. Risk Management		X	X				X
19. Post-clearance Audit	X		X	X			
20. Av. Release Times	X	X			X		
21. Authorized Operators	X	X	X				
22. Expedited Shipments	X	X	X				
23. Prohib Cons Trans			X				X
24. Border Agency Coop		X	X		X		
25. Decl/Transhipped		X	X		X		
26. Review Form and		X	X			X	
27. Red/Form and Docs	X		X			X	
28. Int Standards	X	X	X	X			
29. Single Window		X	X		X		
30. Elim Pre-Post Ship			X	X			X
31. Customs Brokers		X					X
32. Com/Border Proc			X	X		X	
33. Uniform Forms Doc		X		X		X	
34. Opt Return Goods		X	X		X	X	
35. Temp Admission							
36. Inward Outward Proc		X					
37. Freedom of Transit		X	X	X			
38. Customs Cooperation	X	X				X	
39. Nat TF Com		X	X			X	

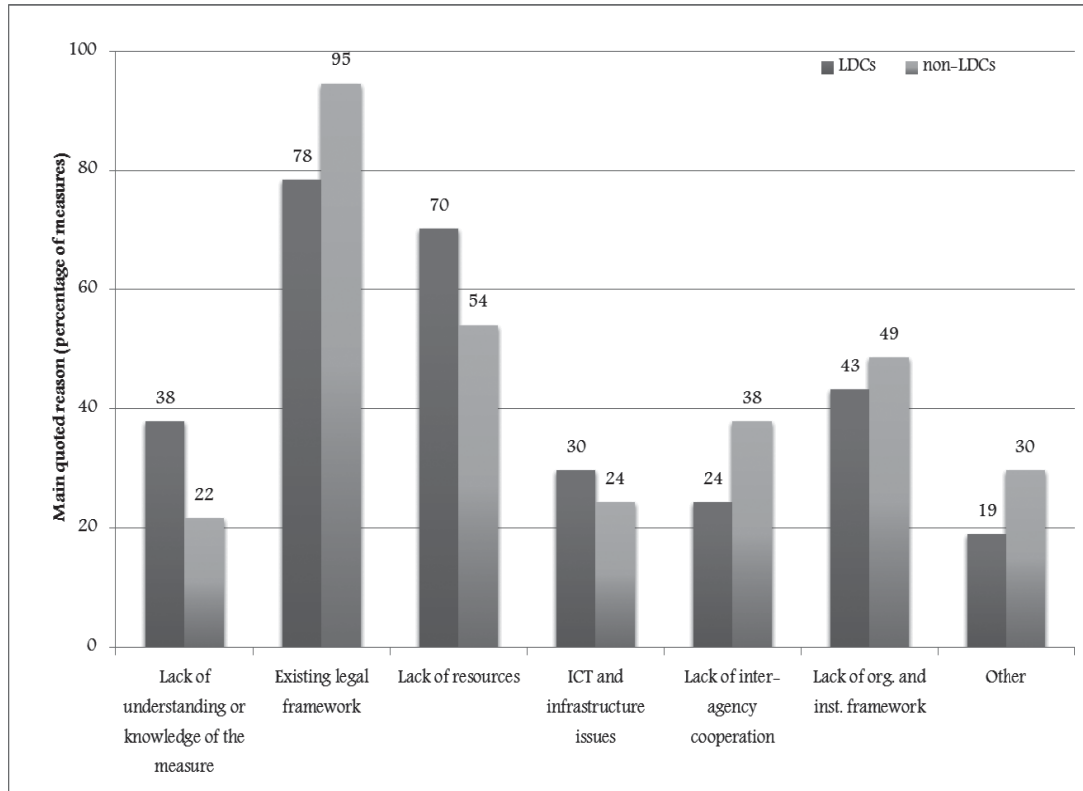
As shown in Figure 11, the analysis of the reasons which were the most frequently quoted by the countries shows that the lack of or inadequate existing legal framework is the most quoted reason for the absence of full implementation. The second and the third most quoted reasons are the lack of resources and the lack of the organizational or institutional framework. The lack of knowledge or understanding of the measure also appears to be a significant reason behind the non-implementation.

Figure 11. Most quoted reasons for the non-implementation (all countries)



Breaking down the responses by LDCs and non-LDCs indicates that, while the existing legal framework remains the most frequently quoted reason, the lack of resources and the lack of understanding or knowledge of the measure have a higher impact on the implementation in LDCs than in non-LDCs (Figure 12).

Figure 12. Most quoted reasons for non-implementation (LDCs and non-LDCs) (percentage)



While the lack of resources certainly appears to prevent the developing countries and LDCs, in particular, from fully implementing trade facilitation measures, the fact that the absence of the suitable legal framework is quoted in the participating countries as the main obstacle to the full implementation is significant. It supports a frequent view that many trade facilitation measures are applied in practice in an informal manner without a clear legal basis. In this sense, a legally binding international agreement, such as the one envisaged in WTO, could provide the much-needed obligation to establish the legal basis and, thus, normative certainty to these informal practices. A lack of organizational and institutional frameworks in many cases may also be a consequence of both the lack of resources and of a legal mandate, but it is still quoted as a separate reason by respective respondents in project countries.

Finally, the fact that the lack of knowledge or understanding of the measure and its benefits comes out as a significant reason for non-implementation, highlights the importance of awareness raising and training activities on the subject of trade facilitation in LDCs, in particular.

D. Conclusions chapter I

The results of the national trade facilitation implementation plans, prepared in the context of the different projects, illustrate the challenge that some developing countries, and LDCs in particular, face when it comes to subscribing to the multilateral legal commitments in trade facilitation area. In the current situation, none of the surveyed countries would be in the position to fully conform to the legally binding rules for the entire range of trade facilitation measures presently considered. In addition, most of these countries would not be able to comply with the provisions on half of these measures. In this sense, these findings do justice to the concerns expressed in Geneva by many developing countries' delegations as to the implementation challenges posed by an eventual WTO Trade Facilitation Agreement.

A great majority of the trade facilitation measures in both LDCs and non-LDCs studied have reached partial implementation. However, high implementation levels are observed in some specific measures, especially as far as more traditional and Customs-based trade facilitation measures are concerned. Nevertheless, a detailed analysis of the trade facilitation implementation level shows that gaps in the implementation may be found in most challenging and demanding measures, in terms of required level of inter-agency cooperation and effectiveness of the existing institutional, legal and regulatory frameworks.

It is therefore quite understandable that, while the lack of resources would remain the primary reason of the observed implementation gap, other factors hindering the progress in the trade facilitation reforms are at play and, notably, the existing legal, regulatory and institutional frameworks as well as the lack of awareness and understanding about the rationale for trade facilitation reforms and their expected benefits.

CHAPTER II

Getting ready to move forward: Implementation priorities and time and financial requirements

Moving from assessment of the current situation to the implementation issues, the trade facilitation stakeholders in the participating countries analysed the activities needed to fill the gaps and reach the capacity to be fully compliant with the proposed WTO disciplines.

While each case had its specificities, this section discusses the main components of this analysis, when it comes to:

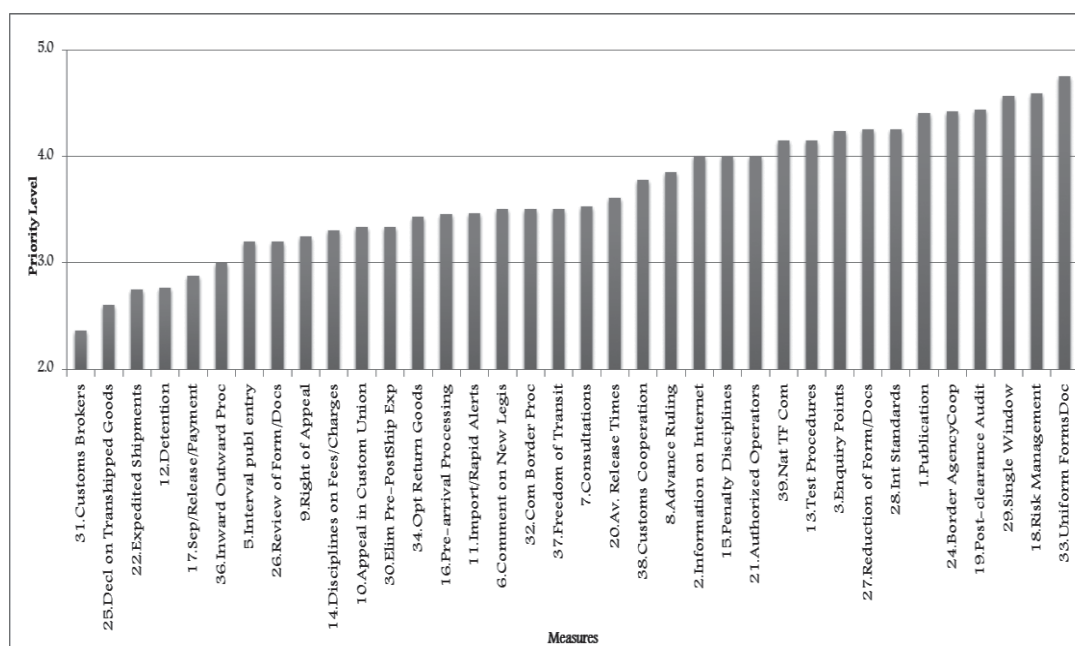
- (a) Identifying the trade facilitation implementation priorities;
- (b) Estimating the implementation times;
- (c) Assessing the implementation costs of actions to reach full compliance.

A. Identifying the trade facilitation implementation priorities

When establishing the actions to be taken for each of the measures, which had not yet been fully implemented, the countries assigned an implementation priority level on a scale from 1 (lowest) to 5 (highest). The priority was meant to reflect the importance of the measure for the overall economic development strategy.

Figure 13 displays the analysed trade facilitation measures in order of the priority indicated by the countries and shows that the great majority of the measures were given a rather high priority rate (between 3 and 5), a sign of recognition of the importance of trade facilitation for the national economic development.

Figure 13. Trade facilitation implementation priorities (all countries)



Overall, the following measures received, respectively, the 10 highest and the 10 lowest implementation priority ratings from the participating countries (Table 3).

Table 3. Trade facilitation measures by level of priority (all countries)³

10 measures with highest priority	
1. Uniform Forms Doc (measure 33)	↑
2. Risk Management (measure 18)	
3. Single Window (measure 29)	
4. Post-clearance Audit (measure 19)	
5. Border Agency Coop (measure 24)	
6. Publication (measure 1)	
7. Red Form and Docs (measure 27)	
8. Int Standards (measure 28)	
9. Enquiry Points (measure 3)	
10. Test Procedures (measure 13)	
10 measures with lowest priority	
1. Customs Brokers (measure 31)	↓
2. Decl on Transhipped Goods (measure 25)	
3. Expedited Shipments (measure 22)	
4. Detention (measure 12)	
5. Sep/Release/Payment (measure 17)	
6. Inward Outward Proc (measure 36)	
7. Interval publ and entry (measure 5)	
8. Review Form and Docs (measure 26)	
9. Right of Appeal (measure 9)	
10. Disciplines/Fees Charges (measure 14)	

It appears that participating countries tend to award higher priority to ambitious trade facilitation measures, such as single window and border agency cooperation, but they also recognize the importance of the traditional trade facilitation reforms, such as risk management, publication and availability of information and national trade facilitation committees.

There is a large overlap between the measures (seven out of ten) which received the highest priority in LDCs and non-LDCs (Figure 14). However, as seen from Figure 15 overall trade facilitation stakeholders in non-LDCs tend to award higher priority to the trade facilitation reforms than in LDCs.

³ The ranking of the measures is based on the average priority for the individual trade facilitation measures, expressed by trade facilitation stakeholders in the participating countries.

Figure 14. Highest trade facilitation implementation priorities for LDCs and non-LDCs

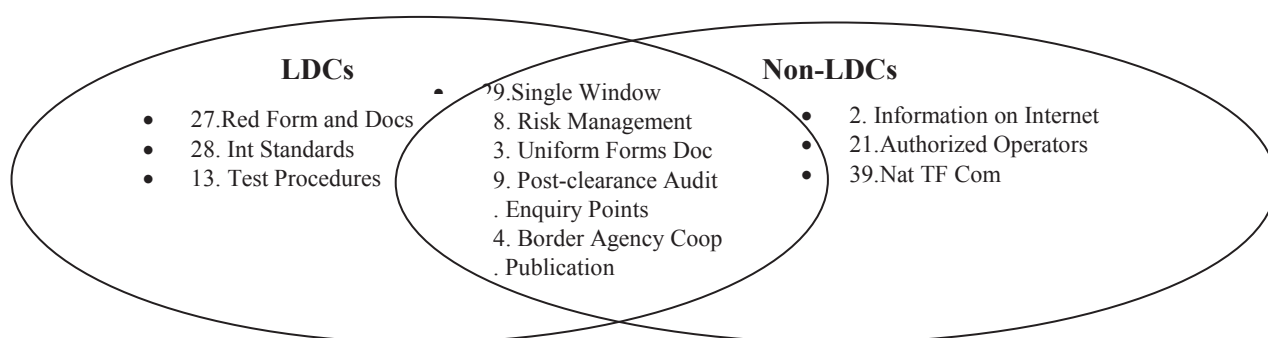
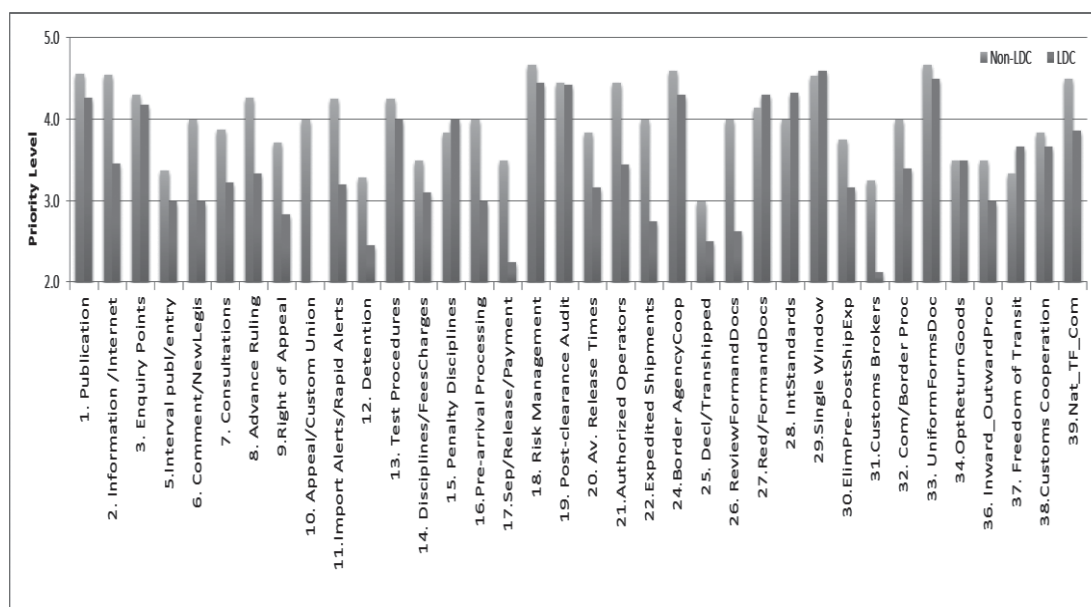


Figure 15. Estimated priorities of trade facilitation measures (LDCs and non-LDCs)



The overall picture of the priorities given by the developing countries, LDCs and non-LDCs alike, looks quite positive. The developing countries recognize the importance of trade facilitation and its impact on the national economic development, as already highlighted by recent studies on the trade costs (Arvis et al., 2013, p. 34).

The measures, which received a particularly high priority rating in the participating countries, are among those generally considered as most likely to have a significant impact on trade flows. The 2013 study by the OECD, which analysed the relative economic and trade impact of specific trade facilitation measures in more than 100 countries, found that the measures related to information availability, harmonization and simplification of documents, automated processes and risk management, streamlining of border procedures and good governance and impartiality should have the highest impact on trade volumes (Moisé and Sorescu, 2013). The developing countries in this sample, thus, appear to have a good grasp of the measures expected to bring tangible development benefits.

B. Estimating implementation times

Almost all national implementation plans contain an estimate of the overall implementation time. This estimation has proved to be hard in many cases due to the

difficulty of combining estimated implementation times for each measure with the proper sequencing of their implementation.

In 23 out of 26 participating countries, trade facilitation stakeholders proposed an estimation of the total time required to implement all considered actions to reach full compliance with trade facilitation measures. In some countries, they have chosen to consider that implementation could start at the same time for all the measures. In others, plans included a phased sequence of implementation.

According to the estimates shown below (Figure 16 and Figure 17), the great majority of the participating countries (18 out of 23 countries or 78 per cent) could reach full implementation capacity for all the measures within a five-year period. The majority of LDCs belong to that group. The remaining five countries, including two LDCs and three non-LDCs, would stretch the plans over a period of 10 years.

Figure 16. Estimated total implementation time (LDCs and non-LDCs)

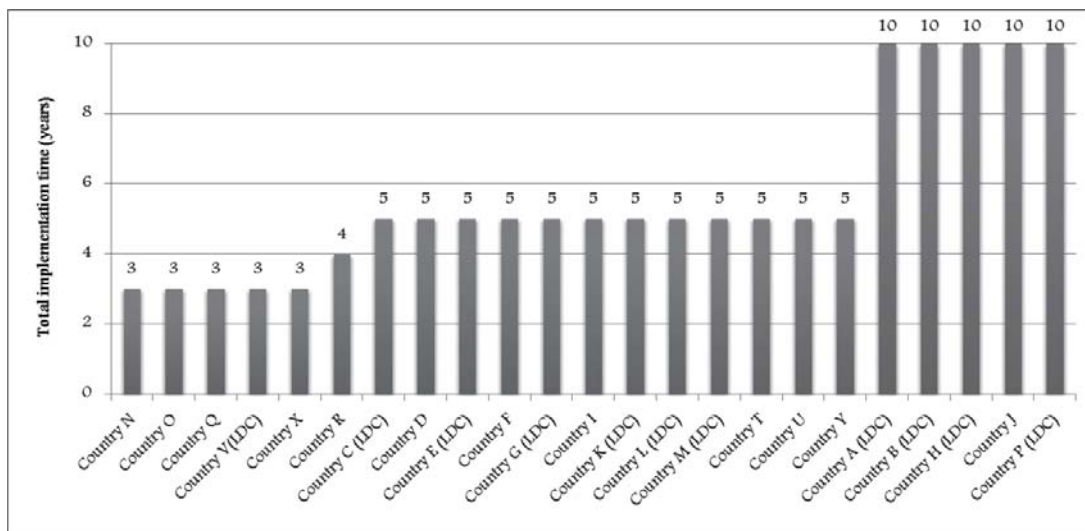
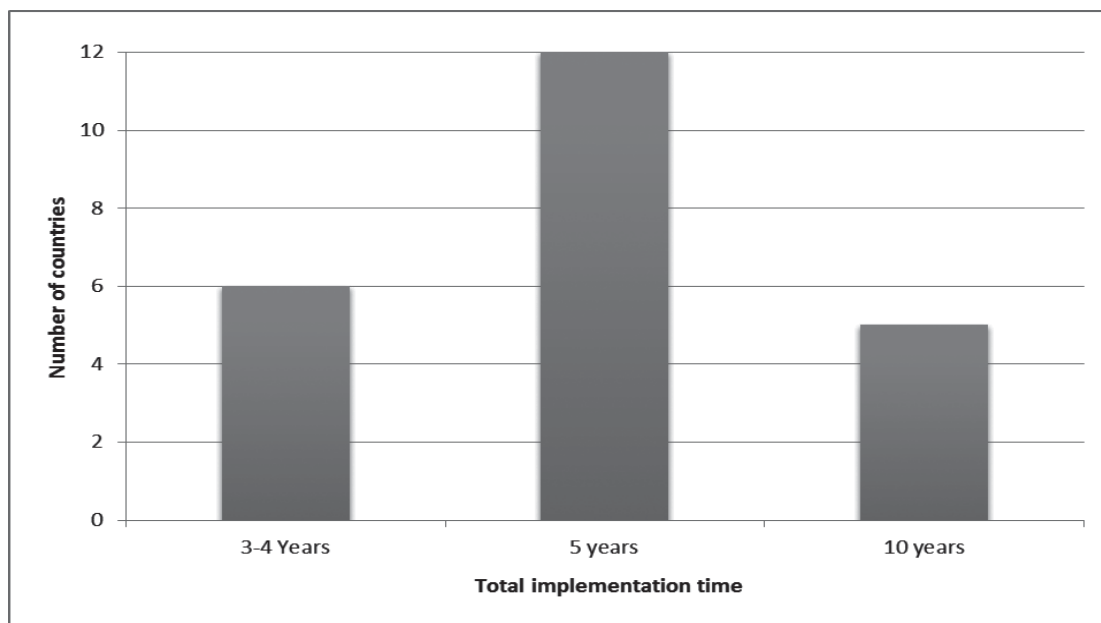
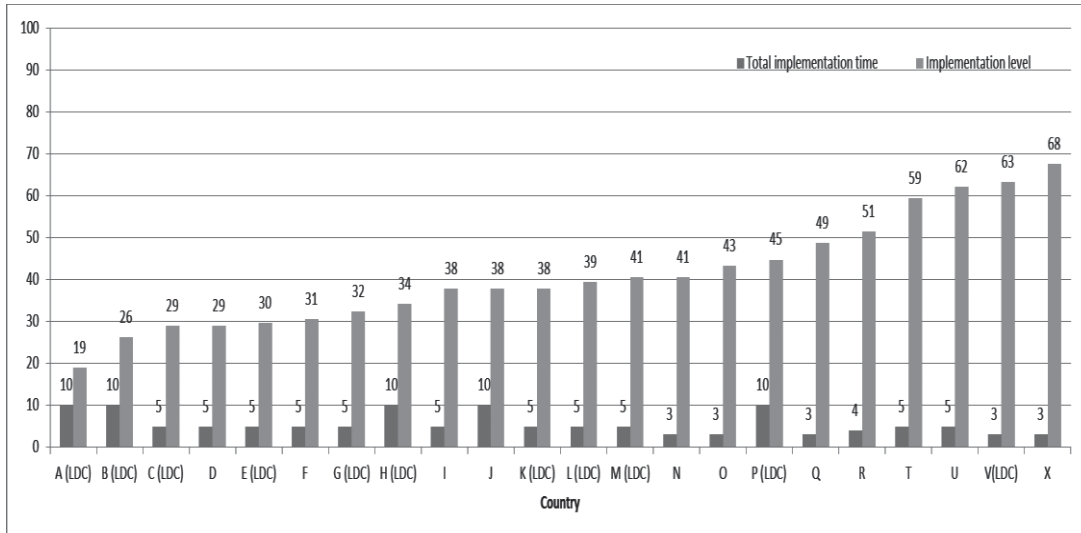


Figure 17. Estimated total implementation time (all countries)



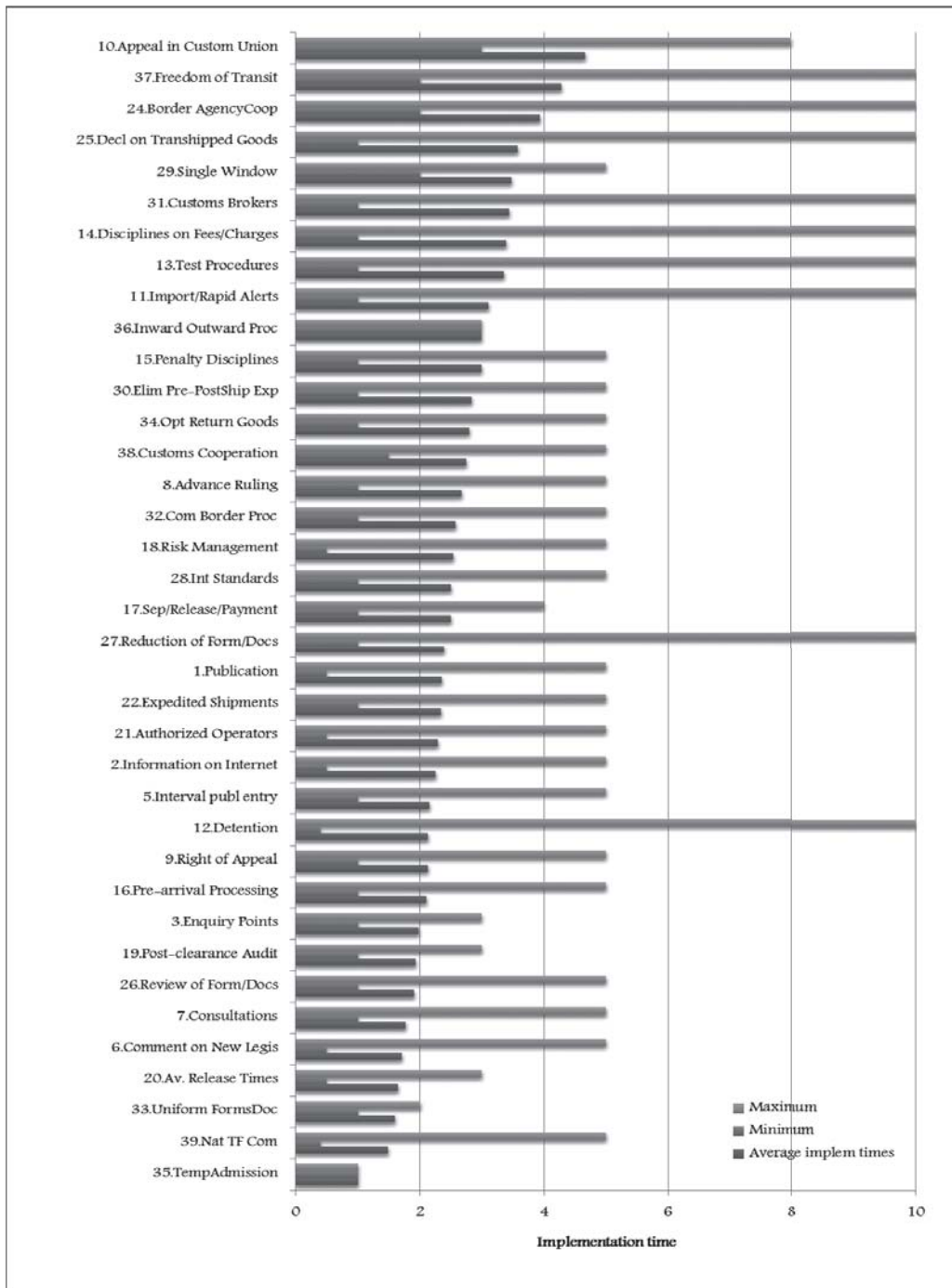
Interestingly enough, the overall implementation time does not fully correlate with the level of implementation. A few countries with quite a high compliance rate preferred to opt for a 10-year implementation period, anticipating the difficulties in covering the “last mile” in their trade facilitation reforms (Figure 18).

Figure 18. Estimated implementation times and current implementation level



As far as the implementation time for specific trade facilitation measures is concerned, the range of the countries’ estimates was quite wide as seen in Figure 19, but the following average times per measure could be established for 37 trade facilitation measures.

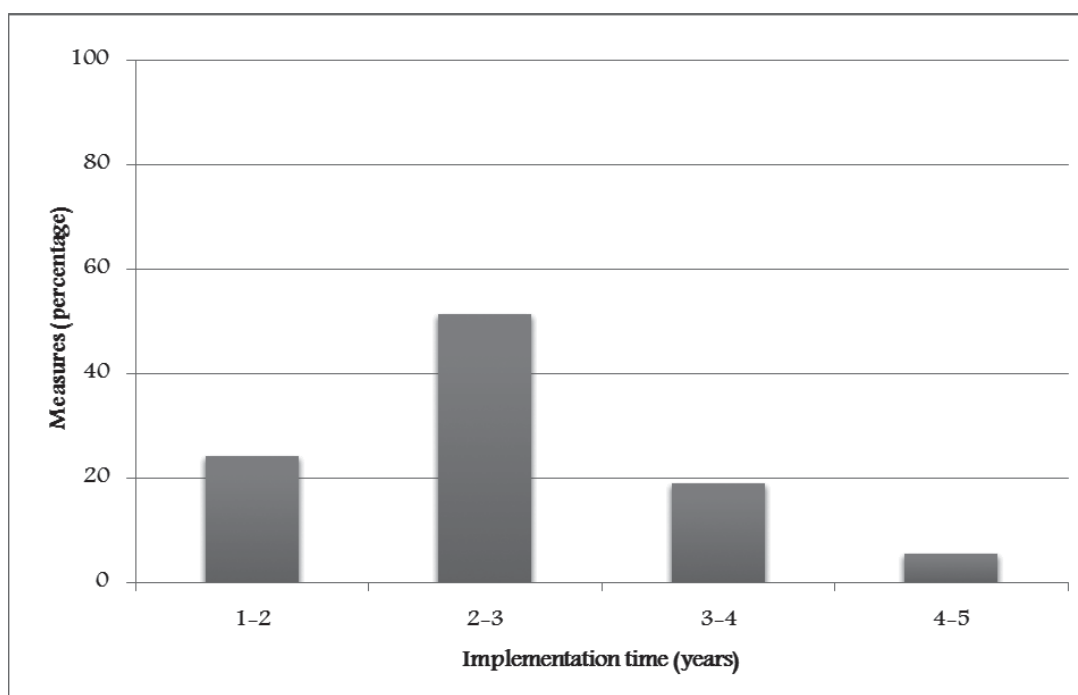
Figure 19. Estimated implementation time per measure



The average estimated implementation time for the majority of the measures (28 out of 37 measures or 76 per cent) is shorter than three years with no more than five years for the remainder of the reforms (eight measures or 24 per cent) (Figure 20).⁴

⁴ The implementation time was estimated by taking the beginning of the implementation activities as the starting point and not the time of the assessment or coming into force of the agreement.

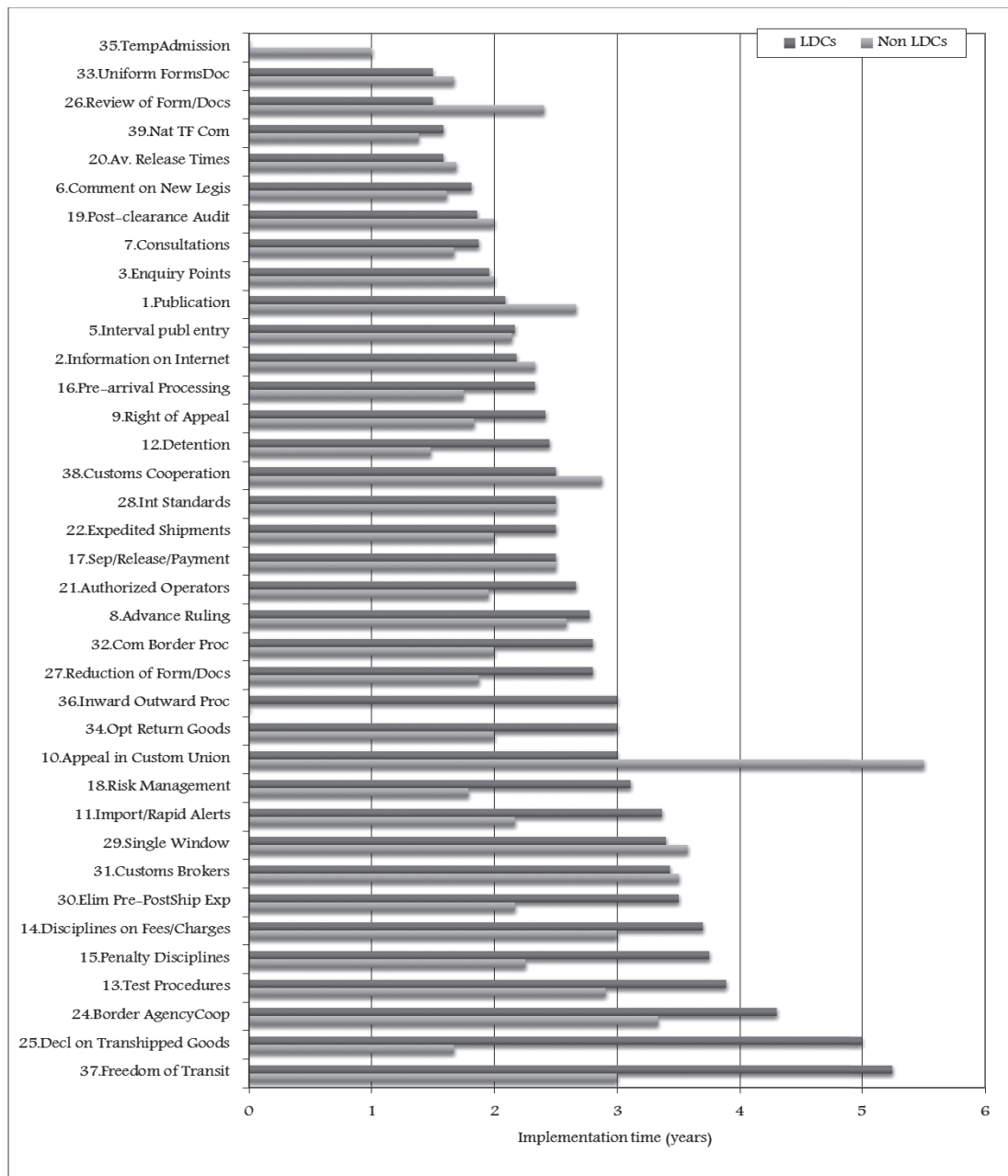
Figure 20. Distribution of measures according to their average implementation time



This is consistent with earlier studies analysing the times for implementing selected trade facilitation measures, which identified similar implementation times, ranging from 1.5 to 4.5 years, with the majority of the measures below the three-year mark (Duval, 2006, p. 34).

As can be seen in Figure 21, the need for longer implementation times per measure is more frequent in surveyed LDCs than in non-LDCs. This is the case of 22 out of the 37 measures (60 per cent). Average times for LDCs and non-LDCs are the same for 4 measures (11 per cent). There are 11 measures (30 per cent) for which implementation in LDCs was estimated to take less time than in non-LDCs (measures 1, 2, 10, 19, 20, 26, 29, 31, 33, 35 and 38), reflecting again the fact that the perceived capacity to implement actions in short periods of time does not systematically relate to an actual development stage and may depend on existing favourable conditions for trade facilitation reforms.

Figure 21. Implementation times for the trade facilitation measure (LDCs and non-LDCs)



The measures estimated to be the most time consuming are detailed in Table 4.

Table 4. Top 10 measures with the highest estimated implementation times

1. Appeal in Custom Union (measure 10)
2. Freedom of Transit (measure 37)
3. Border Agency Coop (measure 24)
4. Decl on Transhipped Goods (measure 25)
5. Single Window (measure 29)
6. Customs Brokers (measure 31)
7. Disciplines on Fees and Charges (measure 14)
8. Test Procedures (measure 13)
9. Import/Rapid Alerts (measure 11)
10. Penalty Disciplines (measure 15)

The reasons for long implementation times differ depending on the measure. They include a significant time necessary to take a political decision at national or regional levels (measures 10, 24, 31), the time necessary to carry out profound administrative reforms (measures 14 and 15) or a set of complex legal, institutional and technological required reforms (measures 29 and 37). In some cases, longer implementation times are explained by the country's desire to implement a more ambitious version of the trade facilitation measure than the one currently envisaged in WTO (measure 13).

While these estimates provide a good basis for planning the future WTO-oriented trade facilitation reforms, it is clear that they will need to be adjusted, depending on the progress made in the implementation but also on the inherent linkages between the measures themselves. The countries which considered sequencing the actions in their national implementation plans found the exercise important but also challenging and possibly requiring adjustments in the future. In addition, a number of countries with quite low implementation levels estimated to need rather short implementation times. In many cases this reflected a strong national ambition in the trade facilitation area. Thus, a total implementation time may further increase or decrease depending on the changes in the national ambition over time.

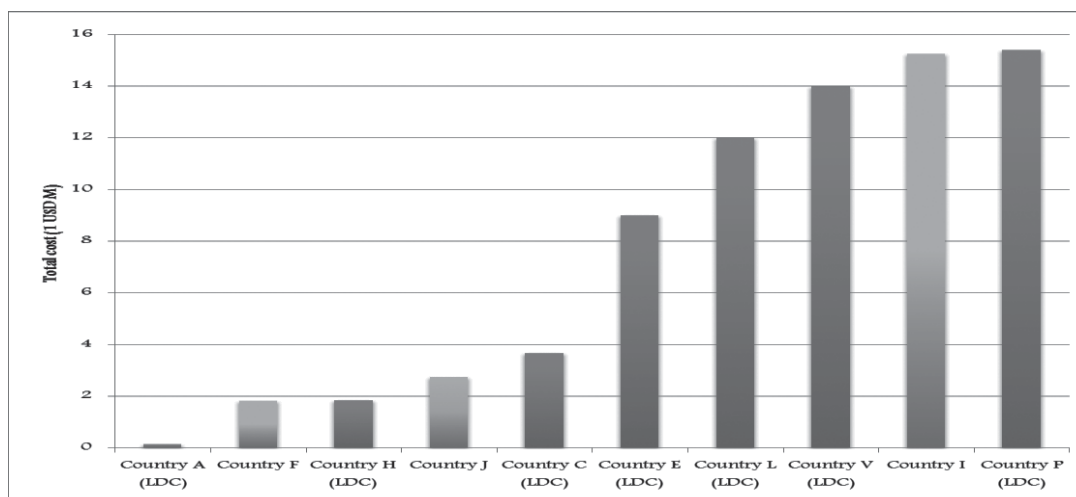
In this context, it is important to re-emphasize the need for developing countries to carefully consider the sequencing of the trade facilitation measures and anticipate possible positive and negative spill-over effects on the implementation of a given measure on the successful introduction of the others (World Bank, 2011; Moisé, 2013, p. 6; Duval, 2006, p. 21).

C. Assessing the implementation costs

During the work on the national implementation plans, UNCTAD and the trade facilitation stakeholders in the participating countries also discussed the issue of costs of the considered trade facilitation reforms. While in some participating countries the monetary cost of the analysed trade facilitation measures could not be estimated, 10 out of 26 countries seized the opportunity to investigate the financial costs of reaching full compliance with the future WTO Trade Facilitation Agreement (Figure 22 and Figure 23).

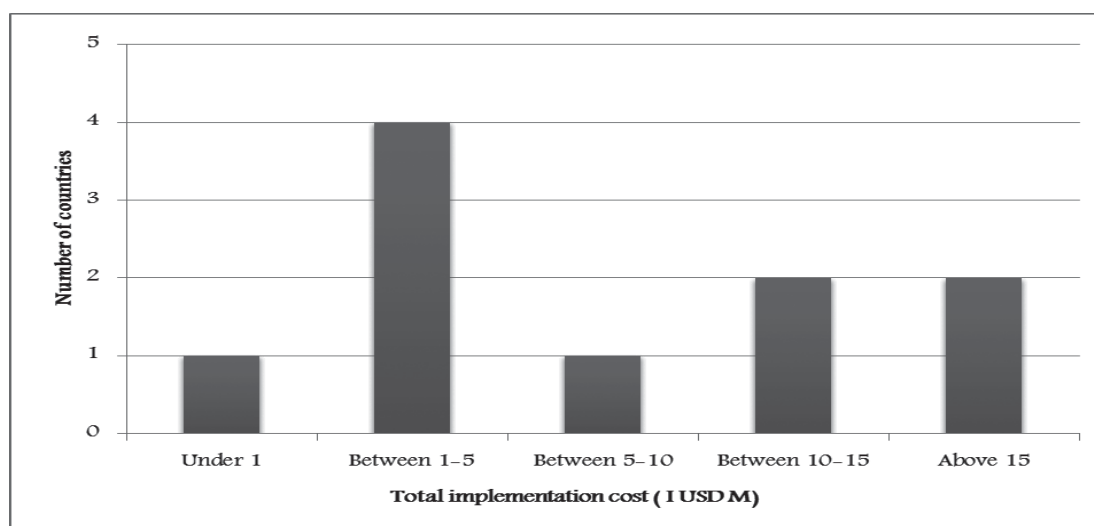
The estimated total costs of reaching the full implementation status of the considered trade facilitation measures range widely, going from \$136,000 to \$15.4 million. Being an LDC does not seem to have a decisive impact on the total implementation costs; of course, this does not mean that the required resources, however modest in size, are easily mobilized.

Figure 22. Estimated total implementation costs (LDCs and non-LDCs) (millions of \$)



For six countries, the costs were estimated to be under \$10 million, for two countries between \$10 million and \$15 million and for two slightly above \$15 million.

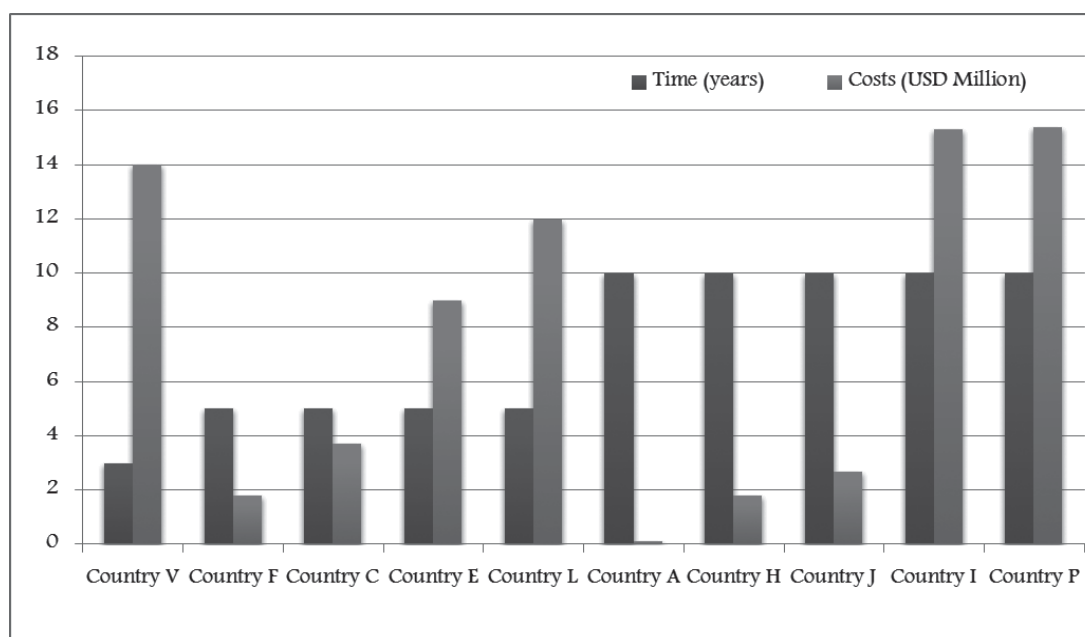
Figure 23. Distribution of the estimated total costs (millions of \$, number of countries)



The observed results are consistent with the findings gathered by other annex D organizations in separate field research. The 2011 study by the World Bank focusing on three developing countries came up with a comparable range of total cost of implementation (respectively, the total maximum costs in \$ millions of 2.4, 8 and 10.5 for the three participating countries). No linear correlation was found either between the percentage of the implemented measures and the estimated implementation costs (World Bank, 2011). A more recent study by OECD reported that the estimated implementation costs for four developing or transition economies were, respectively (in \$ millions), 4.5, 9, 15.5 and 24. The country with lowest estimated costs was an LDC and the country with the highest estimates was not (Moisé, 2013, p. 12).

As was the case with the implementation times, there is no linear correlation between the level of the current implementation and the total implementation costs. There is also no established tendency for overall costs to become higher if more ambitious implementation times are considered (Figure 24).

Figure 24. Estimated costs and the level of compliance



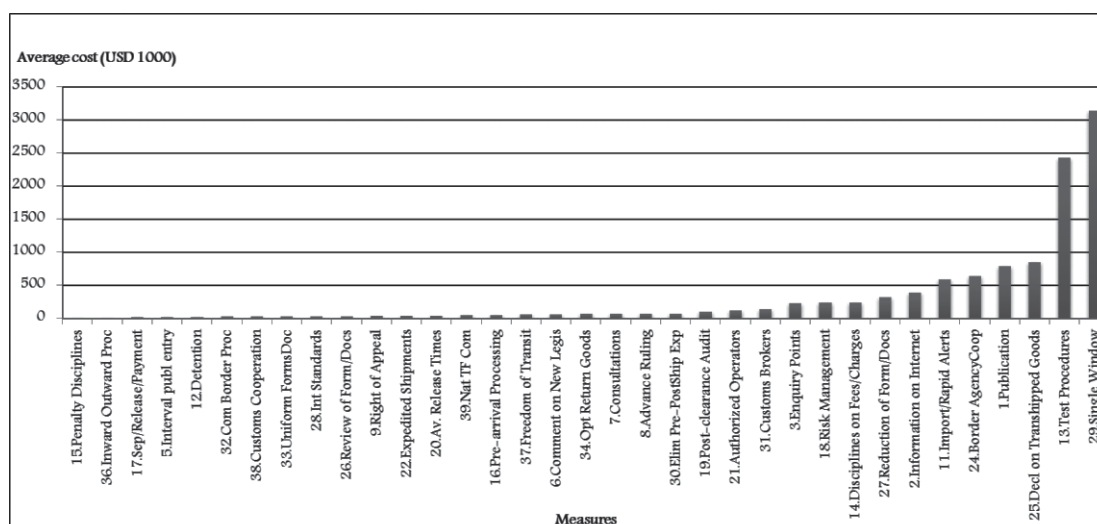
As in the case of the estimated implementation times, the costs of implementing the individual trade facilitation measures vary largely depending on the country. Overall, the cost estimates could be made for the following 36 measures (Table 5 and Figure 25).

Table 5. Estimated costs of trade facilitation measures (thousands of \$)

Measure	Minimum	Median	Average	Maximum
1.Publication	24	100	785	3000
2.Information on Internet	25	100	382	1280
3.Enquiry Points	40	82	228	1000
5.Interval publ entry	2.4	10	12	24
6.Comment on New Legis	5	24	55	250
7.Consultations	13	28	62	250
8.Advance Ruling	4.5	35	63	200
9.Right of Appeal	1.1	18	34	100
11.Import/Rapid Alerts	4.5	180	588	2400
12.Detention	1.1	9	18	50
13.Test Procedures	3.4	277	2428	8100
14.Disciplines on Fees/Charges	10	36	235	1000
15.Penalty Disciplines	1.1	1.1	1	1.1
16.Pre-arrival Processing	1.1	59.5	47	66
17.Sep/Release/Payment	1.1	10	12	25
18.Risk Management	2.3	98.25	234	1000
19.Post-clearance Audit	1.7	73.5	96	310
20.Av. Release Times	1.7	26.875	39	100
21.Authorized Operators	1.7	100	117	250
22.Expedited Shipments	1.7	22.5	37	100
24.Border Agency Coop	6	32	635	4000
25.Decl on Transhipped Goods	200	850	850	1500
26.Review of Form/Docs	14	30	28	39
27.Reduction of Form/Docs	5.6	40	320	2000
28.Int Standards	4.5	34	28	50
29.Single Window	4.5	200	3133	10000
30.Elim Pre-PostShip Exp	45	68.5	69	92
31.Customs Brokers	12	110.5	133	300
32.Com Border Proc	16	23	23	30

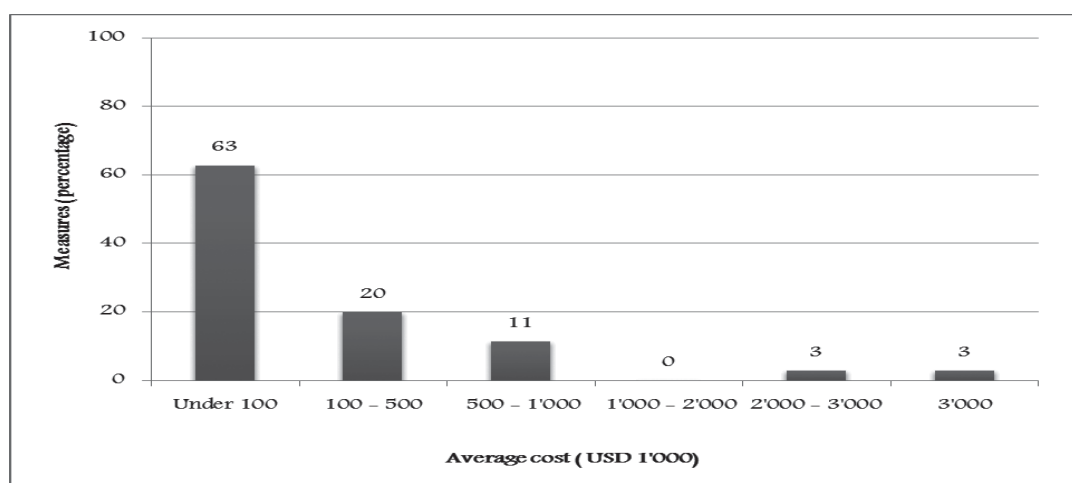
33.Uniform Forms Doc	24	24	24	24
34.Opt Return Goods	24	62	62	100
36.Inward Outward Proc	1.1	1.1	1	1.1
37.Freedom of Transit	24	32	54	107
38.Customs Cooperation	3.4	18	24	50
39.Nat TF Com	4	50	45	100

Figure 25. Average costs of trade facilitation measures (thousands of \$)




As seen from Figure 26, the average cost of the large majority of the trade facilitation measures (63 per cent) is estimated at less than \$100,000, but to implement two of them (6 per cent of the total) investments ranging from \$2 million to \$4 million may be needed. These two measures are single window and test procedures (including, for the latter, test equipment and facilities perceived as required).

Figure 26. Distribution of measures based on their average costs (thousands of \$)



The following measures, which again represent a combination of the measures requiring intensive domestic, cross-border or regional cooperation and/or infrastructure and ICT investments, were estimated to be the most costly to fully implement (Table 6).

Table 6. Ten measures with the highest estimated implementation costs (average)

1. Single Window(measure 29)	
2. Test Procedures(measure 13)	
3. Decl on Transhipped Goods(measure 25)	
4. Publication(measure 1)	
5. Border Agency Coop(measure 24)	
6. Import Alerts/Rapid Alerts(measure 11)	
7. Information on Internet(measure 2)	
8. Reduction of Form/Docs (measure 27)	
9. Disciplines on Fees and Charges(measure 14)	
10. Risk Management(measure 18)	

This ranking mostly coincides, excluding again the misperceived needs regarding test procedures, with other experts' and countries' qualitative assessments of the set-up cost of selected trade facilitation measures, reported in the earlier studies, which ranked single window, risk management, online publication, and border agencies cooperation as the measures with highest expected set-up costs (Duval, 2006; Moisé, 2013).

At the same time, it is important to bear in mind that for some measures and, in a few cases, for a large number of the measures, the implementations costs seem to have been clearly over estimated by including actions which are not necessary for reaching compliance with the proposed WTO requirements. The best example of this is the measure on test procedures (measure 13), already mentioned before, where many countries included costly upgrading of the existing test laboratories in customs, ministries of agriculture and other agencies concerned, although the WTO text, in its analyzed version, can be easily implemented through simply adjusting the existing procedures regarding the administrative acceptance of the results of a confirmatory test in an existing accredited test laboratory.

Finally, it should be noted that 6 of these top 10 measures, that is, measures 11, 13, 14, 24, 14 and 29, belong to the previously identified top 10 measures with the highest estimated implementation times. However, a basic correlation analysis between the times and costs estimates for all the measures does not suggest that there is a clear negative or positive correlation between estimated times and costs.

D. Conclusions chapter II

The results of the countries' estimates in terms of the implementation priorities, times and costs provide valuable inputs for the countries planning to carry out the trade facilitation reforms or support such reforms in developing countries.

A large number of the proposed measures were considered to be important for the economic development of the countries and recognized as having a high priority. Moreover, most of the countries considered themselves to be in a position to implement all the measures within a five-year period. The estimated financial resources required for the implementation remain modest, especially in the light of the substantial and continuous increase in the international aid for trade facilitation related TACB.

These findings are largely consistent with experts' views and the studies and declarations of other annex D organizations on the costs and times of the considered reforms.

While UNCTAD has included information about the cost estimates as reported in the national implementation plan, it is important to keep in mind that these estimates

depend on a range of conditions. Each country is different as regards its starting point (level of implementation already achieved), but also the size of its economy and price levels. Moreover, even for countries starting from similar bases, their cost estimates may vary, depending on:

- **The level of ambition:** A country may aim at being merely compliant, or aim at seizing the opportunity and implement more ambitious trade facilitation reforms. For example, modernizing a larger number of border posts, or setting up more national laboratories can have significant cost implications;
- **The speed of implementation:** Aiming at quick results may be more costly than taking the time to implementing a measure progressively. For example, aiming at setting up a single window with all stakeholders involved from the very beginning may be more costly than starting with limited key agencies and allowing others to join in at a later stage. In some cases, however, the longer implementation times may also bring higher costs;
- **The use of national versus international expertise:** A country that aims at working largely with national experts or its existing staff may be able to implement reforms at a much lower cost than the ones depending on international procurement of expertise.

It is essential to bear in mind that the discussions on the potential costs of the trade facilitation measures revealed a large number of factors influencing the estimates, which, depending on the situation, could lead to under-estimation or inflation of the costs. Such factors include a total absence of capacities for implementation of the measure; insufficient understanding of the scope of the measure and of WTO requirements; link of the proposed measure to existing trade or transport infrastructure issues; and the difficulty in isolating the actions required for full implementation from other modernization reforms. These factors can lead to under- or over-estimation of the difficulties of the reforms, depending on the particular situation in the country, and deserve careful consideration when making time and cost estimates.

In conclusion, the results and the lessons learned during the development of the national implementation plans highlight the importance of carefully considering the particular situation of each country and resisting the danger of assessing costs and time requirements simply based on the country's development status or the high or low percentage of the already implemented measures. Many factors are at play when it comes to estimating time and resource requirements; their impact is not either always linear.

With the current progress in the WTO trade facilitation negotiations, developing countries need to decide for which measures they would request additional implementation periods and of what duration and which measures would require TACB and of what magnitude. The exchange of countries' experience in this area as well as the tailored advice from the more advanced countries and agencies delivering TACB may ensure developing countries accurately assess their needs in this respect and adjust their ambitions.

The following chapter considers the countries' intentions to make use of the SDT currently envisaged in the WTO trade facilitation negotiations.

CHAPTER III

Getting the right assistance: Expressed needs for special and differential treatment

Devising an innovative SDT for developing and least developed countries is one of the major challenges of the ongoing trade facilitation negotiations in WTO (UNCTAD, 2011, p. 45). The current proposal on the table seeks to allow for more flexibility both in terms of the implementation periods, the scope of the undertaken legal obligations and the link to receiving TACB.

Concretely, the WTO draft consolidated negotiating text proposes that the developing countries' commitment to each of the contained trade facilitation measures be classified into categories as follows:

- **Category A:** Provisions that the developing member designates for implementation upon entry into force of the agreement;
- **Category B:** Provisions that the developing member designates for implementation on a date after a transitional period of time following the entry into force of the agreement;
- **Category C:** Provisions that the developing member designates for implementation on a date as requiring a transitional period of time after the entry into force of the agreement as well as technical and/or financial assistance and support for capacity-building.

Taking full advantage of the proposed SDT requires from developing and least developed countries the capacity to accurately anticipate their needs in terms of the total implementation times, as well as the required TACB.

In the course of the project activities in each of the participating countries, all major trade facilitation stakeholders were engaged in identifying the measures for which the SDT should be requested and under which form, that is, additional implementation time or additional time together with technical and financial assistance. This chapter summarizes the main findings in terms of:

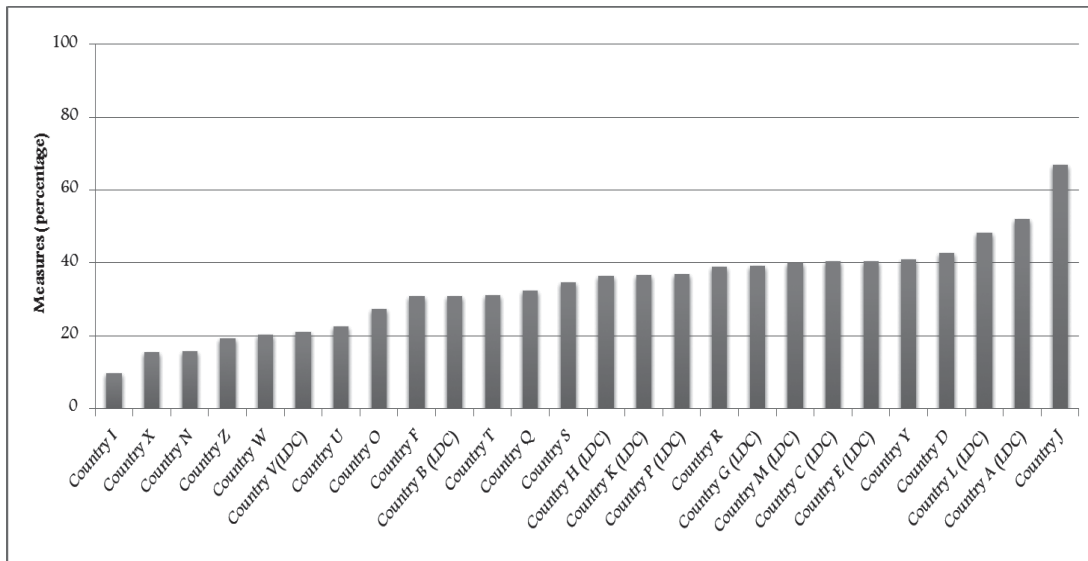
- (a) Estimated range of measures expected to make use of SDT;
- (b) Needs and priorities in terms of TACB.

A. Measures expected to be included in requests for special and differential treatment

According to the categorizations expressed in the national implementation plans, the developing countries intend to make significant use of the WTO SDT in the implementation of their trade facilitation reforms. This is particularly true for LDCs.

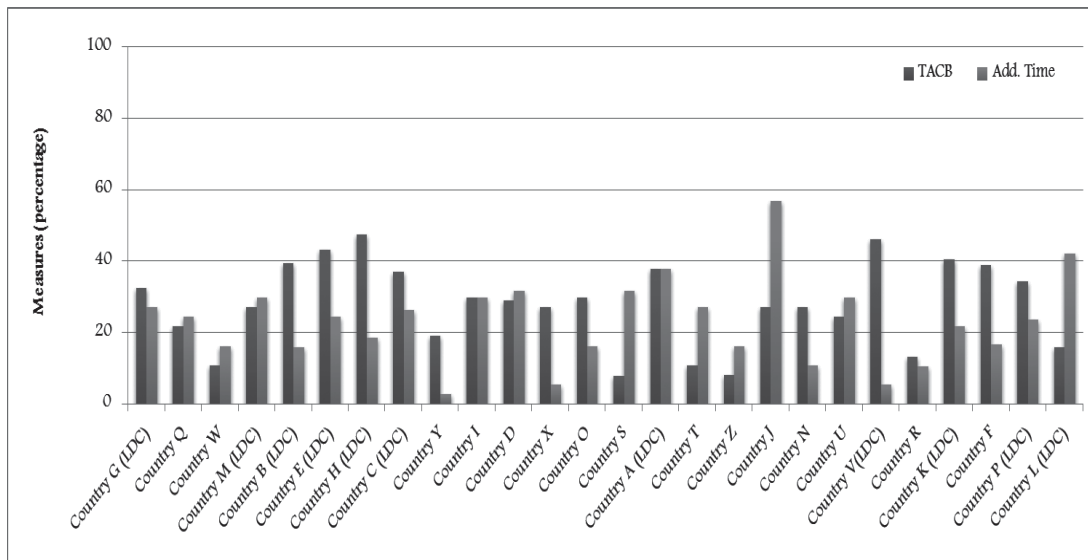
As seen from Figure 27, the percentage of the measures which would either require additional time or additional time and TACB ranges from 10 per cent to 67 per cent. For the majority of the countries and for most of the LDCs, these measures constitute, at the least, one third of the measures currently included in the draft WTO text.

Figure 27. Percentages of the measures requiring STD (categories B and C)



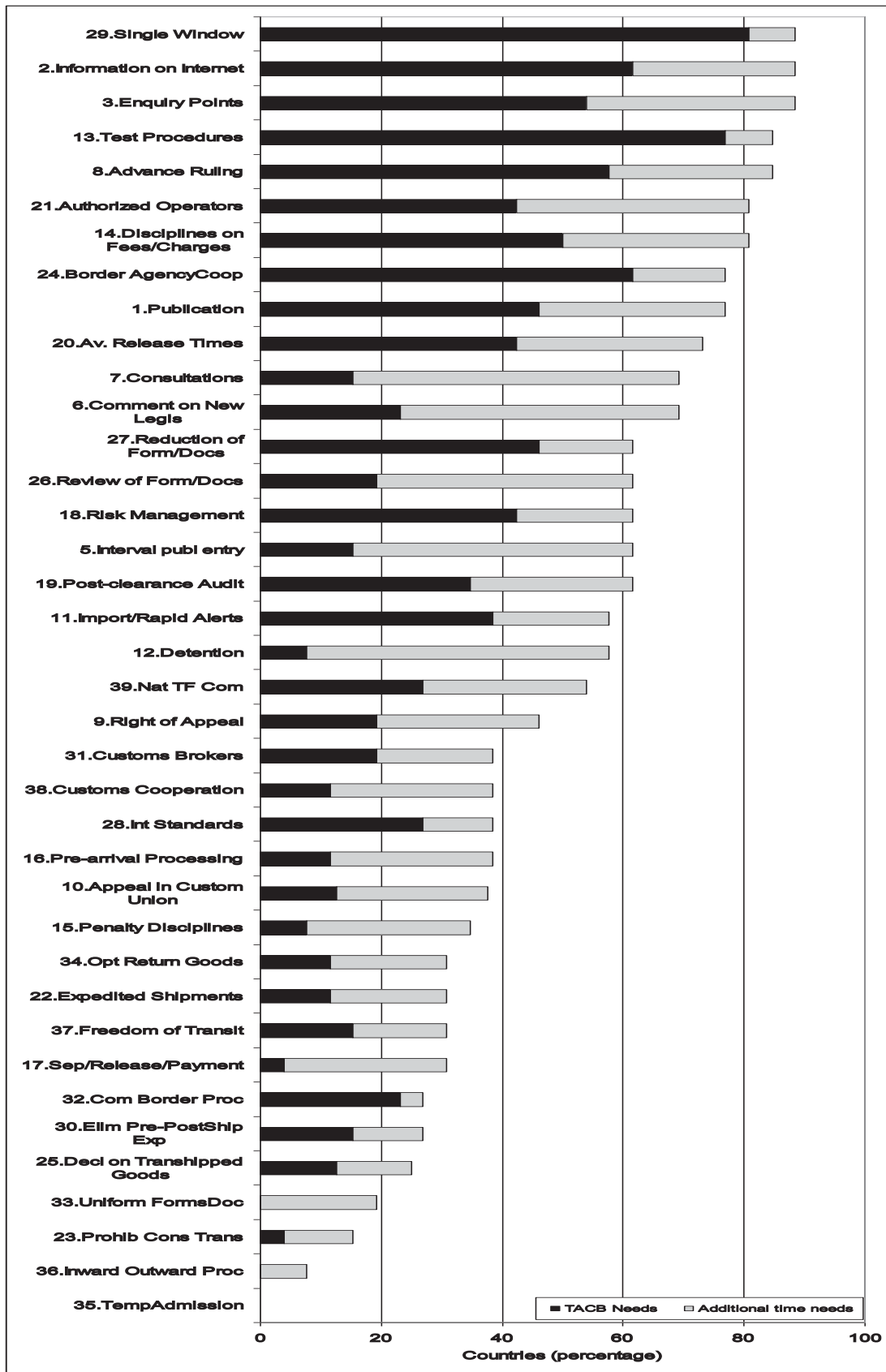
Moreover, as shown from Figure 28, the majority of the countries (14 out of 26), including most of the LDCs, considered their need for TACB (in terms of percentage of the measures for which TACB and delays would be requested) to be higher than their need for just the additional implementation time. This was the case of almost three quarters of the LDCs (8 out of 11) and more than one third of the non-LDCs (6 out of 15).

Figure 28. SDT needs expressed by the countries



Looking at individual trade facilitation measures, the analysis shows the following needs in SDT expressed in the participating countries (Figure 29).

Figure 29. Expressed SDT needs by measure



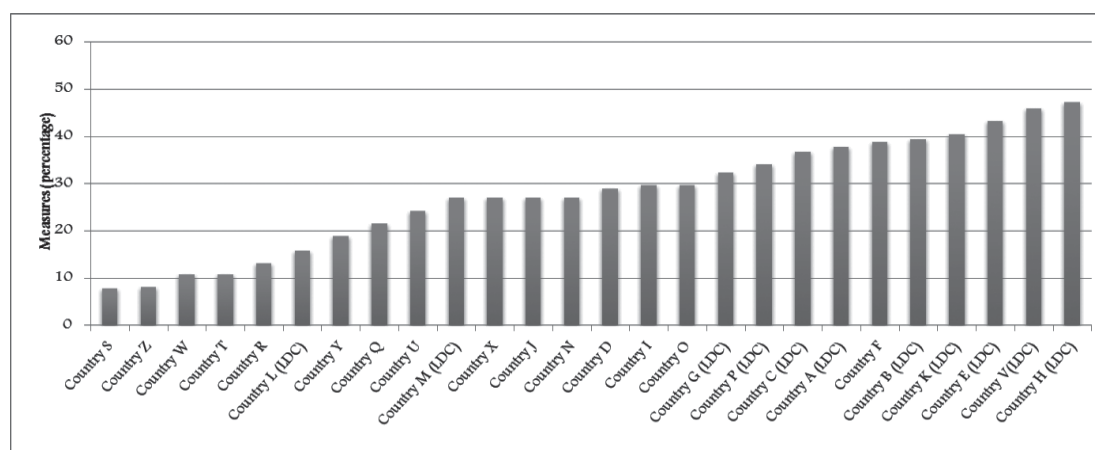
The expressed needs for SDT per measure largely correspond to the implementation challenges identified in chapter 1, that is, the measures with the lowest implementation levels in developing countries (Table 1).

B. Needs and priorities in terms of technical assistance and capacity-building

The draft consolidated negotiating text in WTO establishes a clear link between the developing countries' commitment to implement a particular trade facilitation measure and the acquisition of implementation capacity through receiving TACB. Thus, the demand for TACB needs to be met in volume, nature and coverage of the aid provided by the international community.

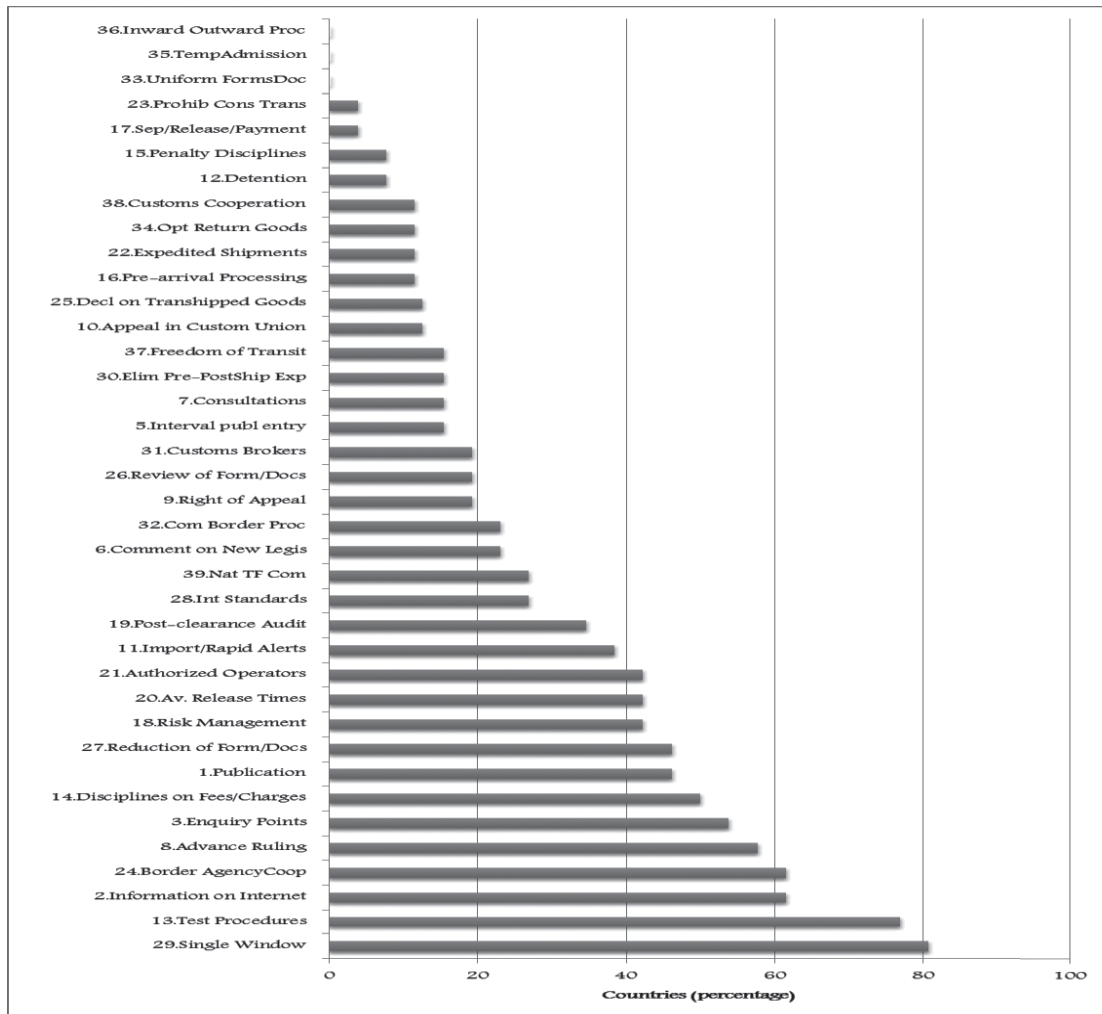
The consolidated results of the national implementation plans shed some light of the requests for TACB to be expected from the developing countries. Figure 30 illustrates that the percentage of the measures which would require TACB ranges from a low (8 per cent) to a significant (48 per cent) part of the measures depending on the country.

Figure 30. Percentage of the measures requiring TACB



As can be expected, the level of foreseen request for TACB is strongly linked to the level of the country's development and, thus, much higher in LDCs (Figure 31). Eight out of the 11 participating LDCs plan to request TACB from 30 to 50 per cent of the measures.

Figure 31. Planned requests for TACB for individual trade facilitation measures



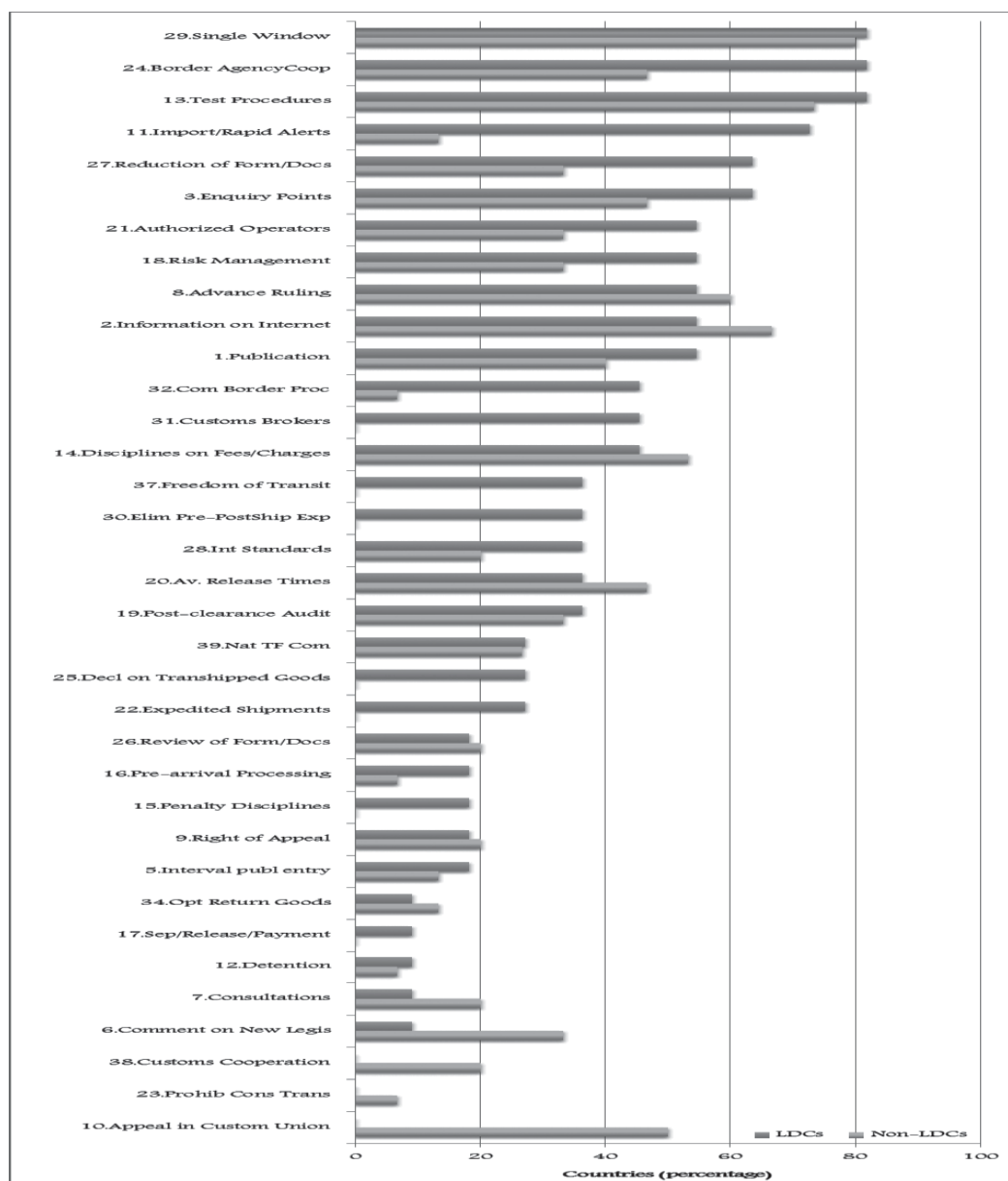
Thus, the need for TACB was considered to be highest for the following 10 measures (Table 7), which again correspond to the measures with the lowest implementation levels (chapter 1, Table 1) and which represent a combination of measures requiring intensive domestic or cross-border cooperation, and/or infrastructure and ICT investments and/or use of advanced customs techniques:

Table 7. Top 10 measures with the highest estimated need for TACB

1. Single Window (measure 29)
2. Test Procedures (measure 13)
3. Information on Internet (measure 2)
4. Border Agency Coop (measure 24)
5. Advance Ruling (measure 8)
6. Enquiry Points (measure 3)
7. Disciplines on Fees/Charges (measure 14)
8. Publication (measure 1)
9. Reduction of Form/Docs (measure 27)
10. Risk Management (measure 18)

The needs of non-LDCs and LDCs in TACB,⁵ as far as the trade facilitation measures are concerned, while not identical are largely the same as shown in Figure 32 below, which ranks the measures according to the needs in TACB expressed by LDCs.

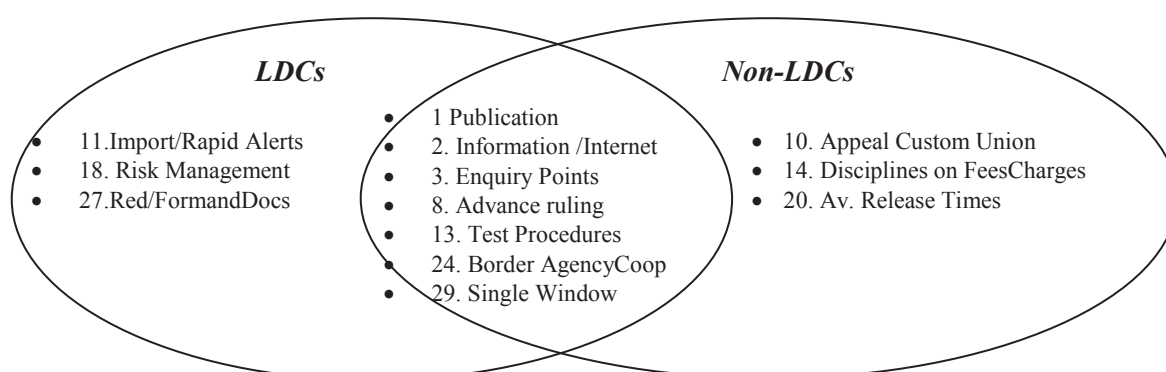
Figure 32. Requests for TACB from LDCs and non-LDCs



Seven out of the top 10 measures requiring TACB are the same for LDCs and non-LDCs (Figure 33).

⁵ In this section, the needs are only assessed in terms of “TACB requirements for a given measure” without entering into the detail of actual requirements in terms of skills, knowledge, training, technology, and the like, which are likely to differ significantly for both categories of countries or even individually.

Figure 33. Top 10 measures requiring TACB (LDCs and non-LDCs)



It appears that countries expect to significantly rely on the SDT, either in terms of the additional implementation times or tailored TACB, for a large number of the trade facilitation measures. It is essential that this demand is met by the agencies, countries and regional groupings which are to provide such assistance.

C. Conclusions chapter III

One of the most positive developments in the trade facilitation area over the last decades is the growing recognition of the importance of the trade facilitation reforms by the international community and, thus, growing volume of the aid allocated to such reforms.

According to the recent figures from OECD, aid flows to trade facilitation have increased by over 400 per cent since 2002 (OECD Development Cooperation Directorate, 2012). The volume of international aid for trade facilitation is currently an important subject in the WTO trade facilitation negotiations and the draft consolidated negotiating text contains proposals on specific reporting tools for donors.

The experience of the various projects on national implementation plans shows that some measures should require more assistance than others and that, while each country is different, some major areas, where the requests for assistance are most likely, can be identified.

The analysis of the current implementation levels, as well as the expressed needs for the SDT, suggests that, besides financial assistance to address some ICT and infrastructure issues, a wide range of activities is needed to effectively enhance trade facilitation implementation in the developing countries. Given the nature of the trade facilitation measures, for which the assistance may be required, these activities will need to include:

- Awareness-raising and training on trade facilitation and related issues for the entire community of trade facilitation stakeholders, be it from the public or the private sectors;
- Reinforcing domestic institutions and promoting good governance;
- Building trust and cooperation between the administrations and between them and the private sector;
- Extensive training the staff of the administration concerned but also traders.

For the successful implementation of the considered trade facilitation reforms, these various needs of the developing countries would have to be fully met and, besides ensuring the sheer volume of the aid assigned to trade facilitation, donors should adjust the nature and the scope of their assistance programmes to the specific needs and the exact areas, where the assistance is needed.

CHAPTER IV

Use of specific implementation tools: Customs automations systems and national trade facilitation committees

When discussing potential implementation issues, project participating countries highlighted two elements, which they considered to be of particular importance for the success in the considered trade facilitation reforms, i.e. the use of the Customs automation systems and the role of the national trade facilitation committees.

This section offers some insights on both accounts, based on the countries' assessment and the analysis of their current and planned implementation activities.

A. Trade facilitation and customs automation systems

Information and communications technology and customs automation systems, in particular, are key tools for implementing or enhancing the operation of many trade facilitation disciplines. Indeed, in many cases, customs automation is closely associated with the simplification of procedures.

Customs automation systems are certainly an important tool for implementing trade facilitation reforms. This can be illustrated using the example of the UNCTAD ASYCUDA programme, operational in more than 90 developing countries. As described in Table 8 and Table 9, ASYCUDA provides the necessary ICT tools for implementing the majority of the trade facilitation measures (28) out of the analysed 38 measures.

ASYCUDA may be particularly instrumental to the implementation of the following measures:

Table 8. List of trade facilitation measures that can particularly benefit from ASYCUDA

Measure 8. Advance Ruling	Measure 25. Decl/Transhipped
Measure 16.Pre-arrival Processing	Measure 28. IntStandards
Measure 17.Sep/Release/Payment	Measure 29.Single Window
Measure 18. Risk Management	Measure 32. Com/Border Proc
Measure 19. Post-clearance Audit	Measure 33. UniformFormsDoc
Measure 20. Av. Release Times	Measure 34.OptReturnGoods
Measure 21.Authorized Operators	Measure 35. TempAdmission
Measure 22.Expedited Shipments	Measure 36. Inward_OutwardProc
Measure 24.Border AgencyCoop	Measure 37. Freedom of Transit

Table 9. Use of ASYCUDA for implementing trade facilitation reforms

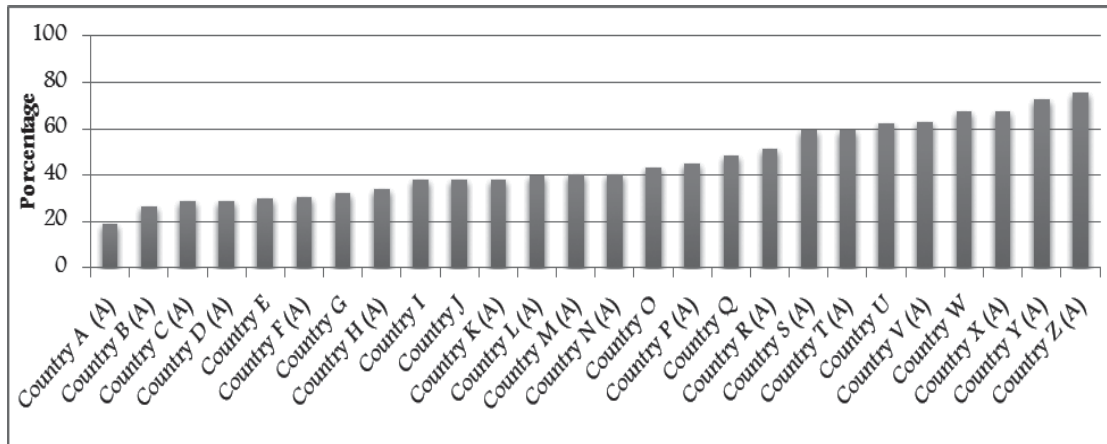
Measure		Details
1. Publication		
2. Information available through Internet	x	ASYCUDA integrates in its system trade related legislation (tariffs, fees, import-export procedures, etc). Through an interface ASYCUDA may link this information to a governmental website to make it available to public through Internet. Example: Rwanda
3. Enquiry points	x	It is possible to create special user profiles for connecting to ASYCUDA and make inquiries about applicable tariff duties, classification, etc.
4. Notification		
5. Interval between publication and entry into force		
6. Opportunity to comment on new and amended rules		
7. Consultations		
8. Advance ruling	x	ASYCUDA facilitates the treatment of advance ruling, notably, with respect to the tariff classification and valuation.
9. Right of appeal		
10. Appeal mechanism		
11. Import alerts/rapid alerts	x	ASYCUDA makes possible, through integrating in the system selection criteria, electronic alert notifications both within and between governmental agencies, as well as their prompt termination.
12. Detention	x	ASYCUDA provides a technical tool for communicating with the competent authorities of the country of the exporter, once the necessary protocol has been established and the competent authorities identified.
13. Test Procedures		
14. Disciplines on fees and charges imposed on or in connection with importation and exportation	x	ASYCUDA provides a measuring step-by-step tool to calculate time and resources spent on various phases of the clearance process (i.e. time necessary to validate a customs declaration) and, thus, helps estimate the costs of these operations.
15. Penalty disciplines	x	ASYCUDA provides a tool for implementing the penalties disciplines, as through a “contentious automated system”. It may establish different sanctions according to the severity of infraction and past contraventions.
16. Pre-arrival processing	x	Electronic pre-arrival processing is a standard functionality offered by the ASYCUDA system, and it works especially well with reliable importers.
17. Separation of release from final determination and payment of customs duties, taxes, fees and charges	x	This is a standard functionality offered by ASYCUDA and it works especially well with registered trusted traders.
18. Risk management	x	This is a standard functionality offered by ASYCUDA.
19. [Post-clearance audit] [customs audit]	x	This is a standard functionality offered by ASYCUDA. Its customs information database can be used to create a plan of future post-clearance audits based on a set of relevant criteria, to share the results with other agencies and, very importantly, to use the results of the audit to update the risk parameters for risk management.

20. Establishment and publication of average release times	x	ASYCUDA allows measuring the processing time of the major clearance steps (unloading, entry of customs declaration, its validation and release of goods). However, the information available does not include exact reasons for eventual delays; and it might vary according to the mean of transport used.
21. [Authorized operators]	x	Managing authorized operators is a standard functionality offered by ASYCUDA.
22. Expedited shipments	x	Managing expedited shipments is a standard functionality offered by ASYCUDA. The system manages expedited shipments as a type of authorized operators.
23. Prohibition of consular transaction requirement		
24. Border agency cooperation	x	ASYCUDA provides a platform for inter-agency cooperation at both national (single window, coordinated risk management, joint inspections) and cross-border level. Interoperability and exchange of information can easily be achieved even if the other countries do not use ASYCUDA, through XML messages; even though the cooperation is even more facilitated if they do.
25. Declaration of transhipped or in transit goods	x	Managing domestic transit is a standard functionality offered by ASYCUDA
26. Review of formalities and documentation requirements	x	Each installation or update of ASYCUDA system means mapping of existing formalities and documentation requirements for import, export and transit. During its operation, it provides a source of graphic representation of the different steps and documents in each step of the procedures.
27. Reduction and limitation of formalities	x	Each installation or update of ASYCUDA system is also an opportunity to simplify existing formalities and documentation requirements for import, export and transit.
28. Use of international standards	x	International standards, such as WCO Data Model and UNLK are integral parts of the ASYCUDA system. New standards can be easily integrated, if needed.
29. Single window	x	ASYCUDA provides a solid platform for a fully fledged single window system, involving the relevant governmental agencies and utilizing fully the ICT resources and expertise available from customs.
30. Elimination of pre-shipment/ post-shipment inspections		
31. Use of customs brokers	x	ASYCUDA allows connecting individual economic operators for the purpose of filling in and submitting customs declarations. The governmental authority managing the system has the right to give access to any other agent that would not be necessarily a customs broker.
32. Common border procedures [and requirements]	x	By introducing ASYCUDA in all border-crossing points, common border procedures and documental requirements for the customs purposes are ensured, as the system is updated centrally and simultaneously.
33. Uniform forms and documentation requirements []	x	See supra
34. Option to return rejected goods to the exporter	x	This is a standard functionality offered by ASYCUDA.
35. Temporary Admission of Goods	x	This is a standard functionality offered by ASYCUDA.
36. Inward and Outward Processing	x	This is a standard functionality offered by ASYCUDA.
37. Freedom of transit	x	As evidenced by existing examples (RADEX, COMESA), ASYCUDA offers a solid technical solution for semi to fully automated bilateral, regional and multilateral transit systems, not limited to the countries using ASYCUDA.
38. Customs cooperation	x	Exchange and interoperability of Customs data is facilitated by ASYCUDA, provided that the necessary regulatory framework is in place.
39. National committee on trade facilitation		

At the same time, one of the conclusions of the work on the national trade facilitation implementation plans is that the availability of a suitable customs automation system, while important, does not achieve implementation on its own.

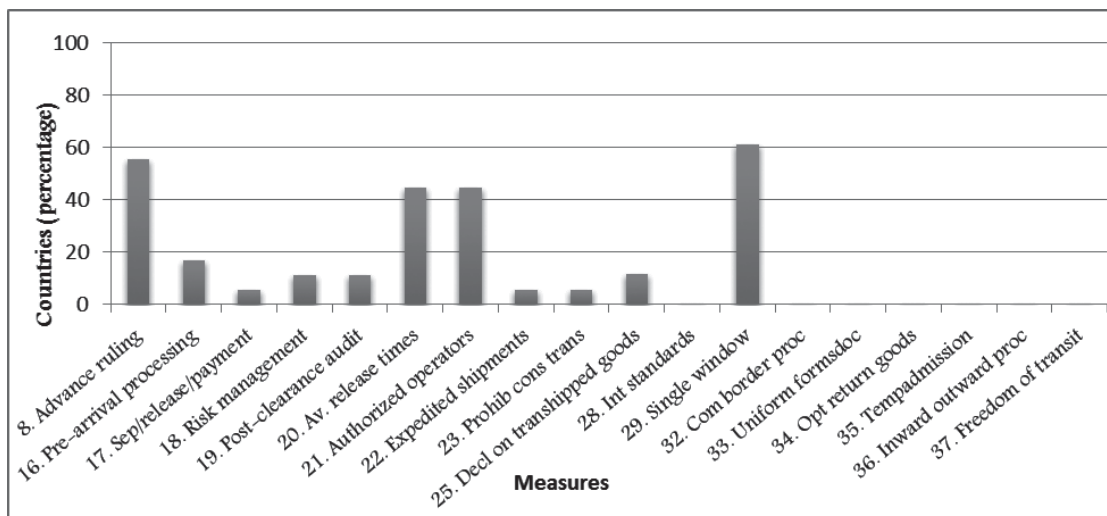
Despite the facilities offered by the system, there is no observable link between the trade facilitation implementation and the use of the customs automated system (Figure 34). The countries using ASYCUDA are distributed evenly among the countries participating in the project and can be found among those with the lowest and highest implementation levels.

Figure 34. ASYCUDA and the full implementation levels (percentage)



As shown in Figure 35, the level of compliance with most of the measures, whose implementation is particularly facilitated by ASYCUDA (listed in Table 9) is usually quite high in the countries using the system. At the same time, the non-implementation level remains relatively high for a few measures, including advance ruling, single window, measuring average release times, and authorized operators, which may benefit from the technological functionality of a customs automated system if proper rules and procedures are adopted.

Figure 35. The non-implementation level for selected measures (ASYCUDA countries)



In their national implementation plans, countries often referred to the possibilities offered by the ASYCUDA system, observing that a lack of the managerial decision and a lack of suitable legal framework prevented them from taking full advantage of the

system's extensive functionalities. This is certainly the case of the four trade facilitation measures listed above, which are facilitated by ASYCUDA, but for which the rate of non-implementation remains high in the countries using the system. Indeed, to be fully implemented these measures require, in addition to a technical solution, a robust institutional and legal framework.

It is important to note, therefore, that the availability of the necessary ICT resources is far from constituting a sufficient condition for implementing trade facilitation reforms. At the same time, the upgrading of the ICT systems in the country may go hand in hand with a substantive regulatory or policy reform and, in several cases, countries reported their intention to use the planned migration to the latest version of the ASYCUDA system as an opportunity to introduce many of the considered trade facilitation reforms, including a customs centric single window.

B. The role and impact of the national trade facilitation committees

Another key tool for implementing the trade facilitation reforms, whose role was highlighted in the course of the national discussions, is the national trade facilitation committee.

As currently envisaged by the WTO negotiators, such a cooperative platform should be set up by each member country and entrusted with facilitating both domestic coordination and implementation of provisions of the WTO Trade Facilitation Agreement.

Working on their national implementation plans, the countries pointed out that, in the light of the traditional role of the national trade facilitation bodies, the committee could play a key role in reaching the compliance with several specific trade facilitation measures.

The committee's role in the implementation of the following seven measures was particularly highlighted:

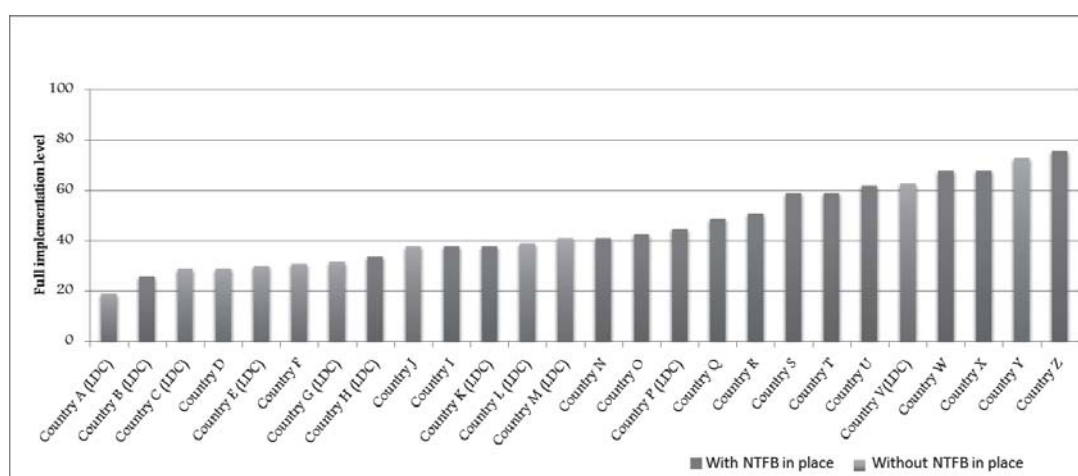
- Measure 7. Consultations
- Measure 18. Risk management
- Measure 20. Av. release times
- Measure 24. Border agency coop
- Measure 26. Review form and docs
- Measure 27. Reduction of form and docs
- Measure 29. Single window

UNCTAD has an extensive experience with the national trade facilitation bodies (UNCTAD, 2006). UNCTAD repository of the national trade facilitation bodies currently contains more than forty detailed case-studies from the developing countries. Most international organizations dealing with trade facilitation issues have for some time recognized the value of the national trade facilitation committees and provided their support to their creation and operation in both developed and developing countries (World Bank, 2011; Duval, 2006; Economic and Social Commission for Asia and the Pacific and Asian Development Bank, 2009; Economic Commission for Europe, 2001).

In the course of the project execution and independent of the conclusions made by the countries regarding the level of the implementation of measure 39 on national trade facilitation committee, the opportunity was taken to assess the functioning of these bodies in the participating countries.

Out of 26 participating countries, 14 had a national trade facilitation body⁶ in place, representing a functioning group of main trade facilitation stakeholders which met regularly to discuss trade facilitation issues, including the measures negotiated in WTO (Figure 36). It is interesting to note that, as shown on the graph below, these countries (blue columns) tend to perform better in terms of the trade facilitation implementation as measured by the percentage of the fully implemented TF measures.

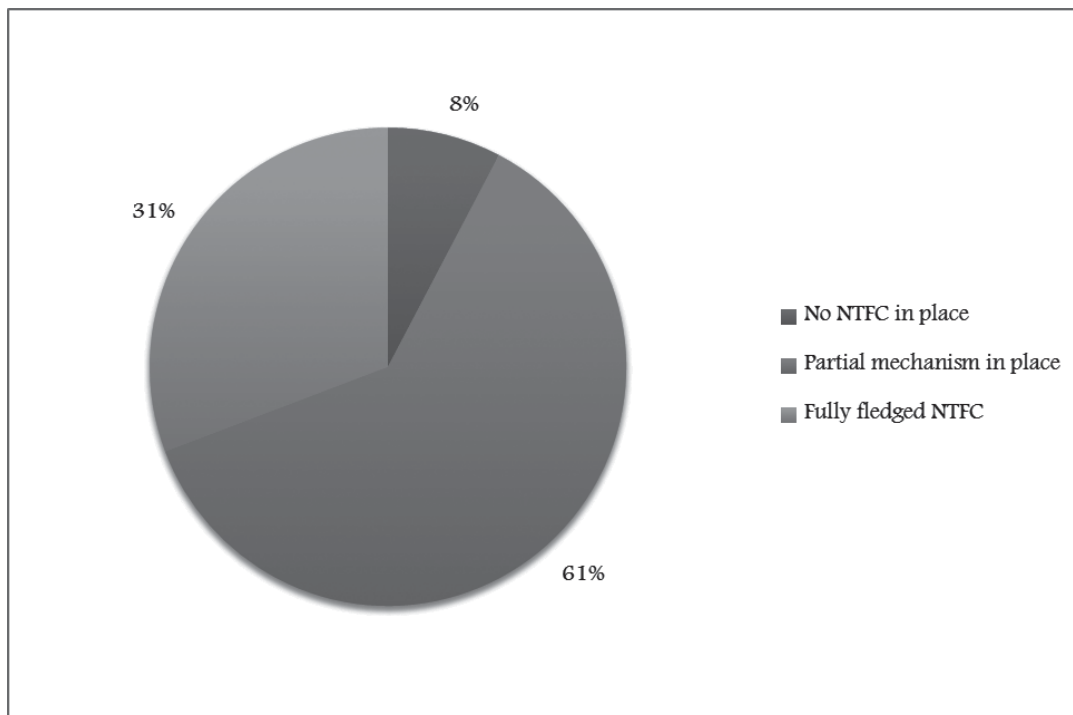
Figure 36. Full compliance level in the countries having a national trade facilitation body in place



However, only eight countries estimated that their committees were fully functional and could carry out the tasks stipulated in the draft WTO text. Most countries (16 out of 26) considered that they had an incipient or partially functioning committee and only two reported that they had no such mechanism in place (Figure 37).

⁶ The term “national trade facilitation body” is used here, as opposed to the national trade facilitation committee, as currently referred to in the WTO text, to designate the private–public body of stakeholders dealing with the trade facilitation issues at large.

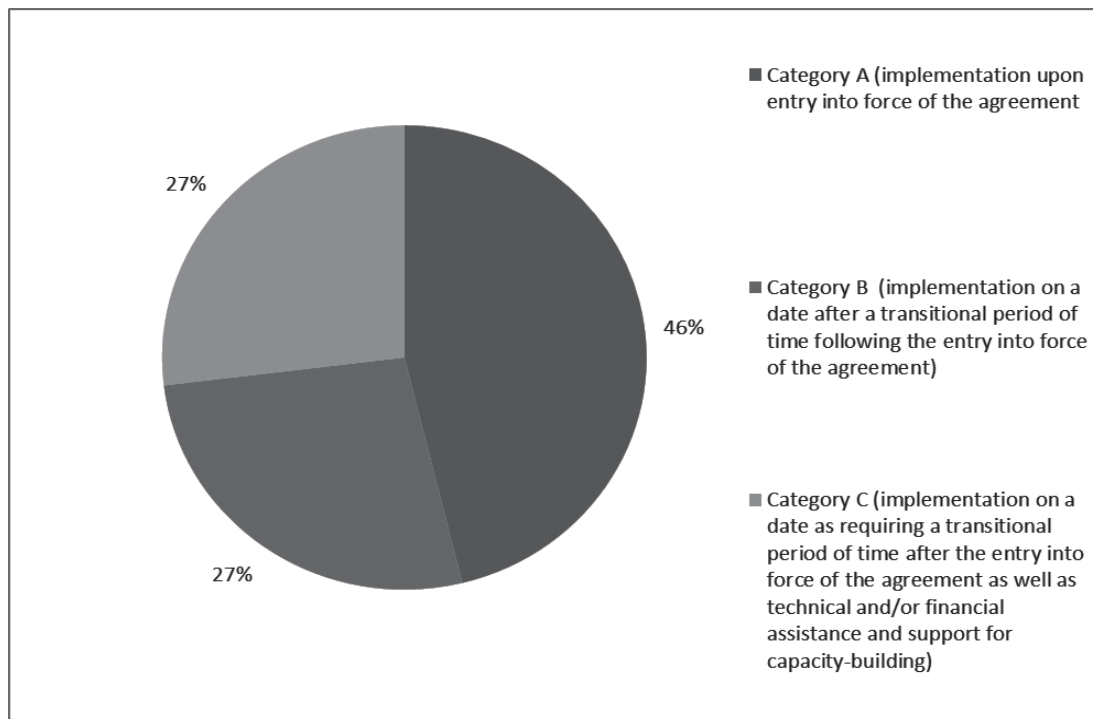
Figure 37. State of national trade facilitation bodies in the participating countries



However, a lack of effective capacity of their national trade facilitation committees was widely acknowledged by the majority of the countries and many of them have expressed a clear need for TACB in setting up these bodies and making them operational. The need is especially acute for LDCs, most of which (8 out of 11) do not have a fully functional national trade facilitation body.

At the same time, a number of countries recognized the pivotal role of this institution for the coordination and successful implementation of the trade facilitation reforms and considered that, despite the partial level of implementation, they could subscribe to the obligation of creating and operating such a committee by the time the agreement enters into force. While only 31 per cent of the countries estimated that they had a functional committee, in 46 per cent of the countries the trade facilitation stakeholders considered that they could commit to setting up such a body by the time of the agreement's entry into force (Figure 38).

Figure 38. Proposed commitments on national trade facilitation committees



It can therefore be expected that the TACB to set up or reinforce an existing national trade facilitation committee will be increasingly in demand in the developing countries prior to the entry into force of an eventual WTO Trade Facilitation Agreement.

C. Conclusions chapter IV

Success in carrying out the trade facilitation reforms often relies on making the proper use of the specific implementation tools. Two of these, that is, the use of ICT (and customs automation systems in particular), and the national trade facilitation committees, stand out in terms of their impact on the quality and the sustainability of the introduced changes.

Customs automation systems are a necessary but not sufficient condition of the trade facilitation reforms and underestimating the impact of other aspects, such as the necessary legal, regulatory and institutional transformations may significantly reduce the benefits of these reforms or slow or even halt their pace.

Discussing and adjusting the scope of the reform within a national trade facilitation committee is one of the best ways to ensure a sufficient consideration of a large number of interests, resources, actors, constraints and goals that are usually involved in any trade facilitation reform. Only a handful of the developing countries and a clear minority of LDCs have such structures in place and more efforts should be made both nationally and internationally to support and reinforce these mechanisms.

Conclusions

While the reported results only relate directly to a sample of developing countries, some policy implications can be drawn in terms of implementing the trade facilitation reforms under the framework of the future WTO Trade Facilitation Agreement:

- **Trade facilitation remains a major challenge for developing countries and for LDCs in particular:** Less than 50 per cent of the considered trade facilitation measures are currently fully implemented in the majority of the developing countries and the level of implementation is clearly much lower in LDCs, a large majority of which are below the 40 per cent implementation level;
- **The most challenging trade facilitation measures remain to be implemented:** The cross-sectoral or inter-agency measures, such as single window, enquiry points, publication, disciplines on fees and charges, together with some advanced customs techniques, such as advance ruling and authorized operators, constitute the main non-compliance areas for the developing countries and even more so for LDCs. These measures are usually the most challenging and demanding in terms of required level of inter-agency cooperation and sophistication of institutional, legal and regulatory frameworks;
- **Lack of resources appears to be a significant but not the only obstacle for the trade facilitation implementation:** The lack of resources was quoted as one of the main reasons behind the non-implementation of the trade facilitation measures. At the same time, the most frequently quoted reason, including in LDCs, is the lack of an existing suitable legal framework. This highlights the benefit of an international legal agreement providing the much-needed regulatory framework to a large number of the already practiced trade facilitation measures, which only need the legal footing to achieve the level of full implementation;
- **The estimated costs and the implementation times associated with the considered trade facilitation reforms place the implementation of the trade facilitation measures proposed in the WTO agreement within reasonable time and financial requirements:** However, accurately accessing these costs and time requirements is a challenging task in itself and no estimations or expectations should be made based merely on the current implementation or development level of a particular country;
- **The need for the appropriate SDT treatment is acute and in need of careful examination:** In the implementation of these trade facilitation measures, countries expect to rely significantly on the SDT to be offered in WTO. The international community needs to meet this demand, both in volume and in nature, paying due attention to the particular needs of LDCs;
- **The appropriate importance should be given to the fundamental trade facilitation tools:** ICTs are a component of trade facilitation reforms, but do not usually suffice. The challenges of a successful implementation lay increasingly in the robust institutional setting and in the involvement of all trade facilitation stakeholders. The national trade facilitation committees are crucial and their creation and operations should be proactively supported by the international community.

The highlighted challenges in the trade facilitation implementation in the developing countries should be seen as an argument in favour of a legally binding trade facilitation agreement in the WTO. Indeed, it seems like developing countries and LDCs in particular have gone as far as they can in implementing the trade facilitation measures. To achieve further progress, an international legal regime in this area, combined with SDT, and the matching of required assistance with actual needs will significantly help developing WTO members.

References

Arvis J-F, Duval Y, Shepherd B, Utoktham C (2013). Trade costs in the developing world, 1995–2010. World Bank policy research work paper No. 6309. World Bank. Available at <http://elibrary.worldbank.org/doi/pdf/10.1596/1813-9450-6309> (accessed 2 June 2014).

Duval Y (2006). Cost and benefits of implementing trade facilitation measures under negotiations at the WTO: An exploratory survey. Asia-Pacific Research and Training Network on Trade working paper series No. 3. ARTNet.

Economic and Social Commission for Asia and the Pacific and Asian Development Bank (2009). Designing and Implementing Trade Facilitation in Asia and the Pacific. Asian Development Bank, Philippines.

Economic Commission for Europe (2001). National Trade Facilitation Bodies. Recommendation No. 4, adopted by the United Nations Centre for Trade Facilitation and Electronic Business. Geneva. October.

Moïsé E (2013). The costs and challenges of implementing trade facilitation measures. OECD trade policy papers No. 157. OECD Publishing.

Moïsé E and Sorescu S (2013). Trade facilitation indicators: The potential impact of trade facilitation on developing countries' trade. OECD trade policy papers No. 144. OECD Publishing.

OECD Development Cooperation Directorate (2012). Aid for trade facilitation. OECD. WTO Symposium on Trade Facilitation, Geneva, 11 July 2012.

UNCTAD (1964). Proceedings of the United Nations Conference on Trade and Development, Geneva, 23 March–16 June. United Nations, New York.

UNCTAD (2006). Trade Facilitation Handbook, Part I, National Facilitation Bodies: Lessons from Experience. United Nations publications. UNCTAD/SDTE/TLB/2005/1. New York and Geneva.

UNCTAD (2011). *Reflections on a Future Trade Facilitation Agreement: Implementation of WTO Obligations. A Comparison of Existing WTO Provisions*. Transport and Trade Facilitation Series No. 2. United Nations publication. UNCTAD/DTL/TLB/2010/2. New York and Geneva.

UNCTAD (2013). *Review of Maritime Transport 2012*. United Nations publication. UNCTAD/RMT/2012. New York and Geneva.

Wang T and Duval J (2013). Trade facilitation and paperless trade in Asia: Results from an expert survey. Trade and Investment Division staff working paper. ESCAP. Bangkok.

World Bank (2011). Practical experience of implementing trade facilitation reforms, including their costs and benefits. Gap assessment study. Geneva. Available at http://www.wto.org/english/tratop_e/tradfa_e/case_studies_e/symp_agendanov11_e.htm

Annex 1: List of trade facilitation measures covered in the report

Area	Article ⁷	Measure	Short reference
Publication and availability of information	Article 1, para.1	Publication	1. Publication
	Article 1, para.2	information available through Internet	2. Information on Internet
	Article 1, para.3	Enquiry points	3. Enquiry points
	Article 1, para.4	Notification	4. Notification
Prior publication and consultation	Article 2, para.1	Interval between publication and entry into force	5. Interval publ entry
	Article 2, para.2	Opportunity to comment on new and amended rules	6. Comment on new legis
	Article 2, para.3	Consultations	7. Consultations
Advance ruling	Article 3	Provision of advance ruling	8. Advance ruling
Appeal [review] procedures	Article 4, para.1	Right of appeal	9. Right of appeal
	Article 4, para.2	Appeal mechanism [in a custom union][that is a WTO member]	10. Appeal in custom union
Other measures to enhance impartiality, non-discrimination and transparency	Article 5, para.1	Import alerts/rapid alerts	11. Import/rapid alerts
	Article 5, para.1	Detention	12. Detention
	Article 5, para.3	Test procedures	13. Test procedures
Disciplines on fees and charges imposed on or in connection with importation and exportation	Article 6, para.1	Disciplines on fees and charges imposed on or in connection with importation and exportation	14. Disciplines on fees/charges
	Article 6, para.2	Penalty disciplines	15. Penalty disciplines
Release and clearance of goods	Article 7, para.1	Pre-arrival processing	16. Pre-arrival processing
	Article 7, para.2	Separation of release from final determination and payment of customs duties, taxes, fees and charges	17. Sep/release/payment
	Article 7, para.3	Risk management	18. Risk management
	Article 7, para.4	[Post-clearance audit] [customs audit]	19. Post-clearance audit
	Article 7, para.5	Establishment and publication of average release times	20. Av. release times

⁷ Based on TN/TF/W/165/Rev.12.

Area	Article⁷	Measure	Short reference	
	Article 7, para.6	[Authorized operators]	21.Authorized operators	
	Article 7, para.7	Expedited shipments	22.Expedited shipments	
Consularization	Article 8	Prohibition of consular transaction requirement	23.Prohib cons trans	
Border agency cooperation	Article 9	Border agency cooperation	24.Border agencycoop	
Declaration of transhipped or in transit goods] [domestic transit]	Article 9bis	Declaration of transhipped or in transit goods] [domestic transit]	25.Decl on transhipped goods	
Formalities connected with importation and exportation	Article 10, para.1	Review of formalities and documentation requirements	26.Review of form/docs	
	Article 10, para.2	Reduction/limitation of formalities and documentation requirements	27.Reduction of form/docs	
	Article 10, para.3	Use of international standards	28.Int standards	
	Article 10, para.4	Single window	29.Single window	
	Article 10, para.5	[Elimination of] [mandatory] pre-shipment [and post-shipment inspections]	30.Elim pre-postship exp	
	Article 10, para.6	Use of customs brokers	31.Customs brokers	
	Article 10, para.7	Common border procedures [and requirements]	32.Com border proc	
	Article 10, para.8	Uniform forms and documentation requirements relating to clearance]	33.Uniform forms doc	
	Article 10, para.9	Option to return rejected goods to the exporter	34.Opt return goods	
	Article 10, para.10	Temporary admission of goods	35.Temp admission	
	Article 10, para.11	Inward and outward processing	36.Inward outward proc	
	Freedom of transit	Article 11	Freedom of transit	37.Freedom of transit
	Customs cooperation	Article 12	Customs cooperation	38.Customs cooperation
	National committee on trade facilitation	Article 14	National committee on trade facilitation	39.Nat TF com

Annex 2: List of countries covered in the report

	Country	Region	Dev. Status	Geography	Last WTO trade facilitation needs assessment	Project Team
1.	Angola	West Africa	LDC		Nov'08	UNCTAD
2.	Antigua and Barbuda	East Caribbean	Developing	SID	June-Dec'08	UNCTAD/OECS
3.	Bahrain	West Asia	Developing		Oct'09	UNCTAD/UNDP
4.	Bangladesh	South Asia	LDC		Oct'07	UNCTAD/OECD
5.	Benin	West Africa	LDC		April'08	UNCTAD
6.	Bhutan*	South Asia	LDC	Landlocked	NO	UNCTAD
7.	Burkina Faso	West Africa	LDC	Landlocked	Oct'08	UNCTAD
8.	Burundi	East Africa	LDC	Landlocked	Nov'07	UNCTAD
9.	Dominica	East Caribbean	Developing	SID	June-Dec'08	UNCTAD/OECS
10.	Dominican Republic	Central America	Developing		Dec'08	UNCTAD/WB
11.	Gabon	West Africa	Developing		July'08	UNCTAD/WCO
12.	Grenada	East Caribbean	Developing	SID	June-Dec'08	UNCTAD/OECS
13.	Guatemala	Central America	Developing		March'08	UNCTAD
14.	Jordan	Middle East	Developing		Dec'07	UNCTAD
15.	Nepal	South Asia	LDC	Landlocked	April'08	UNCTAD
16.	Nicaragua	Central America	Developing		April'09	UNCTAD
17.	Pakistan	South Asia	Developing		June'08	UNCTAD/WB
18.	Paraguay	South America	Developing	Landlocked	Nov'07	UNCTAD
19.	Rwanda	East Africa	LDC	Landlocked	March'08	UNCTAD
20.	Saint Kitts and Nevis	East Caribbean	Developing	SID	June-Dec'08	UNCTAD/OECS
21.	Saint Lucia	East Caribbean	Developing	SID	June-Dec'08	UNCTAD/OECS
22.	Saint Vincent and the Grenadines	East Caribbean	Developing	SID	June-Dec'08	UNCTAD/OECS
23.	Sudan*	North Africa	LDC		Oct'09	UNCTAD/WTO
24.	Suriname	South America	Developing		Feb'09	UNCTAD
25.	Tanzania	East Africa	LDC		Oct'07	UNCTAD
26.	Uganda	East Africa	LDC	Landlocked	Nov'07	UNCTAD

* WTO Observer; WB = World Bank.

