## **Global Forum for National Trade Facilitation Committees 2022**

1st February 2022

## **Opening Remarks**

## Ms. Olga Algayerova, Executive Secretary, United Economic Commission for Europe

- Excellencies, Deputy Director General, Excellencies, Heads of Delegation, Distinguished delegates, Experts, Ladies and gentlemen, Dear colleagues,
- It is my great pleasure to open this session of the Global Forum 2022 for the National Trade Facilitation Committees, on Accelerating the implementation of trade facilitation reforms through the national trade facilitation committees despite the pandemic situation.
- Thank you for the kind invitation extended to UNECE.
- The COVID-19 pandemic is an unprecedented global phenomenon that is also a highly personal experience with wide-ranging effects. It began two years ago and has sunk the global economy into a recession and continues to take an extreme toll on human health and life. Due to a widespread uncertainty and new circumstances, the pandemic brought the global economy to its knees!
- UNECE region with many economies in transition has been affected significantly by the economic downturn. The Central Asia region was heavily affected.
- There is no denial that the world trade has suffered immensely due to supply-chain disruptions. In 2020, the value of merchandise exports fell by **8 per cent** while services trade declined by **21 per cent**.
- We must recognize that at the heart of the sufferings are the micro, small and medium enterprises (MSMEs). After all, these enterprises are more than 90% of all businesses involved.

- In response to the pandemic, driven by constraints imposed by social distancing measures and restrictions on movement, global trade moved rapidly to digital channels. The accelerated shift to digital platforms in response to the pandemic led to the increased online retail trade.
- Moreover, lines of trucks, often hundreds of vehicles long, were a frequent sight at many border crossings at the onset of the COVID-19 pandemic. Quarantining of containers at seaports and increased delays for restricted goods were also common occurrences. Reforms aimed at overcoming these logistical barriers have helped many countries support trade flows.
- Trade facilitation plays a vital role in helping countries to build back better from Covid pandemic and be more resilient for future emergencies. Simplification, standardization, harmonization, and modernization of international crossborder trade make international trade faster and cheaper, as well as more accessible for small and medium-sized enterprises (SMEs) and landlocked developing countries. Trade and trade facilitation have the potential to contribute to resilient, inclusive and sustainable recovery after the pandemic.
- Colleagues, it is time that we take a comprehensive view of trade facilitation reforms that contribute to the national sustainable development priorities of a country. It is crucial that we take a 360-degree view of trade facilitation catering to the needs of the trading communities and long term sustainability of the regulatory and commercial procedures.
- The National Trade Facilitation Committees (NTFC) are perfect platforms for institutional coordination and stakeholders' consultation with balanced private and public sector participation. The NTFCs are the nucleus of the trade facilitation reforms in a country. They enable the planning and implementation of successful trade facilitation reforms.
- The establishment of NTFC as an indispensable component of trade policy formation that embraces the views and opinions of all stakeholders in pursuing agreement, cooperation, and collaboration. They can act as the main coordinating body for any trade facilitation reforms and can facilitate effective consultation among the public and private sector stakeholders.
- Let me cite here the UN Global Survey on Digital and Sustainable Trade Facilitation 2021, for which we are proud to have led the UNECE-region's edition, in cooperation with UNCTAD and other Regional Economic Commissions. In the UNECE region, 37 out of 44 participating countries, either fully or partially established a national trade facilitation committee. Despite all positive aspects of NTFC many countries and in particularly economies in transition still struggle to take the best advantage from the NTFCs due to lack of resources, trainings, and connectivity to adapt to the new business and trade models.

- Ladies and gentlemen,
- Undeniably, acceleration of trade facilitation reforms is crucial for expansion of trade to participate in a fair and inclusive global trade but also to recover stronger from COVID-19.
- UNECE stands with its member States as well as with the global community through development of normative instruments like trade facilitation recommendations, e-business standards, and related guidance.
- UNECE and its Centre for Trade Facilitation and Electronic Business (UN/CEFACT), has revised and adopted Recommendation 4 on National Trade Facilitation Bodies (NTFB), one of the oldest recommendations first adopted in 1974 and most recently updated in 2015, available in English, French and Russian. It integrates Guidelines that provide a detailed description of the steps for establishing the NTFC as well as a model terms of reference for NTFC which countries use or customize based on their national context. It also provides a non-exhaustive list of stakeholders that should be represent in an NTFB.
- Last year, the UNECE has also developed a training manual on NTFCs which is another instrument for use by the member States. This manual aims to provide government authorities, traders, and related trade-service providers with training materials to increase their knowledge and understanding of the key components of NTFCs and steps for establishing and effectively operating them. This includes information on the structure, governance, funding, sustainability and membership of NTFCs. The manual provides the reader with tools that can be used to support informed policy decisions
- UNECE is aware about the crucial role of international organizations in developing capacities of NTFCs not only for implementation of the WTO Trade Facilitation Agreement but for integrating the trade facilitation agenda in national development strategies.
- In this connection, the National Trade Facilitation Roadmap (NTFR) is a pertinent instrument to consider. The roadmaps provide a time-bound vision with key goals and prioritized activities taking into account other national develop priorities. Recently, UNECE supported Tajikistan and Kyrgyzstan to develop national trade facilitation roadmaps.

- Finally, I am proud to announce that UNECE is finalizing the Guide to the Implementation of Art. 1.3 of the WTO Trade Facilitation Agreement: trade facilitation enquiry points. The Guide is expected to provide practical assistance to UN member States.
- This Guide emphasizes the principle of sustainable and efficient use of resources in international trade a principle related to the "green economy". The concept of green and circular economy is of vital priority to the UNECE as decided on the 69th Commission with member States.
- All of these instruments are available globally and are immensely useful to those involved in the establishment of trade facilitation committees and all concerned actors, both public and private.
- With this

I thank you, for your attention. Once again, I thank the organizers for inviting me to this event.

• And I wish you a successful discussion and fruitful deliberations!