



International  
Trade  
Centre

TRADE IMPACT  
FOR GOOD

# Public Private Dialogue

The role of the private sector in monitoring & evaluation



# Public-private dialogue must be leveraged at each step of the reform process

**Structured dialogue** ▶ **Workable reforms** ▶ **Reforms that work**

**Diagnostic**

**Solution Design**

**Implementation**

**Monitoring and evaluation**

- Engagement
- Definition
- Empowerment

- Consensus building
- Filtering

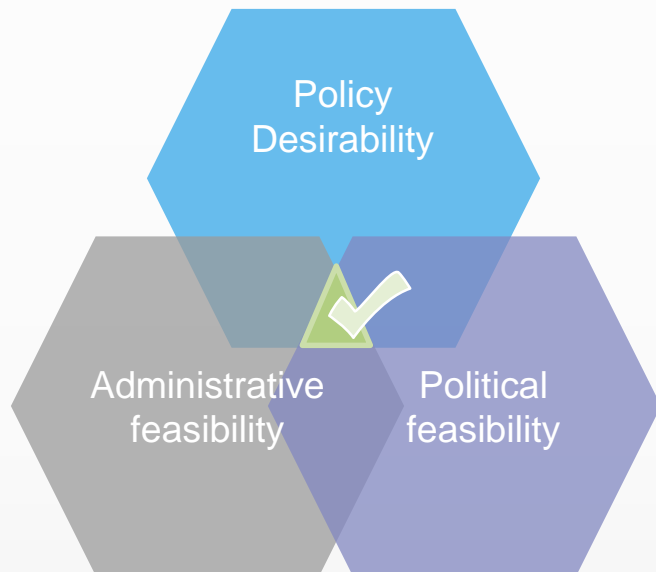
- Ongoing support
- Watchdog
- Resources

- Watchdog
- Feedback loop

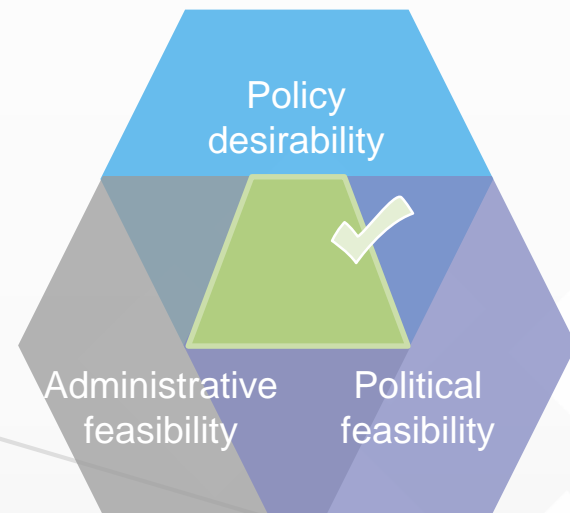
**PPD contributes to all steps of reform process**

# PPD enhances the benefits of policy reform

## Impact of reforms when the private sector IS NOT involved



## Impact of reforms when the private sector IS involved



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

Source: World Bank

# GOVERNMENTS HAVE LEGITIMATE POLICY OBJECTIVES TO IMPLEMENT BORDER CONTROLS

## Revenue collection

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



## Prevent smuggling and entry of banned products

- The increasing security threats (e.g. terrorism) and booming drug trafficking requires adequate response from border authorities



## Answer new demands for protection from society

- Concern about public health, fauna and flora and the environment
- Protection from unfair international practices



# AND BUSINESS HAVE LEGITIMATE REASONS TO REQUEST SIMPLE, CHEAP AND EFFICIENT BORDERS

## Business performance

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



## Input prices

Inefficient borders pushes imported inputs prices up and reduces business competitiveness



## Business environment

Inefficient borders drive out foreign direct investment that are critical to create a dynamic business environment



# PUBLIC AND PRIVATE SECTORS HAVE A SHARED RESPONSIBILITY TO OVERCOME CHALLENGES

**Public sector**

**Private sector**

**Avoidance**

**Turf issues**

**Personal  
vested  
interests**

**Control  
mind set**

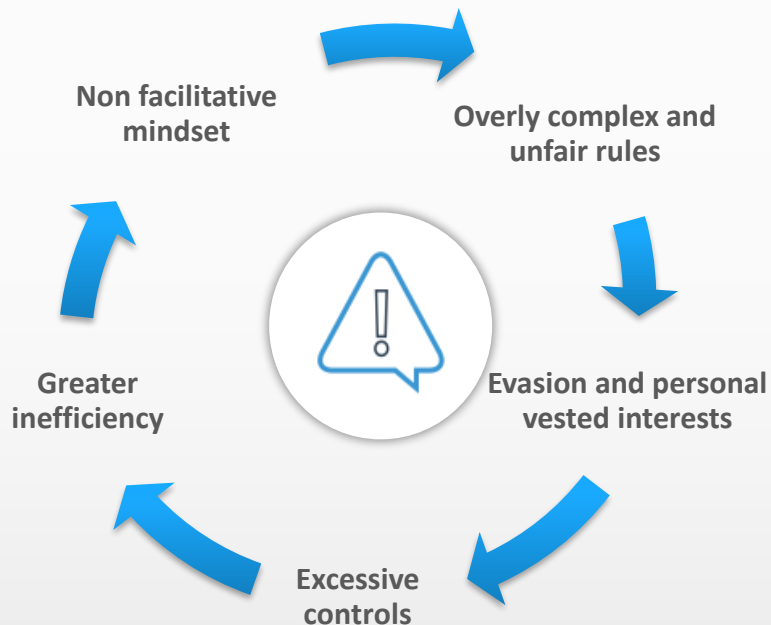
**Individual  
over business  
community  
interests**

**Evasion**

# SO WHO IS RESPONSIBLE FOR “FACILITATION MINDSET”? EVERYONE, INCLUDING YOU!

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

## The inefficiency cycle



## The efficiency cycle



# EFFECTIVE PRIVATE SECTOR PARTICIPATION

## The 4 step process to compliance



Stay informed

Participate in the consultative process



Develop trusted relationships

Getting your own systems in order and be compliant and honest





# STAY INFORMED

**Be pro-active in looking for procedural and regulatory requirements**



**Subscribe to notification mechanisms**

- E.g. enhanced controls alert mechanisms

**Monitor the issuance of new laws, regulations and procedures**

- Dedicate resources to legal monitoring



**Set up mechanism to share the information internally so that all agents are aware of new laws and regulations**

# PARTICIPATE IN THE CONSULTATIVE PROCESS

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

Organize yourself as a voice



Engage with cross border agencies

Substantiate your position and recommendation with evidences: data and experiences



Get involved in public-private dialogue platforms and know your rights

# UNDERTAKE RESEARCH ACTIVITIES

When making recommendations or identifying problems, it is vital that these submissions are supported by evidence

➤ Documenting experiences in a central place

➤ Collect data from your own company (e.g. clearance time experienced, testimonials)



➤ Do business process analysis

➤ Learn to use third party data sets: Doing Business, LPI, OECD

# DEVELOP TRUSTED RELATIONSHIPS



Meet regularly with cross border agencies to:

**1**

**Discuss  
particular  
bottlenecks  
or problems**

**2**

**Discuss the  
implementation  
of new  
formalities**

**3**

**Provide feedback  
on the practicalities  
of formalities**

**And remember there are always two topics: the  
regulation and its implementation modality**

# GETTING YOUR SYSTEMS IN ORDER

Endeavour to submit timely, complete and accurate declarations

1

3

Develop your staff through training and coaching



4

Keep records of past submissions that is easily assessable

Seek out and work with reputable and competent service providers

2

5

Do your best to automate your processes internally

**These are pre-requisites to benefit from facilitative mechanisms such as Authorized Operators schemes**

# THE TFA ACCOMMODATES PRIVATE SECTOR PARTICIPATION



**Article 2**

**Opportunity to comment,  
information before entry into force  
and consultations**

**Article 23.2**

**National trade facilitation  
committee**

# REMINDER: ARTICLE 2 OF THE TFA STRUCTURES PUBLIC-PRIVATE DIALOGUE

**Art.  
2.2**

Hold regular consultations between border agencies and traders

**Art.  
2.1.a**

Provide traders opportunity and appropriate time to comment on new or amended trade laws and regulations

**Art  
2.1.b**

Publish trade related laws and regulation as early as possible before their entry into force

# NATIONAL TRADE FACILITATION COMMITTEES: HAVE YOUR SAY IN THE TF REFORM PROCESS



Establishing a National Trade Facilitation Committee is a must !



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



It is your right – and your duty – to be consulted and contribute  
Join the hand of the government to make the NTFC work



# HOW CAN THE NATIONAL TRADE FACILITATION COMMITTEE CONTRIBUTE

## What is the mandate of the National Trade Facilitation Committee

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

## How can you contribute



Have a seat at the table



Ask that private sector be represented in the governance structure



Participate in activities



Contribute to financing

# Thank you for your attention

