

# TRANSPORT AND TRADE FACILITATION

Series No 19



United  
Nations

**National Trade  
Facilitation  
Committees  
in the quest for  
sustainability**



# TRANSPORT AND TRADE FACILITATION

Series No 19

**National Trade  
Facilitation  
Committees  
in the quest for  
sustainability**



**United  
Nations**

Geneva, 2022

Requests to reproduce excerpts or to photocopy should be addressed to the Copyright Clearance Center at [copyright.com](http://copyright.com).

All other queries on rights and licences, including subsidiary rights, should be addressed to:

United Nations Publications

405 East 42nd Street,

New York, New York 10017

United States of America

Email: [publications@un.org](mailto:publications@un.org)

Website: <https://shop.un.org/>

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

Mention of any firm, product, service or licensed process does not imply endorsement or criticism by the United Nations.

This publication has not been formally edited.

United Nations publication issued by the United Nations Conference on Trade and Development

UNCTAD/DTL/TLB/2022/2

ISBN: 978-92-1-113080-5

eISBN: 978-92-1-002232-3

ISSN: 2708-1672

eISSN: 2708-1680

Sales No. E.22.II.D.49

## ACKNOWLEDGEMENTS

This study and the methodology of the UNCTAD Sustainability Score for National Trade Facilitation Committees was prepared by Arántzazu Sánchez Belastegui and Clariesse Chan, with the support and contributions of the Trade Facilitation Section, UNCTAD, and under the guidance of Shamika Sirimanne, Director of the Division on Technology and Logistics, Jan Hoffmann, Head of the Trade Logistics Branch, and Poul Hansen, Chief of the Trade Facilitation Section. Valuable contributions and comments were provided by the United Nations Economic Commission for Asia and the Pacific (Yann Duval) and the World Trade Organization (Mark Henderson).

## TABLE OF CONTENTS

Acknowledgements .....	III
Table of contents .....	IV
List of boxes .....	V
List of figures .....	V
List of tables .....	VI
Abbreviations .....	VI
Executive Summary .....	VIII
Introduction .....	IX
I The sustainability of National Trade Facilitation Committees .....	2
1 UNCTAD Sustainability Score for National Trade Facilitation Committees.....	3
2 Perception of sustainability .....	4
3 Key factors for sustainability.....	4
4 Main obstacles for sustainability .....	7
II Key Factors influencing the sustainability of National Trade Facilitation Committees .....	9
1 Scope of work .....	9
The WTO Trade Facilitation Agreement at the core of the NTFC focus .....	9
Concrete scopes of action for the NTFC.....	10
Regional integration and bilateral relations.....	12
E-Commerce .....	15
2 Institutional framework .....	17
Degree of institutionalization .....	17
Terms of reference .....	18
Work plan/Roadmap .....	19
Regularity and frequency of meetings.....	24
Permanent secretariat .....	24
Chairpersonship .....	26
3 Membership.....	28
Public-private representation .....	28
Level of seniority of members .....	31
Gender balance.....	31
4 Communication with key stakeholders .....	37
5 Concrete outcomes .....	39
Conclusions .....	
References .....	i
Annex 1: Detailed matrix of UNCTAD Sustainability Score for National Trade Facilitation Committees .....	iii



## LIST OF BOXES

Box 1: Role of the Caribbean Community (CARICOM) Secretariat in the coordination of TFA implementation .....	14
Box 2: UNCTAD Reform Tracker for National Trade Facilitation Committees .....	22
Box 3: 10 UNCTAD Recommendations on How to Integrate a gender perspective into trade facilitation reforms .....	33
Box 4: NTFC Gender Sub-Committee as a Driver of Gender-Responsive Trade Facilitation Policies: the Case of Ghana .....	36

## LIST OF FIGURES

Figure 1: Year of establishment of currently existing National Trade Facilitation Committees per level of development .....	2
Figure 2: Weight of factors within UNCTAD Sustainability Score for National Trade Facilitation Committees .....	3
Figure 3: Perception of sustainability by chairpersons or secretariat of the NTFC .....	4
Figure 4: Main crucial factors for the sustainability of National Trade Facilitation Committees .....	6
Figure 5: Main obstacles to the sustainability of NTFCs .....	7
Figure 6: TOP 10 obstacles for the sustainability of National Trade Facilitation Committees over time .....	8
Figure 7: To what extent is the scope of work of your NTFC limited to issues related to the WTO TFA? (1 meaning "work limited to WTO TFA"; 5 means "work much broader than the WTO TFA") .	10
Figure 8: Scopes of work of National Trade Facilitation Committees and their frequency .....	11
Figure 9: Benefits of having a resource mobilization strategy for National Trade Facilitation Committees .....	12
Figure 10: National Trade Facilitation Committees' contacts within selected Customs Unions ....	13
Figure 11: To what extent has regional integration been considered within the work of the NTFC? Results for selected Customs Unions .....	14
Figure 12: Documents used for the legal establishment of the NTFC .....	18
Figure 13: Reasons for not having terms of reference .....	19
Figure 14: Timeframe of work plan .....	20
Figure 15: Monitoring tools used by National Trade Facilitation Committees .....	21
Figure 16: Evaluation tools used by National Trade Facilitation Committees.....	22
Figure 17: Reasons for not having a permanent secretariat .....	25
Figure 18: Type of chairpersonship .....	27
Figure 19: Average number of public and private entities in NTFCs .....	28
Figure 20: Average number of public and private entities in NTFCs per level of development ....	29
Figure 21: Members of the National Trade Facilitation Committees from the public and private entities .....	30

Figure 22: Seniority of members of NTFC .....	31
Figure 23: Reasons why no gender related decisions or actions were taken, by level of development.....	33
Figure 24: Reasons for not having a communication strategy.....	37
Figure 25: Channels to inform trade facilitation stakeholders .....	38
Figure 26: Concrete outcomes of the National Trade Facilitation Committees.....	40

### LIST OF TABLES

Table 1: List of trade facilitation committees included in the study .....	1
Table 2: Detailed matrix of UNCTAD Sustainability Score for National Trade Facilitation Committees .....	iii

### ABBREVIATIONS AND ACRONYMS

AEO	Authorized Economic Operator
ASEAN	Association of Southeast Asian Nations
B2C	Business to Consumers
CACM	Central American Common Market
CAN	Andean Community
CARICOM	Caribbean Community
CEMAC	Economic and Monetary Community of Central Africa
COTED	Council of Trade and Economic Development
EAC	East African Community
EACU	Eurasian Customs Union
EU	European Union
GDP	Gross Domestic Product
ITC	International Trade Center
LDC	Least Developed Country
NTFC	National Trade Facilitation Committee
OECS	Organization of Eastern Caribbean States



RCTF	Regional Committee on Trade and Facilitation
RTA	Regional Trade Agreement
TFA	Trade Facilitation Agreement
TFAF	Trade Facilitation Agreement Facility
UNCTAD	United Nations Conference on Trade and Development
UNECE	United Nations Economic Commission for Europe
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
WCO	World Customs Organization
WTO	World Trade Organization

## EXECUTIVE SUMMARY

The turbulent events that have shaken the last decade have revealed the critical need to keep borders open and goods flowing in a globalized world. Global crisis such as the one created by COVID-19 pandemic, the blockage of the Suez Canal, and the war in Ukraine, have disrupted supply chains and tested the efficiency of trade facilitation solutions.

National Trade Facilitation Committees are the coordinating bodies for trade facilitation initiatives at national level. Although these Committees have existed in different forms in a limited number of countries since the 1950s, the WTO Trade Facilitation Agreement (TFA), through its Article 23.2, can be seen as responsible for the boom of such platforms since 2013. These coordination platforms are according to the TFA required to facilitate and coordinate the implementation of trade facilitation reforms between all relevant trade facilitation stakeholders, including border agencies and private sector. The Agreement makes it mandatory for WTO Members to set up or maintain a coordination mechanism that will support the implementation of the trade facilitation provisions included in the Agreement. Many countries have promptly responded to this obligation by adopting government decisions and officially setting up their NTFC. Although established officially, many of these bodies still lack the basic conditions to ensure their daily operations and long-term sustainability.

What makes National Trade Facilitation Committees endure? This straightforward question unfortunately does not have a simple answer. As for many aspects in life, it is not a single factor that determines the final outcome. It is not a specific attribute that will ensure whether a National Trade Facilitation Committee is sustainable over time. It is rather a combination of people, actions, and institutional conditions, that all together determine the probability of an NTFC to endure the passage of time.

This report provides an update to previous UNCTAD studies on NTFCs published in recent years. With a sample 2.5 times larger than those used in previous studies, this study is the most extensive and inclusive NTFC publication ever made. It benefits from data from more than 130 countries, representing all continents and levels of development.

The study introduces UNCTAD's novel Sustainability Score for National Trade Facilitation Committees. This Score aims at assessing the sustainability prospects of National Trade Facilitation Committees by identifying a range of key factors contributing to the daily operations of the National Trade Facilitation Committees. Based on the relevance of these factors for the Committee's capacity to be functional, the Sustainability Score provides an indication for the national committee's prospects to be sustainable. As such, the Score focuses on the prerequisites for setting up and operating an efficient and sustainable NTFC.

### INTRODUCTION

UNCTAD has been gathering and updating comprehensive data on National Trade Facilitation Bodies around the world since 2010. On the basis of this data, UNCTAD published “[National Trade Facilitation Bodies in the World](#)” in 2015, followed by “[National Trade Facilitation Committees: Beyond Compliance with the WTO Trade Facilitation Agreement?](#)”, in 2017 and “[National Trade Facilitation Committees as coordinators of trade facilitation reforms](#)” in 2020.

As of May 2022, around 130 National Trade Facilitation Committees can be found in the [UNCTAD Repository for National Trade Facilitation Committees](#). The database presents the NTFC’s information on its objectives and scope of action, institutional framework, membership composition, gender mainstreaming, communication with key stakeholders, financial/technical assistance, and concrete operational outcomes/impacts.

A new section in the database is the sustainability score of the NTFC together with information on factors and obstacles for Committees to be operational in the long term. Another new functionality provided by the database is the ability to compare NTFC data between and among countries and/or development groups. UNCTAD continues to collect country cases, and the database is continuously being updated and expanded. Just in 2021, around 30 countries cases were uploaded or updated. The NTFC Database is available in English, French and Spanish.

This extensive data set and research, coupled with UNCTAD wide-ranging experience as provider of technical assistance to National Trade Facilitation Committees in over 80 countries, has put UNCTAD in a privileged position to analyze which factors determine the sustainability of NTFCs on the long term.

The present publication compares results from past UNCTAD studies (2015, 2017, 2020), and data gathered in 2022 and highlights changes National Trade Facilitation Committees have made at their core structure over time as they try to adapt to situations arising from their obligations to implement the WTO Trade Facilitation Agreement.

This study considers **information from 134 countries collected until January 2022** via a standardized questionnaire developed by UNCTAD and distributed to chairpersons and secretariats of NTFCs around the world. As such, it is the largest quantitative study ever made on NTFCs. The countries consider in this study are not necessarily the same countries included in UNCTAD studies 2015, 2017 and 2020, as such, trend comparisons have been carefully formulated.

**Table 1: List of trade facilitation committees included in the study**

Afghanistan	Finland	Papua New Guinea
Albania	France	Paraguay
Angola	Gabon	Peru
Angola	Georgia	Philippines
Antigua and Barbuda	Ghana	Plurinational State of Bolivia
Argentina	Greece	Republic of Congo
Armenia	Grenada	Republic of Moldova
Australia	Guatemala	Republic of The Gambia
Austria	Guyana	Russian Federation
Azerbaijan	Honduras	Rwanda
Bahrain	Iceland	Saint Kitts and Nevis
Bangladesh	India	Saint Vincent and the Grenadines
Barbados	Indonesia	Samoa
Belize	Ireland	São Tomé and Príncipe
Benin	Italy	Senegal
Bhutan	Japan	Serbia
Bosnia and Herzegovina	Jordan	Seychelles
Botswana	Kazakhstan	Sierra Leone
Brazil	Kenya	Somalia
Bulgaria	Kuwait	South Africa
Burkina Faso	Kyrgyzstan	Spain
Burundi	Lao People's Democratic Republic	Sri Lanka
Cabo Verde	Lebanon	Sudan
Cambodia	Lesotho	Suriname
Cameroon	Liberia	Sweden
Canada	Madagascar	Switzerland
Chad	Malawi	Timor-Leste
Chile	Malaysia	Togo
China	Maldives	Trinidad and Tobago
Colombia	Mali	Türkiye
Comoros	Mauritius	Uganda
Costa Rica	Mexico	Ukraine
Côte d'Ivoire	Mongolia	United Arab Emirates
Croatia	Montenegro	United Kingdom of Great Britain and Northern Ireland
Cuba	Morocco	United Republic of Tanzania
Czech Republic	Mozambique	United States of America
Democratic Republic of the Congo	Namibia	Uruguay
Djibouti	Nepal	Vanuatu
Dominica	Netherlands	Vietnam
Dominican Republic	Nicaragua	Yemen
Ecuador	Niger	Zambia
Egypt	Nigeria	Zimbabwe
El Salvador	North Macedonia	
Eswatini	Norway	
Ethiopia	Pakistan	

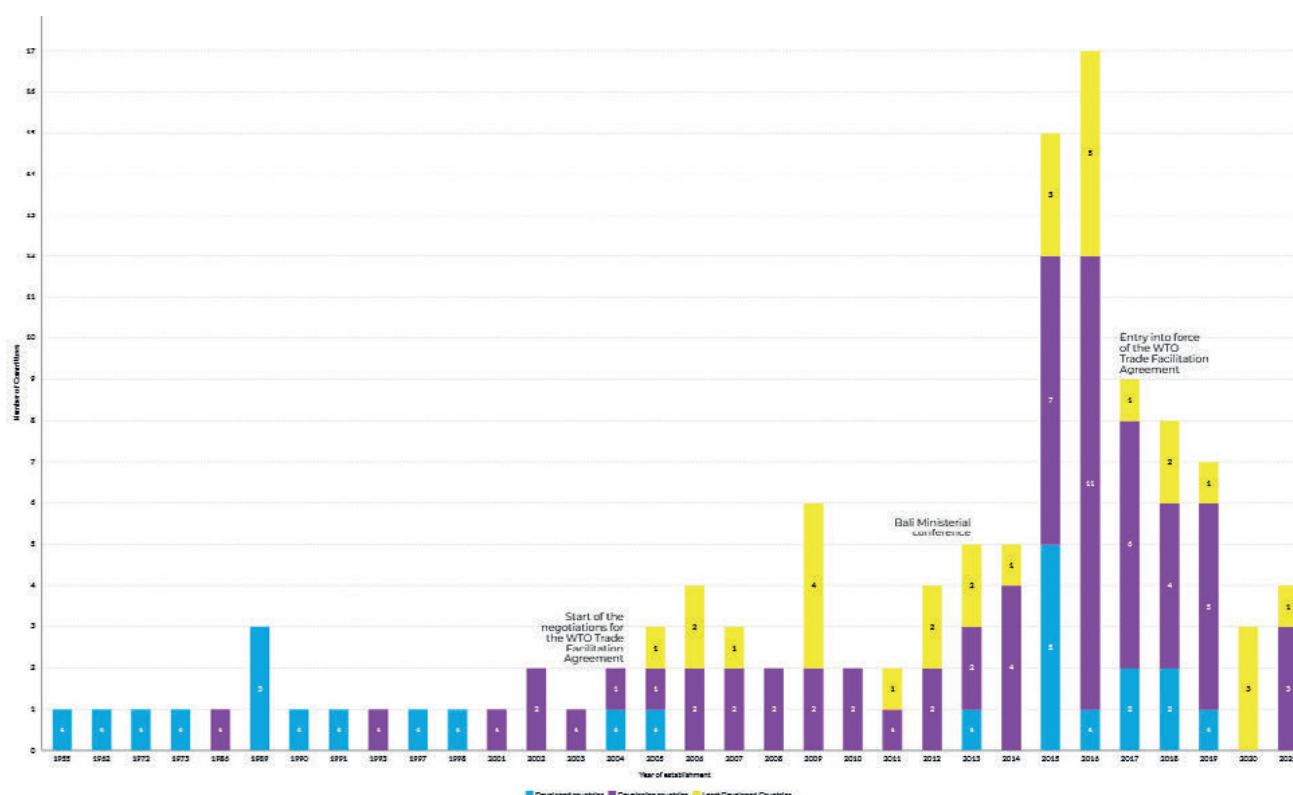
Where permission for publication has been granted, country cases may be reviewed on the online database (<https://unctad.org/tfc>).

Chapter one focuses on the topic of sustainability for NTFCs, including the description of the methodology of the UNCTAD Sustainability Score for National Trade Facilitation Committees. Chapter two goes deeper into the key factors influencing the sustainability of NTFCs and presents an updated picture of the current situation of NTFCs regarding each of these key aspects.

## I THE SUSTAINABILITY OF NATIONAL TRADE FACILITATION COMMITTEES

While the WTO Trade Facilitation Agreement made it mandatory to establish or maintain National Trade Facilitation Committees, national trade facilitation bodies have existed since the 1950s.<sup>1</sup> Figure 1 shows the unique chronology of the creation of National Trade Facilitation Bodies throughout the years, based on information from UNCTAD's database. **A total of 34 NTFCs have been created since the Bali Ministerial Declaration of December 2013 and another 14 since the entry into force of the WTO Trade Facilitation Agreement (TFA) on 22 February 2017, which demonstrates the great impact that the TFA has had as a booster of platforms for public-private trade facilitation consultation.** This is specially the case in developing and Least Developed Countries as many NTFCs in developed countries had been created prior to the start of the Doha Round of Negotiations in 2004.

**Figure 1: Year of establishment of currently existing National Trade Facilitation Committees by level of development**



Source: UNCTAD

The following study tries to answer the question “What makes National Trade Facilitation Committees last?” using the available quantitative data provided by NTFCs over the years.

<sup>1</sup> A comprehensive review of the history of National Trade Facilitation Bodies can be found in UNCTAD 2015: National Trade Facilitation Bodies in the World

# 1 UNCTAD SUSTAINABILITY SCORE FOR NATIONAL TRADE FACILITATION COMMITTEES

In 2021, UNCTAD developed the methodology for the [UNCTAD Sustainability Score of National Trade Facilitation Committees](#). The Score is based on the idea that **the prospects of an NTFC to be able to continue over time, can be assessed based on a series of factors that determine a Committee's capacity to be operational in the long term**. The Score is forward looking and scores each NTFC by predicting its long-term sustainability. It does not evaluate past decisions made regarding the NTFC's setup, organization or implementation trade facilitation reforms.

The data used to calculate the Score is based on answers given by the chairperson or the secretariat of each NTFC to a specific UNCTAD survey, as part of their process to update each country profile in [UNCTAD Knowledge Database for National Trade Facilitation Committees](#).

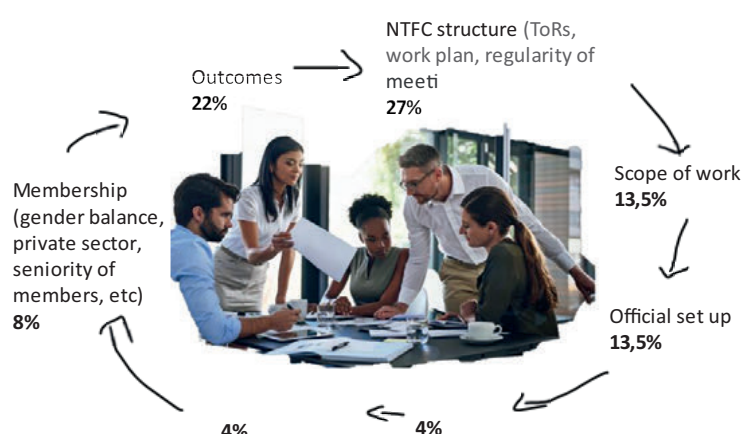
**UNCTAD Sustainability Score for NTFCs takes into consideration seven clusters of factors:**

- Scope of work
- Official set up
- NTFC structure
- Membership
- Funding
- Outcomes
- Communication

Hypotheses on the influence of each factor on the operations of an NTFC have been formulated based on UNCTAD's extensive research and wide-ranging experience supporting NTFCs (details are included in the Annex of this Study). The robustness of the different hypotheses has been categorized as moderate or strong, depending on the plausibility of the assumption formulated. As such, factors that are supported by a strong hypothesis weigh more in the Sustainability Score than those supported by a moderate hypothesis.

In the UNCTAD Sustainability Scores for National Trade Facilitation Committees, a country can get up to 100 points. The relative weight of each factor within the Score is presented in Figure 2.

**Figure 2: Weight of factors within UNCTAD Sustainability Score for National Trade Facilitation Committees**



Source: UNCTAD

Throughout this study, the importance of each factor for the sustainability of the NTFCs will be presented and explained. The specific weight of that element will be included in the margin.

By early 2022, the average Sustainability Score for the 133 countries included in the sample is 48 points over 100.

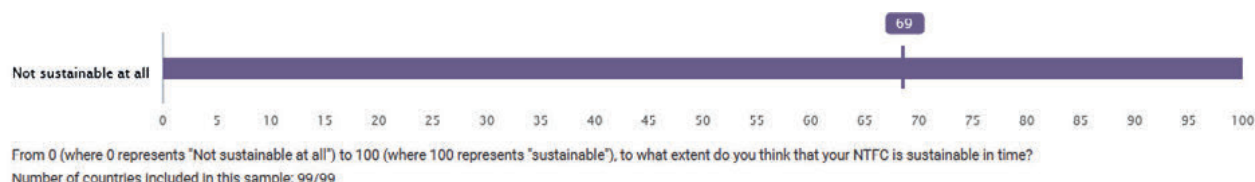
The second chapter of this study describes the factors considered in the calculation of the UNCTAD Sustainability Score for National Trade Facilitation Committees and gives more insides about their respective weights in the Score.

## 2 PERCEPTION OF SUSTAINABILITY

The perception that the chairperson or the secretariat of the NTFC has about the sustainability of the committee they lead or administer is a strong indicator of the chances that a NTFC has to be operational on the long term, although it could be seen as a subjective factor.

Chairpersons or members of the NTFC Secretariat were asked in an UNCTAD survey “From 0 (where 0 represents “Not sustainable at all”) to 100 (where 100 represents “sustainable”), to what extent do you think that your NTFC is sustainable in time?”. A total of 99 NTFCs answered this question revealing an **average of 69 out of 100**.

**Figure 3: Perception of sustainability by chairpersons or secretariat of the NTFC**



Source: UNCTAD

## 3 KEY FACTORS FOR SUSTAINABILITY

To ensure the sustainability of National Trade Facilitation Committees, there is a need to identify and further explore factors that are most vital for their sustainability.

In the survey response received from 107 countries, mainly four main factors were chosen by the NTFCs as the most crucial to the sustainability of the committee, namely:

- Political commitment and having high-level support (60 per cent)
- The involvement of the private sector (55 per cent)
- Commitment and high participation of their members (52 per cent)
- Financial assistance and having adequate resources (49 per cent)

Secondary factors chosen by the NTFCs are:

- Cooperation among members and having common understanding, goals and mutual trust (39 per cent),
- Capacity building (36 per cent), and
- Regularity of meetings and communications to NTFC members (35 per cent).

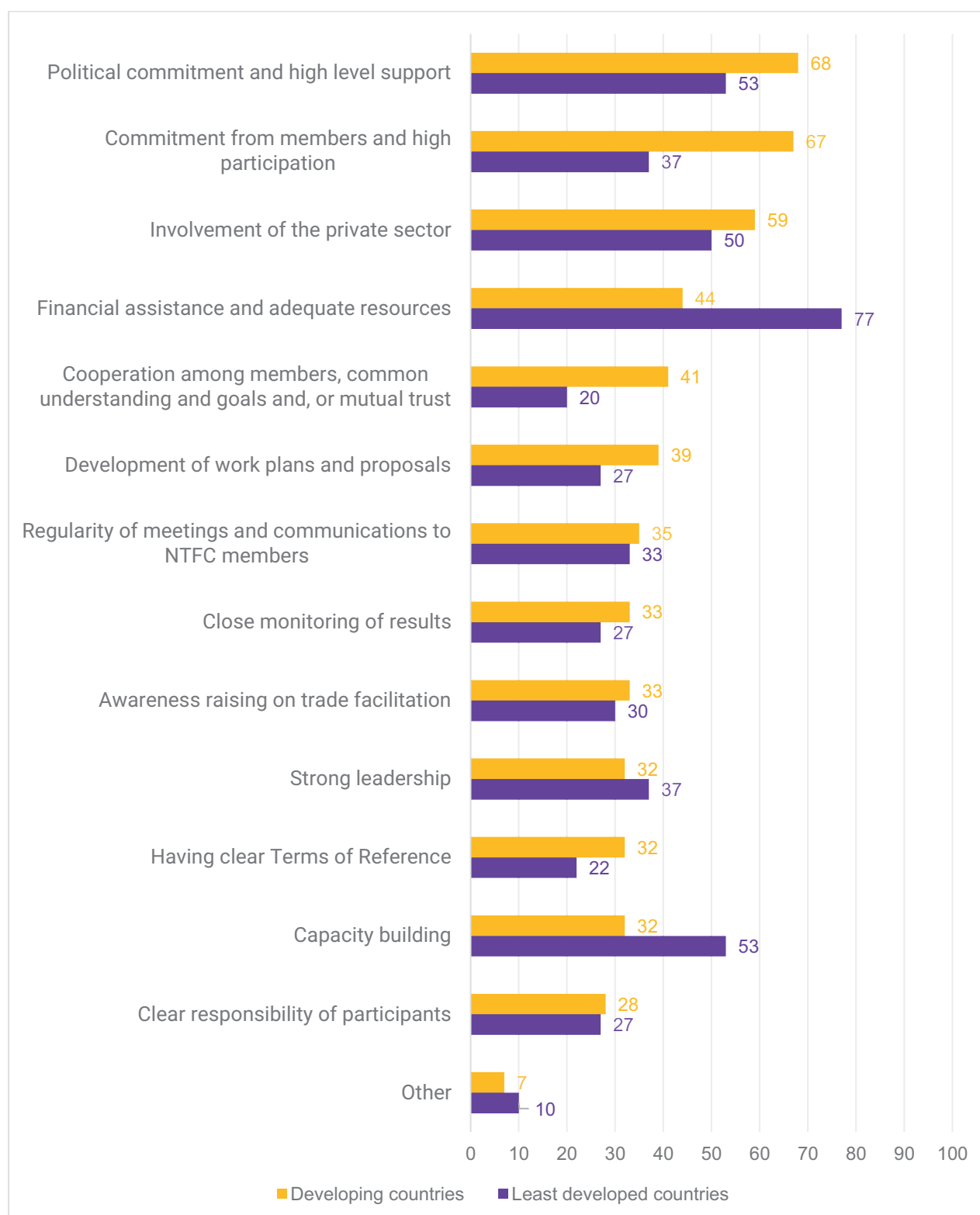
As compared to the UNCTAD study from 2020, these same factors are consistently perceived as very crucial to the NTFCs sustainability. The importance of raising awareness on trade facilitation has increased by 7 percentage points since 2020.



From the findings of the study, and as shown in Figure 4, depending on the level of development of the country there is a significant difference in perception on what is crucial for the sustainability of the NTFC. **In the case of least developed countries, the main sustainability factor for NTFCs is financial assistance and adequate resources** (77 per cent), with political commitment (53 per cent), capacity building (53 per cent), and private sector involvement (50 per cent) as secondary factors.

On the other hand, developing countries consider rather having political commitment and high-level support (68 per cent), and the commitment and high participation of their members (67 per cent) as the main two sustainability factors. The involvement of the private sector (59 per cent) and financial assistance and adequate resources (44 per cent) come as secondary factors to them.

**Figure 4: Main crucial factors for the sustainability of National Trade Facilitation Committees**



Source: UNCTAD

#### 4 MAIN OBSTACLES OF SUSTAINABILITY

As defined in previous UNCTAD studies, “obstacles are elements that might hinder or delay the implementation of measures and thereby the achievement of the goals set by a trade facilitation body. Obstacles will negatively influence the effective development of a body’s activities”.

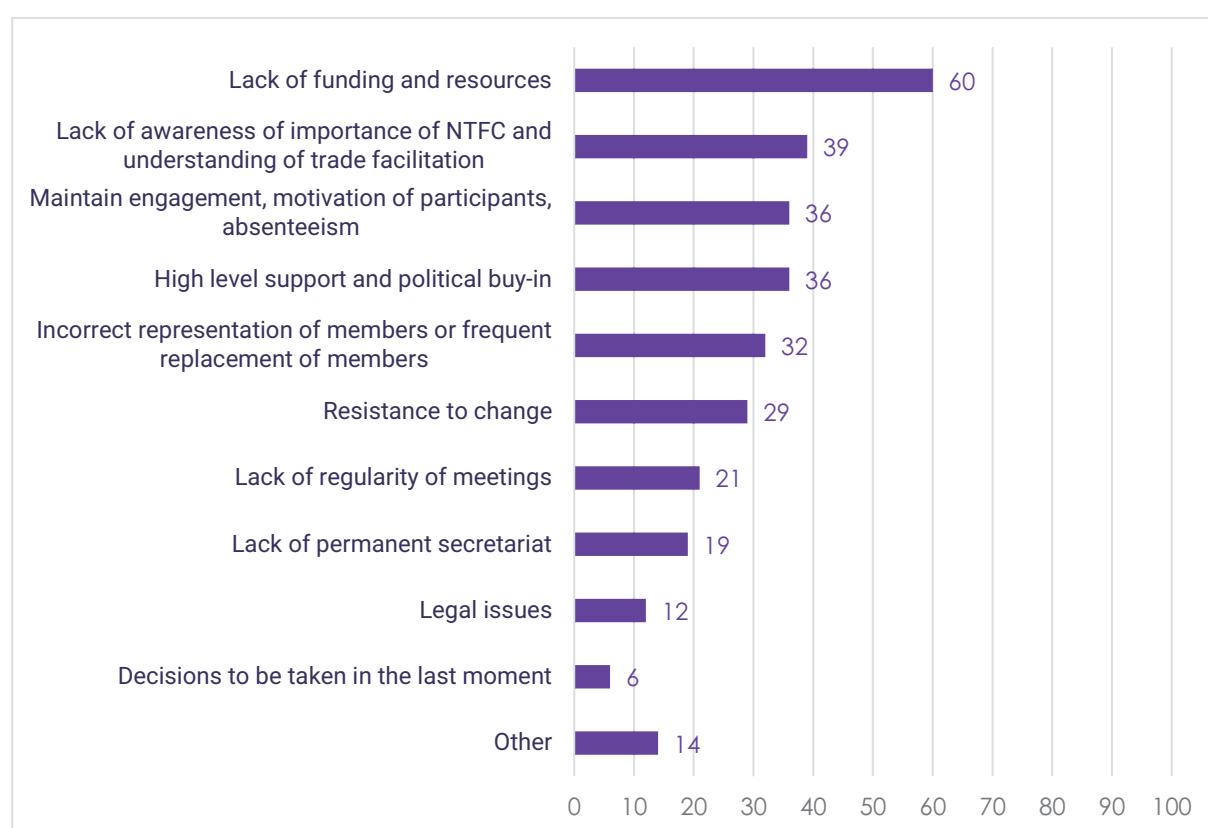
Around 60 per cent of National Trade Facilitation Committees in the study have **highlighted the lack of funding and resources** as one of the greatest obstacles to the Committee’s sustainability. This is more pronounced in the case of least developed countries where this percentage rises to 84 per cent.

The next three obstacles mentioned by the NTFCs are the lack of awareness of the importance of the NTFC and lack of understanding of trade facilitation (39 per cent), the lack of political buy-in (36 per cent), and difficulties in maintaining the participation and the motivation of participants (36 per cent).

These obstacles are interlinked with each other. By raising awareness and understanding on NTFCs and trade facilitation, it can address the lack of high-level support and difficulties in maintaining participation and motivation of those involved.

One other obstacle of note is the **incorrect representation or the frequent replacement of members**. Around two out of five NTFCs in developing countries highlighted this as a main challenge for sustainability and thus emphasized the need for putting into place a system that, at the very least, encourages effective knowledge sharing.

**Figure 5: Main obstacles to the sustainability of NTFCs**



What are, in your opinion, the main obstacles to the sustainability of the NTFC in your country?

Number of countries included in this sample: 109/109

Source: UNCTAD

The relevance of some of the obstacles have changed over time. Figure 6 below presents the ranking of obstacles since 2015 and shows how the NTFCs adapt to the new realities that have resulted from the entry into force of the WTO Trade Facilitation Agreement in 2017.

One constant major obstacle for the sustainability of NTFCs in the past eight years is the lack of funding and resources. Other obstacles such as the lack of awareness on the importance of NTFCs or understanding of trade facilitation and the lack of high-level support or political buy-in gained higher positions in the ranking of the top 10 obstacles for National Trade Facilitation Committees. There is also more importance given to getting the engagement and maintaining motivation of participants and the need to have correct representation of members and addressing the frequent replacement of members. On the other hand, legal issues, the lack of permanent secretariat and resistance to change has lost positions in the ranking.

**Figure 6: TOP 10 obstacles for the sustainability of National Trade Facilitation Committees over time**



Source: UNCTAD

## II KEY FACTORS INFLUENCING THE SUSTAINABILITY OF NATIONAL TRADE FACILITATION COMMITTEES

This chapter provides an overview of the diverse factors influencing the sustainability of National Trade Facilitation Committees, namely: 1) the scope of work 2) the institutional framework 3) membership 4) communication, as well as 5) concrete outcomes. For each of the factors, an analysis of the current situation of NTFCs as of January 2022 is included.

### 1 SCOPE OF WORK

To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, **the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing it to adapt to the requirements that will arise from future trade facilitation reforms.**

As such, National Trade Facilitation Committees that, per definition, have limited their activities to the coordination and oversight of the implementation of the WTO Trade Facilitation Agreement risk becoming irrelevant when measures of the Agreement are implemented and fully aligned.

The frequency in which a National Trade Facilitation Committee performs the following activities will help determine the extent of the NTFC's scope of work:

- Advise government and make recommendations
- Collect and disseminate information on Trade Facilitation and awareness raising
- Monitor technical assistance projects and programmes (others than the WTO TFA)
- Monitor the implementation of the WTO TFA
- Negotiate, promote and monitor new Trade Facilitation Agreements (other than WTO TFA)
- Organize training sessions and capacity building
- Special advice on legal changes
- Search financing partnerships, fundraising, relationship with donors and implementation agencies
- Advise and promote the implementation of international trade facilitation standards (UN, WCO...) and other trade facilitation reforms
- Acting as donor coordinator for trade facilitation initiatives
- Integrate regional dimension in trade facilitation reforms
- Work on issues related to the facilitation of cross-border e-commerce

The broader the scope of work of the NTFC, the higher the chances to be sustainable in time as their work remains relevant to a broader range of trade facilitation reforms. Based on this assumption, the scope of work contributes up to 13.5 points in UNCTAD Sustainability Score for National Trade Facilitation Committees.

### THE WTO TRADE FACILITATION AGREEMENT AT THE CORE OF THE NTFC FOCUS

In UNCTAD's survey, countries are asked to rate **in a scale of 1 to 5** (1 meaning "work limited to WTO TFA"; 5 means "work much broader than the WTO TFA") **to what extent the scope of work of their NTFC is limited to issues related to the WTO Trade Facilitation Agreement.** By January 2021, the average answer to this question was **3.37** as shown in Figure 7.

The number is slightly lower than the 3.5 gathered in 2020, which could be explained by the fact that WTO members are currently focusing on the implementation of the WTO Trade Facilitation Agreement.



**Figure 7: To what extent is the scope of work of your NTFC limited to issues related to the WTO TFA? (1 meaning "work limited to WTO TFA"; 5 means "work much broader than the WTO TFA")**



Source: UNCTAD

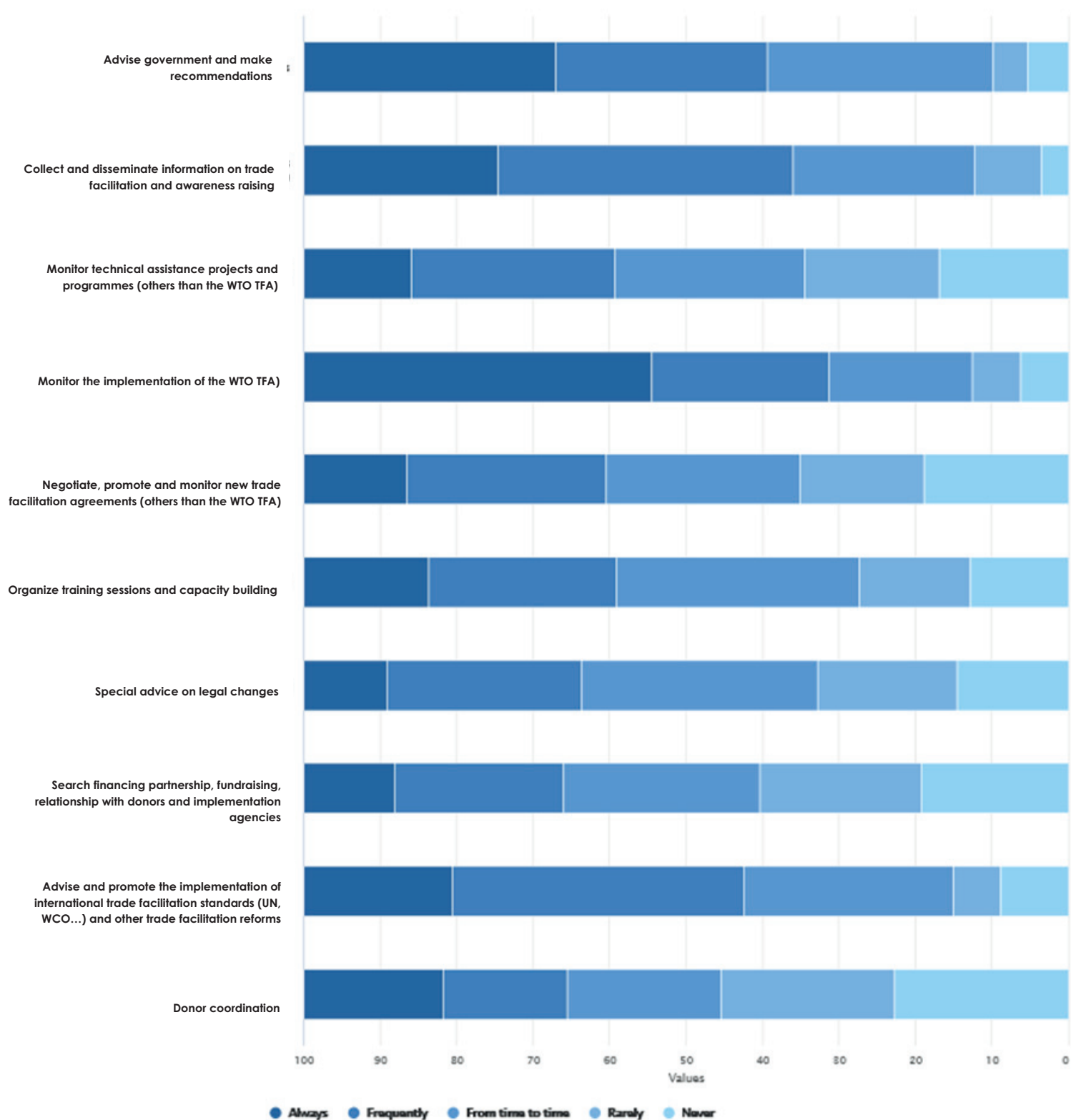
With an average answer of 3.50, **NTFCs in developed countries report to have the broader scopes of work**, followed by developing countries with 3.39 and least developed countries with 3.10. This could be explained by the fact that **the implementation gap for LDCs is wider; they have more Provisions of the WTO Trade Facilitation Agreement still to implement, thus reducing their capacities to include other trade facilitation reforms into the agenda of the NTFC.**

### CONCRETE SCOPES OF ACTION FOR THE NTFC

Analyzing the scope of action of National Trade Facilitation Committees will help understand how the nature of the activities undertaken by these Committees evolve over time. In the context of an ever-changing globalized world, where international standards are required to respond to the demands created by the use of new technologies, **the National Trade Facilitation Committee needs to be focusing not only on its core mandate** (i.e. the domestic coordination of the WTO Trade Facilitation Agreement) but also on other crucial tasks such as donor coordination. **They also need to stay abreast of the new developments in key strategic fields such as e-Commerce, and other new technologies, such as the ones that blockchain is creating.**

In line with the function described for National Trade Facilitation Committees in Article 23.2 of the WTO TFA and aligned with the tendency of NTFCs increased focus of work around the obligations derived of this Agreement, **69 per cent of committees affirm to always or frequently monitor the implementation of the WTO Trade Facilitation Agreement.** This is similar to the 2020 results where the figure reached 71 per cent. It is also the most frequent task perform by National Trade Facilitation Committees followed by collection and dissemination of information on trade facilitation (64 per cent of the committees), advising government and making recommendations (61 per cent) and advising and promoting the implementation of trade facilitation standards and recommendations (57 per cent).

**Figure 8: Scopes of work of National Trade Facilitation Committees and their frequency**



Regarding the scope and mandate of the NTFC, how often your NTFC fulfills the following roles? Number of countries included in this sample: 116/116

Source: UNCTAD



Donor coordination and search for financing, partnerships and fundraising is implemented always or frequently by 34 per cent of NTFCs. This represents four percentage points less than in 2020. This decrease could demonstrate that **Committees have yet to assimilate their role as trade facilitation donor coordinators, which should be an essential part of their mandates**, although the impact of COVID-19 on the capacities of NTFCs could be also one of the reasons for this decrease.

**Figure 9: Benefits of having a resource mobilization strategy for National Trade Facilitation Committees**



**Secures and allocates resources where they are most needed**



**Prevents competition for resources**



**Creates a sense of accountability**



**Avoids sending different messages to donors**

**Ensures a comprehensive and seamless delivery programme of trade related reforms with a broad impact on the economy**

Source: UNCTAD

## REGIONAL INTEGRATION AND BILATERAL RELATIONS

As already discussed in UNCTAD (2020), "the entry into force of the WTO Trade Facilitation Agreement has not discouraged the increased inclusion of provisions related to customs and trade facilitation in Regional Trade Agreements (RTAs). Most RTAs notified to the World Trade Organization include commitments in such matters, reflecting the growing importance of trade facilitation at the regional level. In such context, **National Trade Facilitation Committees should not only support the coordination of the Provisions of the WTO Trade Facilitation Agreement but also include other trade facilitation related provisions in both existing and future Regional Trade Agreements**".

Moreover, the implementation of certain provisions of the WTO Trade Facilitation Agreement could benefit from applying a regional perspective in their approach. For instance, Partner States of the East African Community (EAC) have developed a Regional Authorized Economic Operator (AEO) programme. Under this scheme, regional AEOs are mutually recognized in all Partner States and receive uniform benefits.

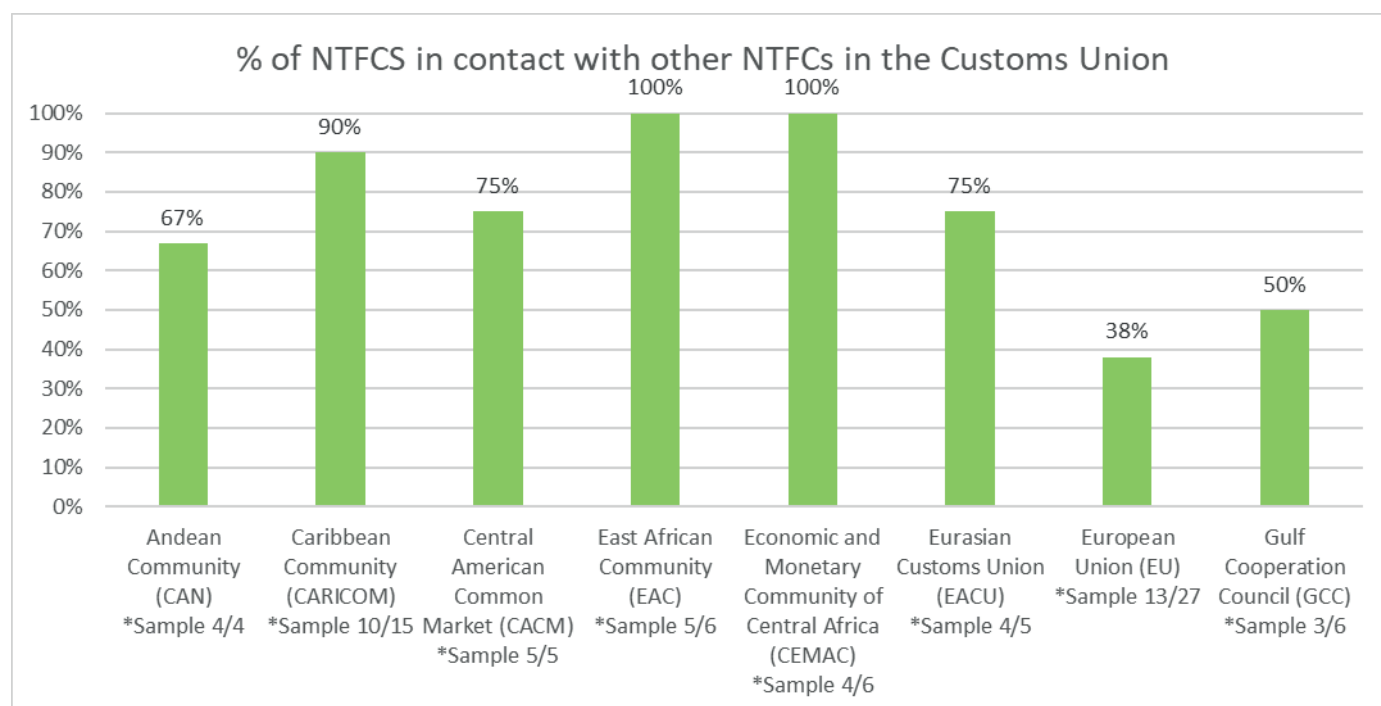
Amongst the 125 NTFCs consulted by UNCTAD, **71 per cent affirm that they consider -at least- to some extent regional integration as part of the work of the NTFC**. However, one out of four NTFCs affirm not to know whether regional integration is being considered or not as part of the work of the Committee.

Additionally, **only 46% of NTFCs affirm to be in contact with other NTFCs in their respective region**. This is a considerable drop compared to the results in 2020, when the figure was as high as 52 per cent.

There are high discrepancies among regions. As shown in Figure 10, where only Customs unions are considered, only 38 per cent of the NTFCs in the European Union (EU) are in contact with other NTFCs

of the Customs Union. This might come as a surprise as the EU is considered the region where trade facilitation is more advanced among its members. However, within the European Union (EU), National Trade Facilitation Committees might not feel the need to consider regional issues as part of their national mandates as they have a specific platform for this in Brussels which is situated under the Directorate General of Taxation and Customs.

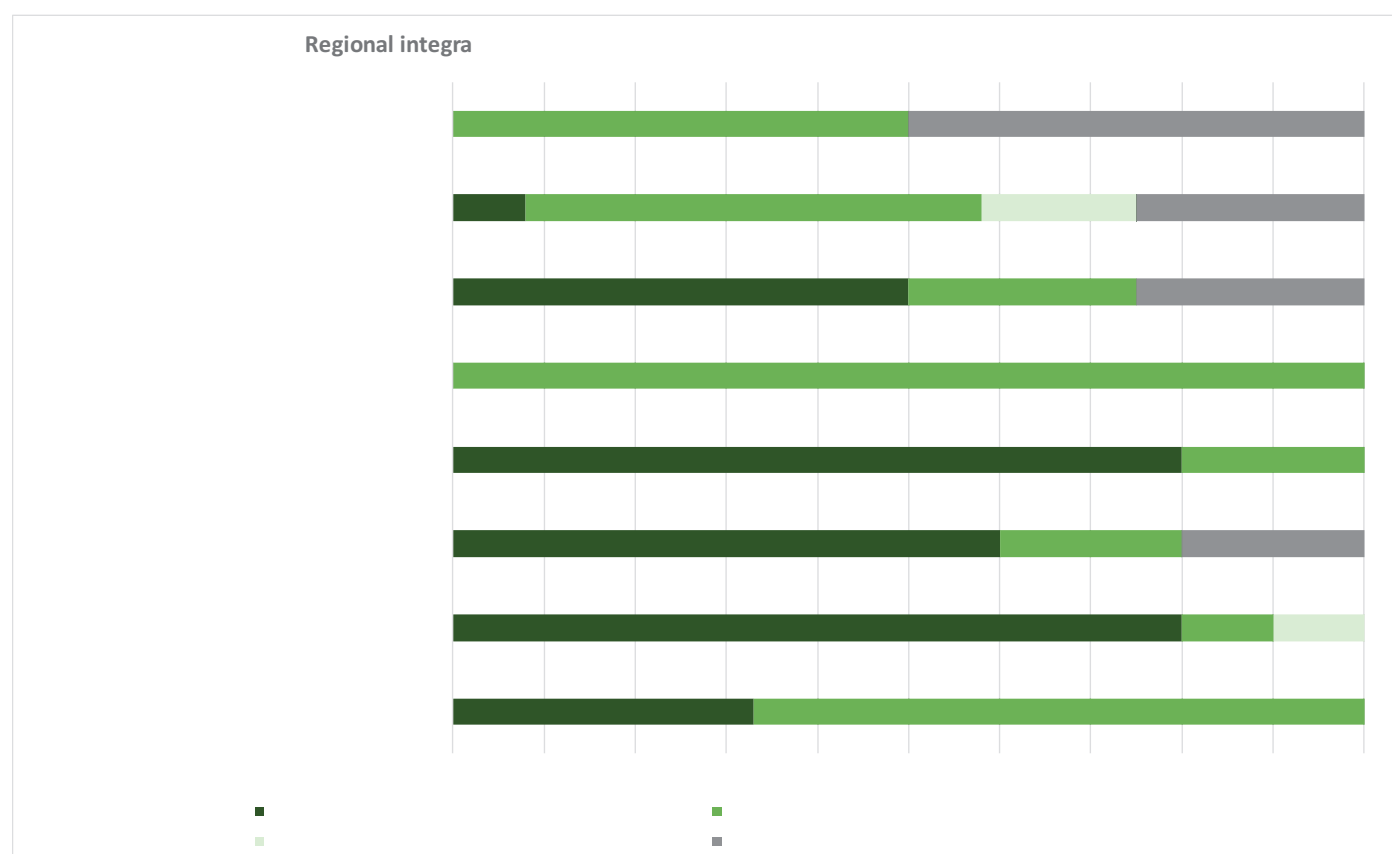
**Figure 10: National Trade Facilitation Committees' contacts within selected Customs Unions**



Source: UNCTAD

**National Trade Facilitation Committees of three Customs Unions seem to be particularly inclined at integrating regional issues in their scope of work: 1) the East African Community, 2) the Economic and Monetary Community of Central Africa, and 3) the Caribbean Community (CARICOM).** As described in Box 1, the CARICOM is leveraging TFA implementation to catalyze and deepen trade facilitation reforms that support and strengthen the CARICOM Single Market.

**Figure 11: To what extent has regional integration been considered within the work of the NTFC?  
Results for selected Customs Unions**



Source: UNCTAD

### Box 1: Role of the Caribbean Community (CARICOM) Secretariat in the coordination of TFA implementation

The Caribbean Community is leveraging TFA implementation to catalyze and deepen trade facilitation reforms that support and strengthen the CARICOM Single Market (CSM). The CSM constitutes a market of 16 million across 15 small, developing island and continental economies, and provides for free movement of goods, services, capital, and factors of production as well as the right of establishment among its members. Since 2015, CARICOM Trade Ministers agreed to adopt a coordinated regional approach to implementation of the TFA and tasked the CARICOM Secretariat, working collaboratively with the Commission of the Organization of Eastern Caribbean States (OECS), to oversee, monitor, and support regional co-ordination of the TFA among the 13 CARICOM WTO Members. In this role, the Secretariat:



- mobilizes and co-ordinates donor support for Member States;
- designs and delivers regional capacity building initiatives;
- and reports routinely to the Council of Trade and Economic Development (COTED) on developments impacting regional co-ordination and implementation of the TFA.

In November 2017, CARICOM Trade Ministers approved a Regional Strategy for implementation of the TFA, which provides a common framework on how to design and deliver regional TACB initiatives to support implementation of 18 measures of the TFA which CARICOM Members have commonly notified as Category C. The Strategy is the Secretariat's main tool for donor engagement and donor co-ordination. In 2019, the CARICOM Regional Committee on Trade Facilitation (RCTF) was inaugurated to provide the institutional framework to oversee and guide regional co-ordination efforts. The RCTF is comprised of:

- the Chairs of the NCTFs of each country,
- national trade facilitation focal points,
- the Chair of the CARICOM Customs Committee,
- representatives of regional organizations responsible for Sanitary and Phytosanitary measures as well as Technical Barriers to Trade;
- and representatives of regional private sector organizations.

The Secretariat and OECS Commission jointly serve as the RCTF Secretariat which provides administrative, technical and legal support. The RCTF meets twice annually. It supports regional co-ordination by ensuring coherence and consistency between national and regional trade facilitation priorities; facilitates public- private sector dialogue; and provides a regional platform for sharing of national experiences and best practices.

Regional co-ordination has impacted positively national implementation efforts of individual CARICOM countries. By March 2022, eleven of the thirteen CARICOM WTO Members have ratified the TFA and are taking positive steps to implement the Agreement in keeping with their notified implementation schedules. Regional co-ordination is spurring national implementation, and some Member States have accelerated implementation of measures which were previously notified as Category C. The Secretariat actively monitors Member States' implementation and transparency obligations and sends timely alerts regarding upcoming deadlines. All CARICOM Members that have ratified the Agreement submitted implementation notifications ahead of the scheduled deadline, and the majority are up to date with their transparency notifications. The Secretariat has used the Strategy successfully to engage donors for technical assistance and capacity building support for regional initiatives and has developed valuable and sustained collaborative relationships with several 'Annex D' organizations, including UNCTAD and the World Bank Group. The Secretariat has a Memorandum of Understanding with the World Customs Organization, and CARICOM was awarded the first regional grant by the WTO Trade Facilitation Agreement Facility (TFAF) to prepare a regional project on Risk Management.

## E-COMMERCE

According to UNCTAD estimates, cross-border B2C e-commerce sales amounted to \$ 440 billion in 2019, presenting an increase of 9% over 2018. Cross-border sales are estimated to be 9% of total B2C e-commerce sales.<sup>2</sup> **Cross-border e-Commerce plays an important role in trade facilitation, especially in the context of the movement restriction induced by the pandemic and the growing impact of global e-Commerce sales.** COVID-19 has accelerated customer's shift towards online

2 UNCTAD: Estimates of Global E-Commerce 2019 and Preliminary Assessment of COVID-19 Impact on Online Retail 2020, [https://unctad.org/system/files/official-document/tn\\_unctad\\_ict4d18\\_en.pdf](https://unctad.org/system/files/official-document/tn_unctad_ict4d18_en.pdf), accessed 22 February 2022

shopping, as observed in the survey entitled “COVID-19 and E-commerce.” Following the pandemic, more than half of the survey’s respondents now shop online more frequently, consumers in emerging economies having made the greatest shift to online shopping.<sup>3</sup>

Estimates<sup>4</sup> project that cross-border e-commerce in goods will expand from its current value of approximately \$300 billion to \$1 trillion in merchandise value by 2030, representing a vibrant growth that should not be ignored by National Trade Facilitation Committees.

To keep up with the rapid pace of technological change and ensure more inclusive outcomes from e-commerce, coordination and cooperation to formulate and implement relevant policies are needed among government agencies, relevant stakeholders, as well as international development partners. **National Trade Facilitation Committees can play an important role in embracing the great potential of the digital revolution.** For example, although customers are willing to wait longer for foreign deliveries than for domestic ones, they still expect the time to be shortened year on year, which partly relies on improving the efficiency of clearance of goods at borders. In this context, the number of National Trade Facilitation Committees which have taken actions to facilitate e-Commerce witnessed an increase after the pandemic.

**Slightly over a third of National Trade Facilitation Committees affirm to have taken decisions or actions to facilitate e-Commerce. This represents an increase of 11 percentage points compared to UNCTAD 2020 Study, mirroring the increase of cross-border e-commerce during the COVID-19 pandemic. This percentage is much higher in developed than in developing and least developed countries, also reflecting the importance that e-commerce has in the different economies.**

For instance, Mongolia reported having worked on the domestic processes for accession to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, initiated by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). Similarly, Cameroon worked on a recommendation on paperless trade and e-payment. India mentioned the establishment of simplified procedures and automation for e-commerce trade. El Salvador affirmed to have included e-Commerce as a priority aspect in their National Trade Facilitation Strategy. Finally, the Netherlands confirmed that they are addressing E-commerce issues not only at meetings of the NTFC but also at meetings of the Food Authority with the private sector and customs.

National Trade Facilitation Committees provided different reasons for not including cross-border e-Commerce in their scope of work. A total of 39 per cent of Committees considered the lack of awareness on the relationship between cross-border e-commerce and trade facilitation as the reason for not taking related decisions.

Almost a third of NTFCs affirm that cross-border e-Commerce is not part of the mandate of the Committee. For one fifth of Committees, cross-border e-Commerce is not a priority in the work of the Committee, while 30 per cent of them did not consider the actions relevant at this stage.

---

3 Netcomm Suisse Observatory and UNCTAD: COVID-19 and E-Commerce Findings From A Survey of Online Consumers in 9 Countries, [https://unctad.org/system/files/official-document/dtlstictinf2020d1\\_en.pdf](https://unctad.org/system/files/official-document/dtlstictinf2020d1_en.pdf), accessed 27 February 2022

4 McKinsey & Company (2022): Signed, sealed, and delivered: Unpacking the cross-border parcel market's promise

## 2 INSTITUTIONAL FRAMEWORK

The institutional framework of a National Trade Facilitation Committee is the most important cluster in in UNCTAD Sustainability Score for National Trade Facilitation Committees. Contributing to up to 40.5 points, it considers the following aspects:

- Degree of institutionalization,
- Terms of reference,
- Work plan,
- Regularity and frequency of meetings,
- Permanent secretariat, and
- Chairpersonship.

### DEGREE OF INSTITUTIONALIZATION

Since the 1970s when the first recommendations for National Trade Facilitation Committees were published by the United Nations Economic Commission for Europe (UNECE), **United Nations agencies have been strong advocates of providing NTFCs with a solid institutionalization and legal backing.** This goes along with entailing high-level political commitment, strong participation of members and the prevention of possible conflicts of interest between the parties involved.

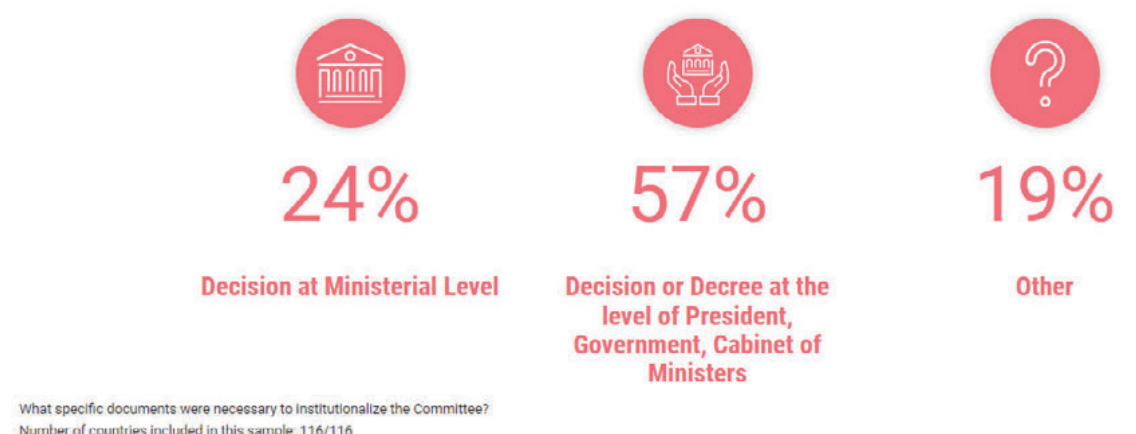
As explained in UNCTAD 2017 study: "Each WTO Member State might decide on the degree of institutionalization that is beneficial for a trade facilitation committee based on its own administrative culture and political priorities." As shown in UNCTAD 2020, 2017 and 2015 studies, NTFCs have opted to institutionalize their committees either at governmental or ministerial level. The governmental level includes those decisions taken at a level above a single ministry, that is, decisions that involve the entire executive branch and not just one ministry, including decisions taken by the Council or Cabinet of Ministers, presidential decree, etc. **Given the fact that trade facilitation committees have a coordinating role among public agencies, a legal basis at the governmental level may result in a stronger high-level political commitment.** This might help address potential conflicts of interest among key stakeholders; all these factors contributing to the sustainability of the NTFC.

Although the WTO Trade Facilitation Agreement does not require WTO members to provide legal backing to NTFCs in domestic law, this study shows that **the vast majority (96 per cent) of trade facilitation committees have been officially institutionalized.** This percentage has further increased since 2020, consolidating a clear tendency for institutionalization among NTFCs.





**Figure 12: Documents used for the legal establishment of the NTFC**



Source: UNCTAD

As shown in Figure 12, documents used for the legal establishment of the NTFCs can be divided into three groups:

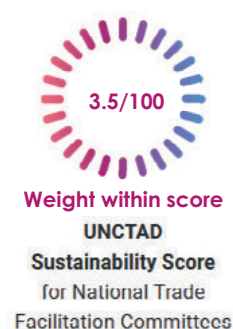
- More than half of the NTFCs (57 per cent) was institutionalized at the level of President, Government, or Cabinet of Ministers.
- The percentage of committees with decisions at Ministerial Level remains stable at 24 per cent, compared to the number in UNCTAD 2020 study.
- In least developed countries, over a third (35 per cent) of the NTFCs were institutionalized at ministerial level, which is nearly twice than in developing countries (18 per cent). As mentioned in UNCTAD 2020 study, NTFCs in LDCs remain in a relatively weaker position, as a coordinator role, because the legal basis at the governmental level has the advantage of providing stronger high-level political commitment and addressing political conflicts of interest among key stakeholders.

## TERMS OF REFERENCE

As described in UNCTAD 2015 study, “terms of reference are a document that sets up the basis for a common understanding among the parties involved in a trade facilitation body. In an ideal situation, terms of reference include the objectives of the committee, its scope of action and its working structure, among others. The document is created in consultation with and validated by the members of the group, setting the basis for building trust and dialogue within the group”.

As such, having specific terms of reference that have been validated and officially adopted by the NTFC will support the operationalization of its activities, thus increasing the chance of the NTFC to be sustainable in time.

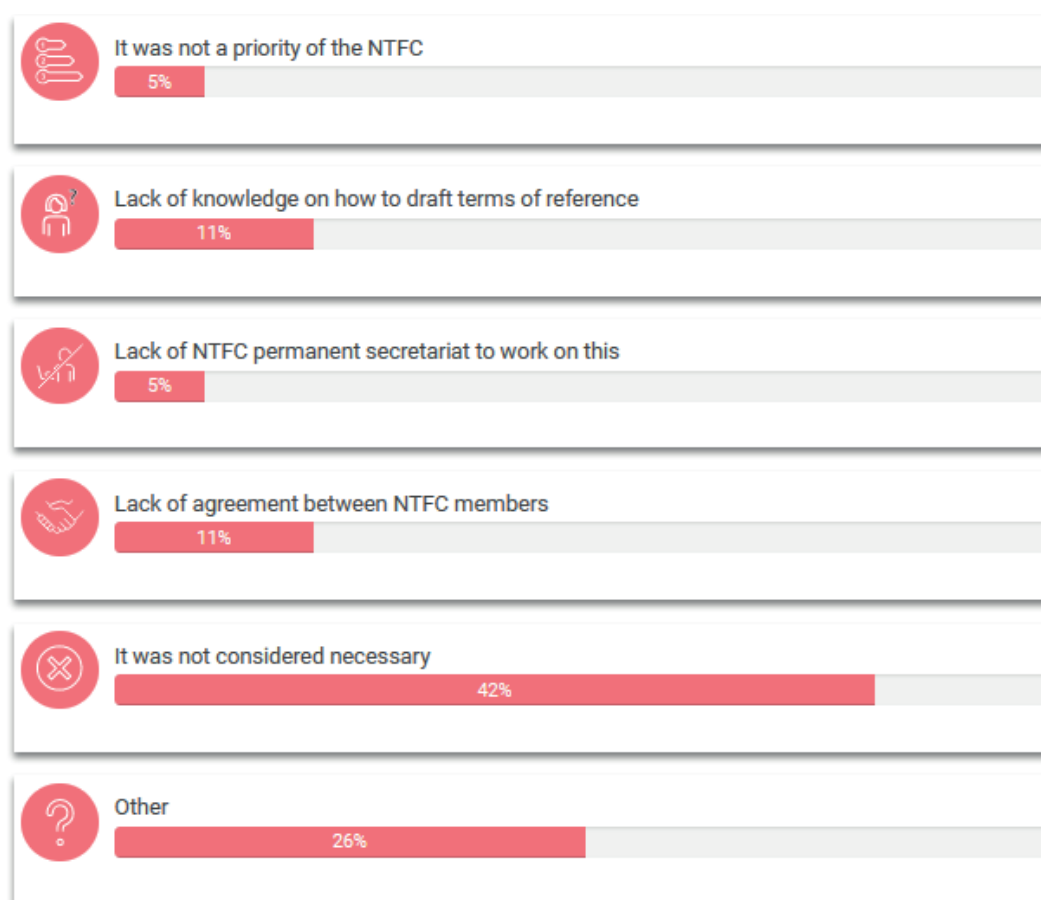
**A total of 82 per cent of the participants confirmed to use terms of reference in their NTFC**, which represents a 5 per cent decline from UNCTAD 2020 study. This decline can be explained by the inclusion in the database of profiles of NTFCs that do not have yet drafted their terms of reference. A total of 125 countries responded to this question in 2022 compared to the 52 countries included in the 2020 sample. Thus, it is considered that the 82-percent figure represents a more accurate reality of the global situation.





As shown in Figure 13, almost half of the 19 countries that do not have terms of reference did not consider them necessary.

**Figure 13: Reasons for not having terms of reference**



Why does the NTFC not have terms of reference?

N.B.: This chart includes only the responses of the countries that responded negatively to the previous question

Number of countries included in this sample: 19/19

Source: UNCTAD

## WORK PLAN/ROADMAP

Similar to the terms of reference, having a medium or long-term work plan or roadmap will help the Committee to focus on specific activities, making its actions efficient and relevant. Thus, having a work plan or roadmap increases the chances of a National Trade Facilitation Committee to be sustainable in time.

While having a strategic work plan or roadmap is recommended, it has also been observed that some National Trade Facilitation Committees do not follow a specific work plan or roadmap but establish short term to-dos from meeting to meeting.

By April 2022, **three out of four National Trade Facilitation Committees affirm to have a work plan**, which means that there has been no significant change in the past two years. However, many of the NTFCs that affirmed not having a work plan specified that there were in the process of creating one. Thus, it is expected that an increase in this figure might be possible in the future.



**Weight within score**  
**UNCTAD**  
**Sustainability Score**  
 for National Trade  
 Facilitation Committees

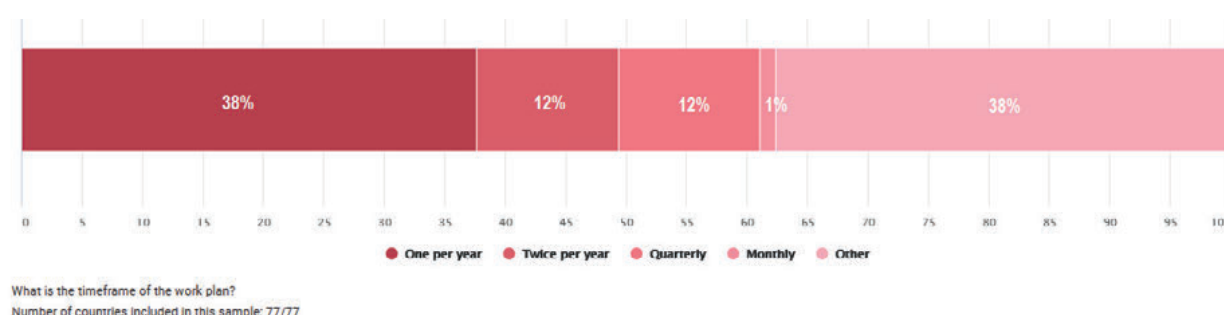
One out of five NTFCs without a work plan reported that the reason for not having one is because it was not considered necessary. One out of 10 NTFCs alluded to the lack of know-how being the main reason.

Looking more specifically at least developed countries, there was a six per cent increase in the number of Trade Facilitation Committees that reported having developed a work plan since 2020. There were no significant changes when it comes to data on developing countries.

## Timeframe of the workplan

NTFCs that confirmed having a work plan were asked about its timeframe. As shown in Figure 14, **29 per cent of NTFCs report to have a yearly work plan**. Many other NTFCs, which responded “other” to this question, have set up a three-to-five-year Roadmap to guide the work of the NTFCs.

**Figure 14: Timeframe of work plan**



Source: UNCTAD

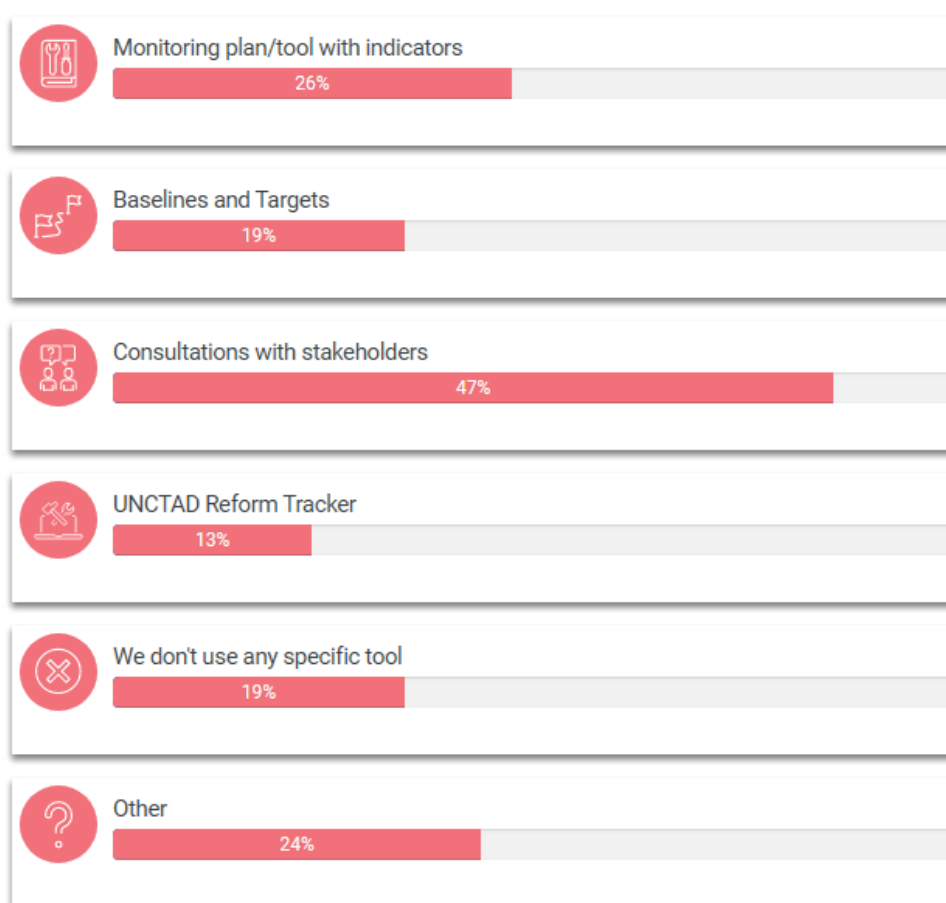
## Monitoring and evaluation of workplan

Monitoring is defined as the ongoing process by which stakeholders obtain regular feedback on the progress being made towards achieving set goals and objectives. Evaluation, on the other hand, is a systematic and impartial assessment of an activity, project, programme, strategy, policy, sector, operational area, institution, among others, aimed at improving outcomes.

**Monitoring and evaluation are relevant in the day-to-day work of National Trade Facilitation Committees.** From planning and coordinating the implementation of trade facilitation reforms to collaborating with different stakeholders, these busy reform processes carry with it tight schedules, short deadlines, political pressure and legal obligations. There is a need to monitor and keep track of everything that is happening simultaneously.

**Deadlines need to be kept and setbacks must be identified and resolved.** To ensure this, monitoring and evaluation tools and methods are utilized for an efficient and coordinated approach to the implementation of trade reforms in the context of the WTO Trade Facilitation Agreement.

**Monitoring and evaluation give an advantage to obtaining funding from international partners.** There is fierce competition in obtaining funding from donors and most donors requires project proposals that includes a monitoring and evaluation framework, especially Results-based Management planning and reporting tools, as well as an independent evaluation, particularly for large projects.

**Figure 15: Monitoring tools used by National Trade Facilitation Committees**

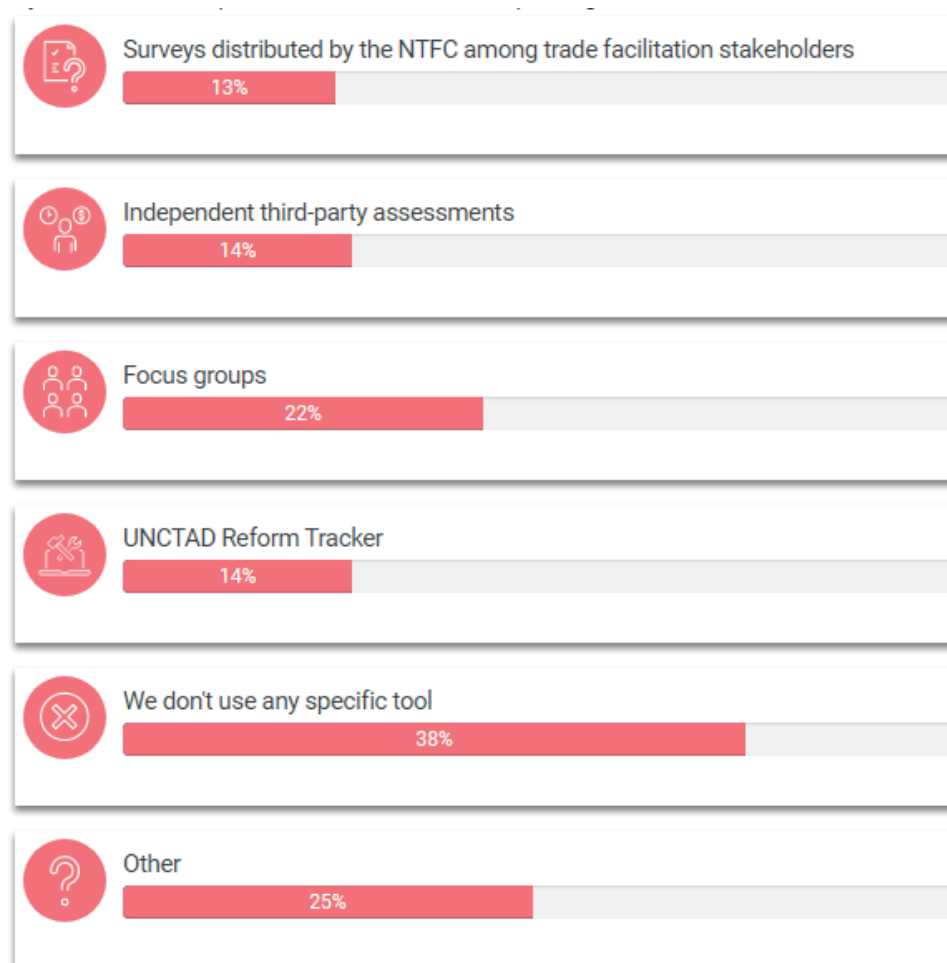
Number of countries included in this sample: 116/116

Which monitoring tools are used by your National Trade Facilitation Committee?

Source: UNCTAD

UNCTAD asked chairpersons of National Trade Facilitation Committees on the tools that they use for monitoring. A total of **19 per cent of NTFCs do not use any specific tool**. For those NTFCs that confirm to use monitoring tools, **the most frequently used tool is consultations with stakeholders** (47 per cent) followed by the use of monitoring plans with indicators (26 per cent). There was no notable change of tools used since the UNCTAD 2020 study apart from the fact that now **13 per cent of Committees affirm to use UNCTAD Reform Tracker as a monitoring tool**.

By the same token, National Trade Facilitation Committees were also asked if they use evaluation tools and which ones. As seen in Figure 16, **around two out of five NTFCs do not use any specific tool**. Among those NTFCs that confirm the use of evaluation tools, 23 per cent use focus groups, 15 per cent use independent third-party assessments and 14 per cent use UNCTAD Reform Tracker.

**Figure 16: Evaluation tools used by National Trade Facilitation Committees**

Number of countries included in this sample: 107/107

Which evaluation tools are used by your National Trade Facilitation Committee?

Source, UNCTAD

### Box 2: UNCTAD Reform Tracker for National Trade Facilitation Committees

UNCTAD Reform Tracker for National Trade Facilitation Committees is an online project management tool to facilitate NTFCs' work in their role as coordinators of trade facilitation reforms.

This tool helps NTFCs to organize information about their members and systematically inform them about the latest updates related to international trade.

It enables coordinated inter-agency implementation of priority trade facilitation initiatives by involving stakeholders from the public and private sectors. Also, it automates task distribution, resource planning, team collaboration and reporting, among others.

The platform's shared workspace facilitates project documentation and allows for systematic knowledge transfer at NTFCs, giving new members access to current and past projects to help them quickly get acquainted with their roles.

## Key features and benefits of the Reform Tracker



### PROJECT MANAGEMENT TOOL

As a project-management tool, the Reform Tracker is a platform where National Trade Facilitation Committees Teams collaborate and reach goals on time while managing resources. It automates task distribution, resource planning, Team collaboration, reporting and many more



### TRACKING OF PRIORITY ACTIONS

The Reform Tracker allows for a coordinated interagency implementation of priority trade facilitation initiatives through the involvement of all cross-border stakeholders from the public and private sectors



### MONITORING OF RESULTS

The Reform Tracker provides a platform that allows the National Trade Facilitation Committees and its working groups to monitor progress in implementation, and to take necessary measures in case of setbacks



### TEAM MANAGEMENT TOOL

The Reform Tracker allows the National Trade Facilitation Committee to organize information about its members and other trade facilitation practitioners, such as their contact information, roles, and systematically inform them on the latest updates related to international trade and trade facilitation

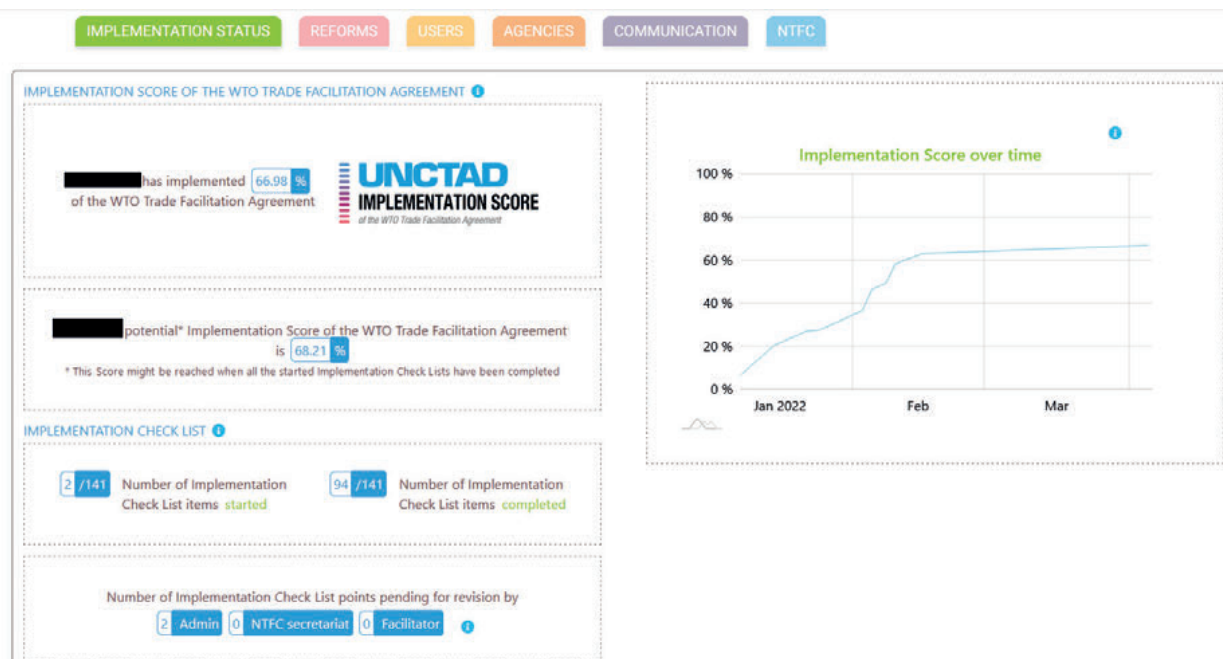


### SUSTAINABILITY

The Reform Tracker assures sustainability of the National Trade Facilitation Committees, as it facilitates project documentation and allows for systematic knowledge transfer. New members of the National Trade Facilitation Committees have access to current and past projects and can get acquainted with their new role in no time!

Within a year of its launch, the Reform Tracker underwent several major improvements, including a new functionality to track NTFCs' resource mobilization activities, an automated implementation checklist and a statistics dashboard.

The checklist provides NTFCs' members with an overview of all aspects and deliverables included in trade facilitation reforms. Implemented items are verified only after certification by an NTFC.



By early 2022, the Reform Tracker had been set up in 19 countries with plans to provide the tool to at least 12 more countries by early 2025.

## REGULARITY AND FREQUENCY OF MEETINGS

According to the WTO Trade Facilitation Agreement, National Trade Facilitation Committees shall support domestic coordination of the implementation of the provisions of the Agreement. The need for regular meetings is implicit in the description of this role and the nature of the functions of the NTFC, only those NTFCs that meet regularly are considered to be operational. **Additionally, the higher the frequency of those meetings, the stronger the position of this NTFC to lead the coordination of trade facilitation reforms.** The success in the implementation of those reforms in the present time has an impact in the sustainability of the committee on the long term.



A total of **77 per cent of National Trade Facilitation Committees claim to meet regularly**, which shows a slight improvement since 2020. This increase despite Covid 19 restrictions highlights the urgent need to move the trade facilitation agendas forward.

Although 32 per cent of the NTFCs in least developed countries have difficulties in ensuring the regularity of meetings, compared to the UNCTAD 2020 study, there is an upward trend of at least four percentage points of NTFCs that started to meet regularly.

The Committees that confirm the regularity of their meetings were asked about the frequency of these meetings. Similar to previous studies, **the majority of NTFCs meet on a quarterly basis.** This trend is more evidently seen in least developed countries (64 per cent). On the other hand, while most developing countries also meet on a quarterly basis (42 per cent), almost a quarter of the NTFCs in those countries tend to meet every six months.

It is interesting to note that more NTFCs in developed countries lean towards meeting twice a year (29 per cent).

## PERMANENT SECRETARIAT

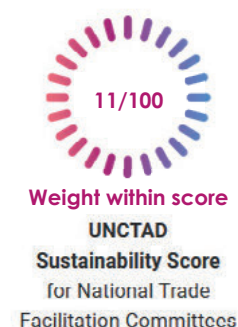
As described in UNCTAD 2017 study, a permanent secretariat is the “office that has the role to send invitations, prepare the agenda, prepare the meeting minutes, reports, among others”. As the implementation of the WTO Trade Facilitation Agreement translates into concrete reform projects, **a permanent secretariat is essential to ensure that the NTFC is fulfilling its role of coordinator of the trade facilitation reforms.**

When the NTFC has appointed a permanent secretariat to organize the work of the Committee, there is a greater chance for this Committee to be longer operational and thus, sustainable in time. The chances are even greater if the Secretariat has been attributed a specific budget and/or sufficient human resources have been dedicated to it.

Having financial resources dedicated to the permanent secretariat increases the chances of an NTFC to be longer operational. This is even more the case if the resources are domestic, since those will not be tight to a specific project or donor.

Similarly, the more people work in the secretariat, the stronger the capacity of the NTFC to operate; thus, the higher the chances for the NTFC to last in time.

Out of all the National Trade Facilitation Committees that were part of the study, **72 per cent affirm to have a permanent secretariat.** This is a significant change from the UNCTAD 2020 study where only 58 per cent of NTFCs affirmed to have a permanent secretariat and around 13 per cent were still in





the process of setting up one. Of those that did not have a permanent secretariat, **the main reason for not having a permanent secretariat is the lack of financial resources (38 per cent)**. This is more prominent for NTFCs in developing countries while those in least developed countries have additionally stated that together with lack of financial resources (25 per cent), there is also the lack of human resources (25 per cent) and non-priority of its establishment (25 per cent).

**Figure 17: Reasons for not having a permanent secretariat**



Why is there no permanent secretariat?  
Number of countries included in this sample: 24/24

Source: UNCTAD

**Most of the permanent secretariats of National Trade Facilitation Committees are hosted by the Ministry of Trade.** Around 12 per cent are hosted by Customs while only 3 per cent are hosted by the Chamber of Commerce. It is interesting to note that the lower the development of the country is, the higher is the probability of the Ministry of Trade hosting the permanent secretariat.

**On average, five people are working at the permanent secretariat of the National Trade Facilitation Committee,** not necessarily as a full-time job though. The figure goes up to six for least developed countries and down to three for developed countries. Thus, there seems to be a correlation between the number of people needed at the permanent secretariat and the level of development of a country. As it was already observed in UNCTAD 2020 Study: **“The more developed a country is, the less people are working in the permanent secretariat.** Among the reasons explaining this is the fact that least developed countries have, in general, more trade facilitation measures to be implemented



than other countries<sup>5</sup>. At such, they will need more support to coordinate those trade facilitation reforms".

---

### FINANCIAL RESOURCES

**Having financial resources dedicated to the work of the NTFC increases the chances of an NTFC to be longer operational.**

As explained in UNCTAD 2017 study: "Basing the NTFC financing merely in the contributions of donors and development partners might be risky. This kind of contributions are generally temporary, as per ongoing projects. Thus, the sustainability of the Committee can be jeopardized once the project – and its corresponding budget, - comes to an end."

As indicated in the 2020 UNCTAD study, National Trade Facilitation Committees who have an allocated budget spend it in aspects directly related to their daily operations, such as meeting venues and catering; telephone and internet, reproduction and publications services, public information sessions and media outreach, training sessions for the members of the Committee, salaries of the permanent secretariat employees as well as renting office space and equipment.

**There is an increase of National Trade Facilitation Committees with permanent secretariat that reported that they have a specific budget for it, from 55 per cent of NTFCs in the UNCTAD 2020 study to 61 per cent.** There is a trend towards sourcing this financing from domestic resources and away from donors and development partners. It is worth mentioning that in the UNCTAD 2020 study, the NTFCs of least developed countries had no domestic resources dedicated to permanent secretariats and 67 per cent had no budget at all. These findings contrast to the situation in early 2022, where 28 per cent of NTFCs is sourcing their funding domestically and only 41 per cent still do not have budget for it. Similar from previous studies, the contribution of private sector is minimal.

---

### CHAIRPERSONSHIP

The Chairperson is one of the relevant roles in a National Trade Facilitation Committee. Not only would this person chair meetings of the Committee but together with the NTFC Secretariat, (s)he will be setting meeting agendas aligned with the NTFC priorities. As a person leading the NTFCs, (S)he should include in the preparation of the meetings the contribution of other members of the NTFC.

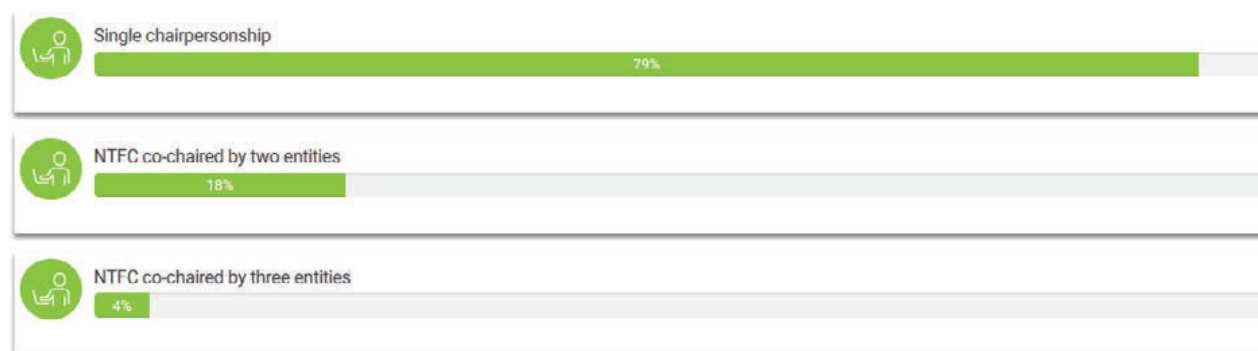
Similar to the findings related to the permanent secretariat, **the Ministry of Trade is holding the chairpersonship of the NTFC in most cases (55 per cent), followed by Customs (27 percent).** Only 4 per cent of NTFCs affirm to be chaired by the Chamber of Commerce.

**Most of NTFCs have opted for a single chairpersonship** (79 per cent) while 18 per cent are co-chaired by two entities as shown in Figure 18.

---

5 On 20 January 2020, least developed countries had only notified 24.6 per cent of the provisions of the WTO Trade Facilitation Committees as category A (measure implemented), compared to 59.7 per cent of developing countries. Developed countries were requested to have all provisions implemented by the time the WTO Trade Facilitation Agreement entered into force, meaning on 22 February 2017.

Figure 18: Type of chairpersonship



Countries clicked on one, two or more options when asked "Who holds the chairpersonship of the NTFC?"  
 Number of countries included in this sample: 112/112

Source: UNCTAD

It is worth mentioning that the quality of leadership of a chairperson is a key factor contributing to the efficiency and success of a National Trade Facilitation Committee. However, due to the lack of quantitative data on the subject this factor has not been including UNCTAD Sustainability Score for NTFCs.

### 3 MEMBERSHIP

Under Membership, factors such as the representation of public and private institutions, the level of seniority and gender are considered. All together, these factors contribute up to eight points in UNCTAD Sustainability Score for National Trade Facilitation Committees.

#### PUBLIC-PRIVATE REPRESENTATION

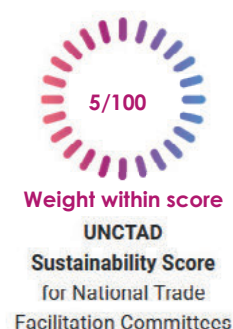
As explained in UNCTAD 2017: “Trade Facilitation is a transversal issue. This means that any trade facilitation reform or initiative might impact different sectors. Sometimes, this impact is unintended and was not foreseen because the right stakeholders were not consulted and involved from the beginning in the design and implementation of these reforms. Thus, it is essential that the composition of a National Trade Facilitation Committee is based on the principle of inclusiveness.”

While a high number of agencies involved will result in an inclusive and relevant NTFC, having too many agencies attending the NTFC meetings could make its governance challenging, slowing down the capacity of the Committee to create tangible outcomes.

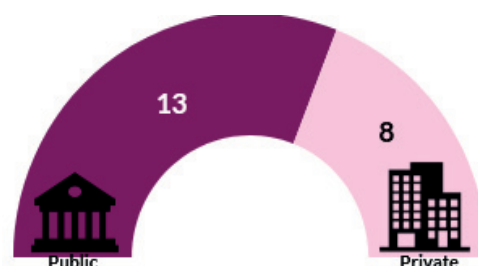
In addition to that, not only public agencies need to be involved in the National Trade Facilitation Committee. Trust and a fruitful dialogue between the public and the private sectors are key for the successful development and implementation of trade facilitation reforms.

In that context, the involvement of the private sector will ensure that the work of the NTFC addresses the needs of the traders' community. **If the work of the NTFC translates into benefits for the private sector, the Committee will have more chances of getting the necessary support to ensure its sustainability in the long run.**

Among the National Trade Facilitation Committees surveyed, **the average membership is 21 members** (see Figure 19) **where 13 participants represent the public sector and eight the private sector.** This represents a slightly increased from the average 18 members found in 2020 confirming the trend that has been observed since 2015: “This trend might be the result of countries acknowledging the complex nature of trade facilitation, a transversal issue that needs the participation of various sectors of the public and private community.”



**Figure 19: Average number of public and private entities in NTFCs**



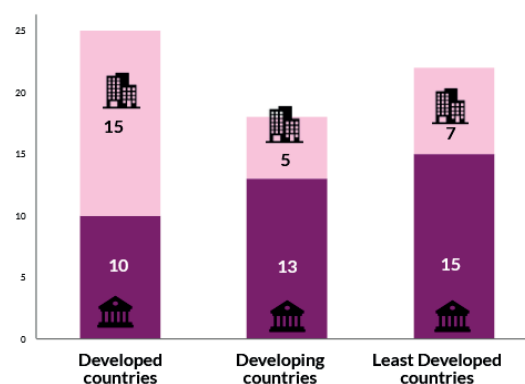
As explained earlier, National Trade Facilitation Committees in developed countries have a different nature than those in developing and least developed countries. In the majority of the cases, they were not created expressly for the WTO Trade Facilitation Agreement but earlier, as private-public dialogue platform. This is evident when looking at the distribution of public and private entities in the NTFCs by level of development (see Figure 20). **While developing and least developed countries double or triple the number of public representatives compared to private representatives, the situation is completely opposite in developed countries where they are three representatives of the private sector for every two from the public sector.**

This research analyzed the public and private entities that formed National Trade Facilitation Committees. These diverse entities were regrouped in several categories, as presented in Figure 21.

On the one hand, the public institutions in a National Trade Facilitation Committee are on average represented as follows: Agriculture, Livestock and Environment (23 per cent), Transport, Communication and Infrastructure (18 per cent), Trade and Economy (15 per cent), Finance and Revenue, including customs (12 per cent), Internal Affairs (6 per cent), Foreign and International Affairs (6 per cent), Health (5 per cent), Standards (3 per cent), General Services (3 per cent), Central Bank (2 per cent), Science and Technology (1 per cent), Tourism and Culture (1 per cent), Research and University (1 per cent). Other public institutions account for 4 per cent of the public entities in NTFC.

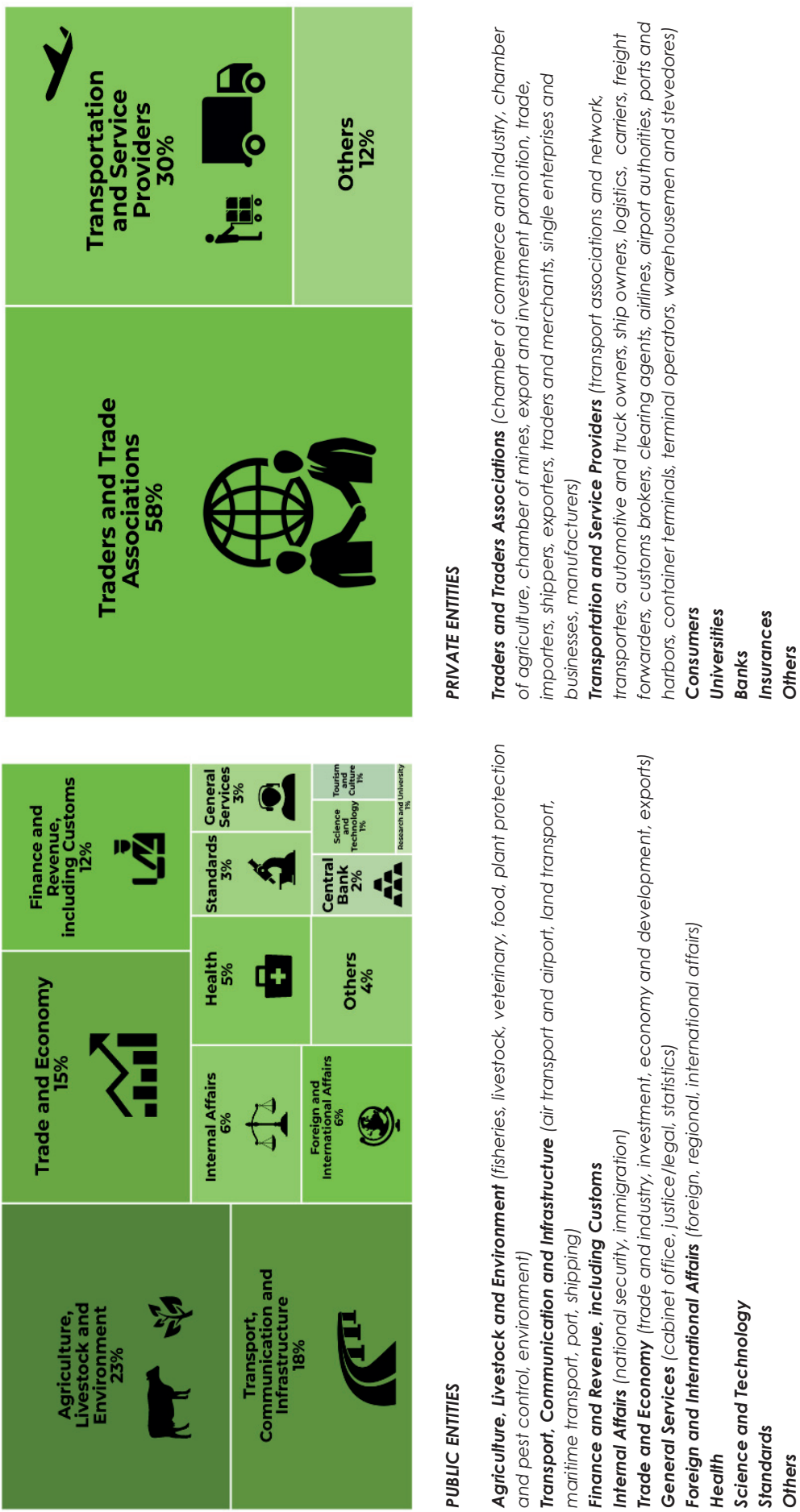
On the other hand, the private representatives in a National Trade Facilitation Committee are on average represented as follows: Traders and Traders Association (58 per cent), Transportation and Service Providers (30 per cent). Other private institutions represented 13 per cent of members.

**Figure 20: Average number of public and private entities in NTFCs per level of development**



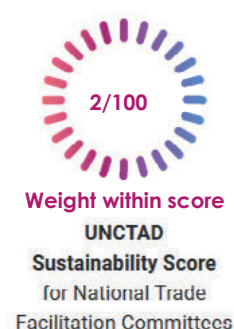
Source: UNCTAD

Figure 21: Members of the National Trade Facilitation Committees from the public and private entities



## LEVEL OF SENIORITY OF MEMBERS

As shown in UNCTAD 2017 study, one of the main obstacles for National Trade Facilitation Committees is the incorrect representation of members and their frequent replacement: “As a decision-making body, it is essential that NTFCs have the right people sitting around the table at each meeting. This means, the members of the Committees should be knowledgeable staff from private and public institutions, who will not just fulfil a representative function but who should be able to contribute meaningfully to the debates and take at least certain decisions on behalf of their organizations”.

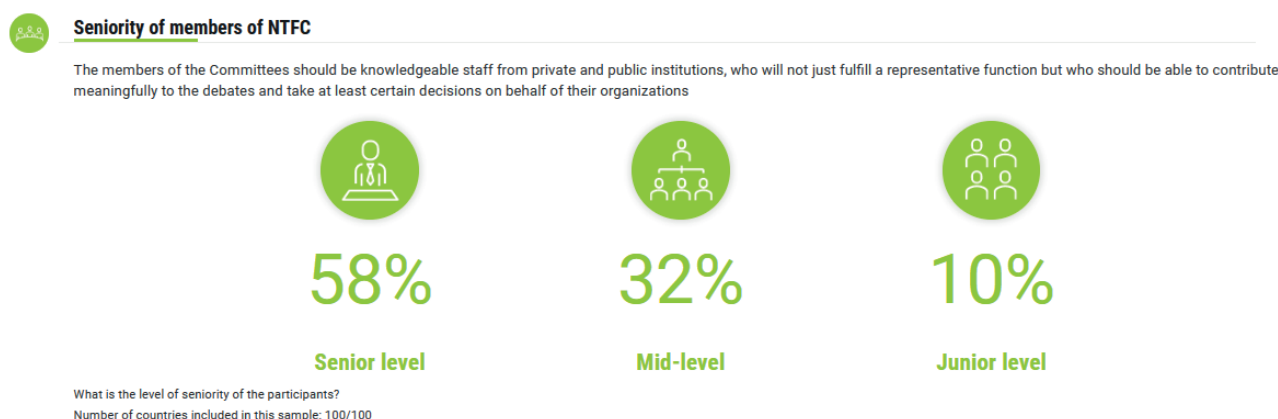


Consequently, **having senior staff with decision making power, participating in the meetings of the NTFC will help to ensure that the work of the NTFC moves forward**, thus, contributing to the sustainability of the NTFC.

However, as explained in UNCTAD 2020 study: “As the work of National Trade Facilitation Committees moves towards the actual implementation of the provisions of the WTO Trade Facilitation Agreement, discussions at the NTFC meetings might quickly get detailed oriented and technical. Consequently, senior representatives might decide to send middle level staff to represent their organization at the Committee meetings. To make sure this does not slow down the decision-making process at the National Trade Facilitation Committee, middle-level staff should be entrusted by their supervisors to take certain decisions on behalf of their organization during those meetings.”

As shown in Figure 22, **on average, an NTFC is composed of 58 per cent senior staff, 32 per cent mid-level staff and 10 per cent junior staff**. Compared to the 2020 UNCTAD study, there have been increases in the share of both senior and mid-level staff, which is a positive sign regarding the recognition of the importance of NTFCs.

**Figure 22: Seniority of members of NTFC**



Source: UNCTAD

## GENDER BALANCE

As stated in UNCTAD Policy Brief N°98 on Integrating a gender perspective into trade facilitation reforms “women cross-border traders face significant challenges, including time constraints, costs of burdensome procedures, discrimination and harassment at borders. Despite multilateral calls to



address those issues and to make trade policies gender responsive, notably the Revised Buenos Aires Declaration, limited progress has been made on gender equality in trade".

To overcome this reality, National Trade Facilitation Committees should become gender-sensitive bodies that advocate for gender mainstreaming in trade facilitation reforms, and propose measures for women traders, for instance, by implementing the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) with a gender perspective to maximize benefits for women involved in formal and informal trade.

Not only need NTFCs be gender-sensitive, but they need to be gender-balanced too.

Evidence has shown that bodies with a more balanced representation of women, particularly at the senior level, considerably outperform their counterparts with a lower representation of women. Research has likewise shown that teams with gender parity demonstrate greater potential for innovation.<sup>6</sup>

Therefore, having a gender balance NTFC would help the committee to perform better its functions, thus ensuring its operationality in the long run.

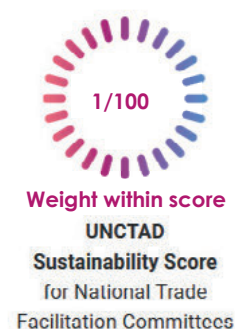
Since 2017, there has been no improvement towards gender balanced NTFCs. On average, only 35 per cent of members of NTFCs are female. Compared to UNCTAD previous studies on this subject, there has been a slightly decreased in the female representation in NTFCs, since the figures recorded in 2017 and 2020 were 36% and 37% respectively.

The correlation between the level of development of a country and the female representation within the National Trade Facilitation Committee observed in previous studies gets confirmed by this 2022 bigger sample: **the more developed a country is, the higher number of female stakeholders represented in the NTFC**. As such, NTFCs in least developed countries have an average of only 26 per cent female members, which is significantly lower than that in developing (38 per cent) and developed countries (40 per cent).

Similar to the slight decreased in the gender-balance representation, the study revealed a **slight decreased in the number of NTFCs chaired or co-chaired by women** as well (from 40 per cent in 2020 to 38 per cent in 2022).

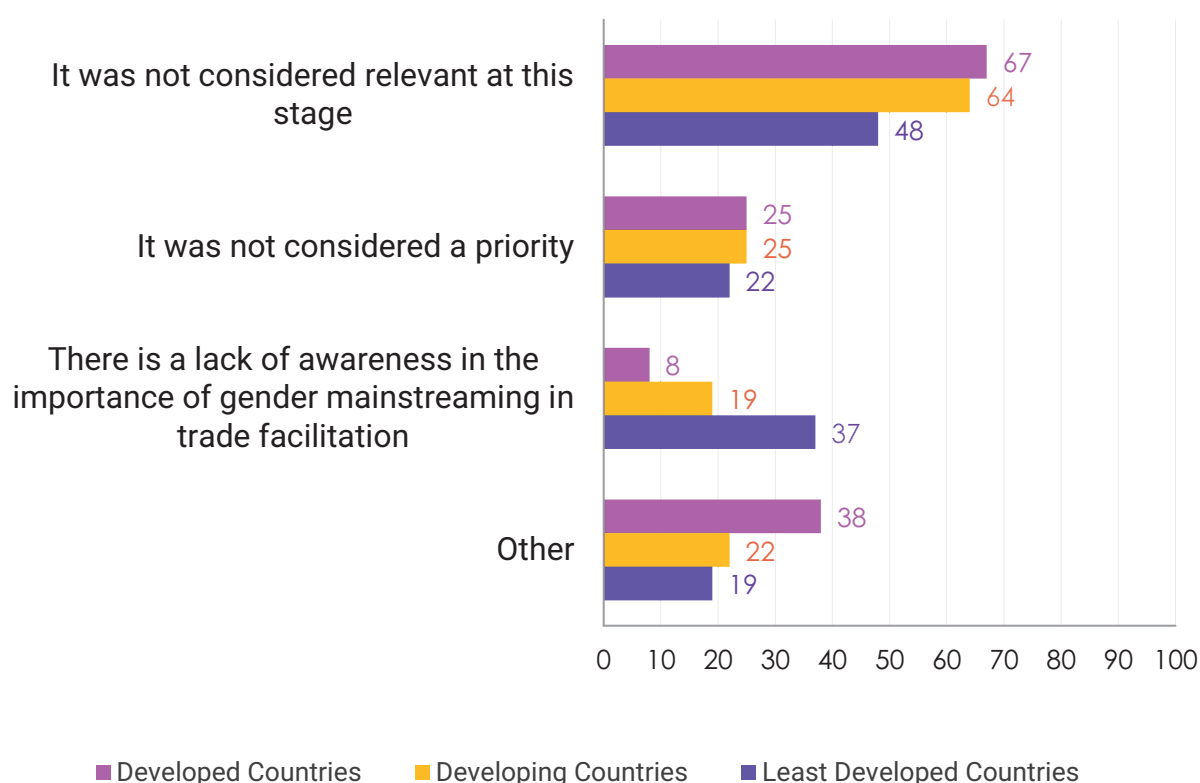
When it comes to decisions or actions to mainstream gender in trade facilitation, the picture also reveals disappointing, with **a slight increase of NTFC that affirm to have never taken such decision or action** (from 83 per cent in 2020 to 86 per cent in 2022).

Since 2017, there has been a great shift in reasons behind this result. The number of committees that does not consider gender related actions relevant at this stage keeps rising, since 2017, taking up 61 per cent of the surveyed countries. This is also the first reason given by the developed, developing and least developed countries. While the proportion of a lack of awareness in the importance of gender mainstreaming remains stable (21 per cent), compared to 2020 UNCTAD Study, more surveyed committees (25 per cent) do not consider gender mainstreaming as a priority. As shown in Figure 23, there is a correlation between the level of development of a country and the awareness on the importance of gender mainstreaming in trade facilitation. The least developed a country is, the higher the lack of awareness. As such, only eight per cent of NTFCs in developed countries mentioned the lack of awareness on the importance of gender mainstreaming in trade facilitation compared to 19 per cent in developing countries and 37 percent in least developed countries.



<sup>6</sup> <https://www.sciencedaily.com/releases/2014/03/140319085430.htm>



**Figure 23: Reasons why no gender related decisions or actions were taken, by level of development**

Number of countries included in this sample: 24 developed countries, 59 developing Countries, 27 least developed countries.

Source: UNCTAD

UNCTAD Policy Brief n°98 presents a catalogue of concrete actions that NTFCs can take to mainstream gender into trade facilitation as shown in **Error! Reference source not found..**

### **Box 3: 10 UNCTAD Recommendations on How to Integrate a gender perspective into trade facilitation reforms**

#### **1. Listen to what women traders have to say**

The first step is to listen to what women traders have to say. Some may not be aware of the activities or existence of the national committee. Even when they know about NTFCs, they may feel that their committee is not aware of the challenges they face or that such challenges are simply ignored. NTFCs should undertake awareness-raising efforts to reach out to women traders by informing them about NTFC activities and consult them about their needs and the obstacles they face. Women traders' associations should be invited to take part in the trade facilitation policymaking process, as full

NTFC members, or at least as observers. Where those associations do not exist, NTFCs should encourage women traders to organize themselves and appoint representatives. National authorities should encourage women traders and their associations to participate in consultations with border agencies, and to comment on new trade-related regulations. NTFCs may ask businesswomen associations for inputs when preparing workplans, gender-sensitive strategies and position papers on trade facilitation.

#### **2. Make transparency work for all women**

To make trade regulations and procedures more predictable, TFA provides for “transparency measures”, which should be implemented adopting a gender perspective to make them work for women traders. National authorities may find ways to translate trade regulations and legislation into indigenous languages and make them available for all. Customs authorities can make trade procedures more accessible to women traders by publishing them online and displaying them on screens or posters at border posts. Visual support, such as icons and images, can also illustrate key elements of cross-border regulations. Governments can establish enquiry points to guide small traders by offering trade intelligence on foreign markets, clarifying cross-border procedures and providing them with documentation on women-dominated sectors, such as agricultural products and clothing manufacturing. Experienced businesswomen can provide coaching to help newcomers navigate cross-border procedures.

### 3. Repeal gender-based discriminatory laws

Countries need to address legal barriers to trade for women entrepreneurs and repeal gender-based discriminatory laws identified by NTFCs together with businesswomen associations. Some legal restrictions can be removed by cabinet or ministerial decisions, but lawmakers may need to take action to change legislation. National authorities need to ensure women can register a business, open a bank account or sign a contract and own land or property and that they have equal access to finance and credit and are free to travel without spousal authorization.

### 4. Build a gender-sensitive NTFC

NTFCs should become gender-sensitive institutions with gender-balanced membership, by establishing a minimum level of representation by women in meetings and monitoring women traders' participation in activities. Membership should include women owned-businesses, women informal traders, women entrepreneurs' organizations and cross-border trade associations. Committees should also address gender-based barriers to trade faced by small and informal traders by proposing appropriate trade facilitation responses. NTFCs may also reduce fees and formalities overwhelmingly impacting women traders, especially in women-dominated sectors. Establishing a subcommittee or technical working group on gender equality under the auspices of NTFCs, or regional committees, can also help mainstream gender into trade facilitation reforms. Those

subcommittees can raise awareness on gender issues, conduct surveys of women traders, carry out gender gap analyses, prepare studies on gender-based barriers to trade and develop position papers on gender-sensitive trade facilitation initiatives. They can also act as focal points for women traders reporting issues at the border.

### 5. Stop gender-based discrimination at borders with digital tools

Border agencies should prevent gender-based discrimination with modern digital tools. Dematerializing processes can help to keep women traders from one-on-one in-person interactions that involve the risk of intimidation, abuses of power, bribery and corruption. Automation and online submissions of documents through electronic single windows can also eliminate potential risks of gender-based discrimination, as the identity of applicants can be made anonymous. Contactless cross-border procedures, such as electronic releases of goods, can also help protect women traders from violence at borders. Access to digital tools is still not universal. National authorities should use the most widespread technologies, including smartphones, and improve access to digital tools for all, especially for informal women traders.

### 6. Adopt a client service charter for border agencies

Border agencies, preferably in collaboration with NTFCs, should adopt a client service charter with a code of conduct for public agents, stating the responsibilities and obligations of administrations towards women traders. Such charters should embody awareness and protection of women's rights, contributing to achieving the Sustainable Development Goals and the declaration on gender equality and diversity in customs of the World Customs Organization, as well as principles of good governance and integrity in customs. Border agencies should sensitize their staff on duties towards women traders and train staff to act in accordance with standards of ethics in a violence-free environment for women clients. Border agents should become allies in ending discrimination against women.

### 7. Set up a reporting mechanism on gender-based discrimination

National authorities should establish an individual complaint mechanism for victims of gender-based discrimination at borders. This mechanism would protect victims from retaliation and help monitor and report issues faced by women

traders, including inconsistent documentation requirements, solicitation of bribes and other inappropriate behaviour from border officials.

## 8. Make border posts a more women-friendly environment

Border agency authorities should take steps to increase the proportion of women officials within their ranks. Basic infrastructure can be lacking near border posts. Lack of reliable access to electricity may prevent lighting up border crossings at night, and limited access to a stable telecommunications network can leave women without an Internet connection or the possibility of making calls. Such situations can create a sense of insecurity among women traders. Improper sanitary conditions, such as the absence of separate sanitation facilities for men and women, and the lack of decent overnight accommodation, may expose women traders to greater risks of violence. Women traders travelling with children may also require facilities in which to address their needs. Infrastructure deficits near borders impact men and women differently and can create additional gender-based barriers to trade. Governments should keep in mind that investing in infrastructure can help to keep women safe.

## 9. Changing mindsets

NTFCs should raise awareness of the importance of women's empowerment through trade. Committees can also meet with cultural influencers and faith-based leaders in local communities and advocate for women entrepreneurs. In many regions, traditional leaders continue to play significant roles as influencers and custodians of cultural practices within communities and can contribute to changing mindsets in favour of gender equality.

## 10. Do not forget informal traders

NTFCs should organize information sessions to break down preconceptions and provide fact-based insights into cross-border procedures. Governments should implement incentives for informal traders to transition to formalized trade, such as access to finance and simple procedures for business registration, as well as a favourable tax regime. Training in entrepreneurial skills, including bookkeeping and financial records, and trade rules and procedures, can also facilitate this transition. Trade facilitation schemes should be available for women remaining in the informal sector. Implementing simplified trade regimes, by waiving certificates of origin and easing requirements for export and/or import permits and sanitary and phytosanitary certifications for essential goods or low value-shipments, can greatly facilitate informal trade.

Source: UNCTAD

**Despite the discouraging results presented, efforts are being made to achieve gender mainstreaming in trade facilitation.** On the one hand, in recent years, international partners (such as the International Trade Center, Global Alliance for Trade Facilitation, UNCTAD, World Customs Organisation, and World Bank Group, among others) have increasingly included this topic in the international agenda, in their research efforts, as well as in their technical support programmes. On the other hand, National Trade Facilitation Committees are being more receptive to gender sensitive training sessions and topics. For instance, by March 2022, UNCTAD had successfully delivered its UNCTAD online course on Trade Facilitation and Gender to 25 National Trade Facilitation Committees in Africa, Asia and the Americas<sup>7</sup>. The active participation of NTFC members in these courses are proof of an increasing interest in the subject matter. Another good example is the recently established Trade and Gender sub-committee within Ghana Trade Facilitation Committee (see Box 4), with the support of the World Bank Group

<sup>7</sup> More information can be found here <https://tfelearning.unctad.org/tfandgender>

**Box 4: NTFC Gender Sub-Committee as a Driver of Gender-Responsive Trade Facilitation Policies: the Case of Ghana**

Ghana's NTFC was established in 2013 with 3 sub-committees (or working groups) on Fees and Charges, Enquiry Points, and Pre-Arrival Processing. In November 2021, Ghana's NTFC established a Trade and Gender sub-committee. This followed two empirical studies, namely the 1) Regional Gender Assessment Survey and the 2) Regional Field survey on Small-Scale Cross-Border Traders, which highlighted the trading ecosystem, profiles of cross-border traders, challenges they encountered and gender-specific considerations along the Trade Facilitation West Africa's six trade corridors (including Ghana).

**Mandate and Objectives of Ghana's Trade and Gender Sub-Committee**

The main objective of the Trade and Gender Sub-committee is to promote and mainstream gender into trade policies and their effective implementation in Ghana. The mandates of the sub-committee are to:

- 1) assess and review the impact of current and upcoming trade policies and practices,
- 2) propose and execute gender-responsive initiatives, and
- 3) address the negative impact of gender-blind trade policies.

**Composition, Governance & Decision-Making of the Trade and Gender sub-Committee**

The Trade and Gender sub-committee is composed of nine representatives from the private and public sectors. It is co-chaired by two NTFC members, representing the private sector and the public sector with selection based on majority vote and on a voluntary basis. The Chairs are appointed for a duration of twelve (12) months and the appointments can be renewed up to three times. The outputs of the Trade and Gender sub-committee are integrated into the broader work of the NTFC. The Trade and Gender sub-committee is recommended to meet every two months with the possibility of ad-hoc meetings.

**Implementation, Challenges and Way Forward**

The implementation of the Trade and Gender sub-committee is based on three phases. The first phase (initial 12 months) covers outputs like the establishment and composition of the sub-committee, proposal of improving gender-mainstreaming and increasing the number of women in NTFC consultative processes. The second phase (after initial 12 months) will cover capacity building activities, reporting of malpractices and non-tariff barriers to NTFC, quarterly consultations of women traders, as well as the finalisation of monitoring and evaluation mechanisms. The third phase will cover monitoring and evaluations assessments, regular collection and dissemination of regional and international best practices on gender-mainstreaming in trade facilitation.

The two main challenges to the effective operationalization of the sub-committee are the lack of a functioning Secretariat and funding to train and build the capacity of women traders. The sub-committee believes that the secretariat should be well equipped to handle the affairs of the NTFC and the work of the Trade and Gender sub-committee.

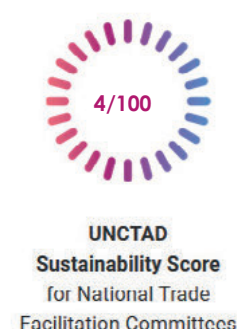
Ghana's Trade and Gender sub-committee has the potential to mainstream gender into the membership, operations and trade policy work of the NTFC. The Trade and Gender sub-committee will go a long way to promote, protect and represent the interests of Small-Scale Cross-Border Traders, especially women.

Source: UNCTAD based on Ghana's intervention during the 2022 International Forum for NTFCs<sup>8</sup>

<sup>8</sup> Accessed to the presentation from Ghana at the Forum and a recording of the intervention can be found here: <https://unctad.org/conference/ntfc-global-forum-2022/meeting/how-can-ntfcs-become-promoters-gender-equality-trade-facilitation-policies>

## 4 COMMUNICATION WITH KEY STAKEHOLDERS

As explained in UNCTAD 2020 Study, “with National Trade Facilitation Committees moving forward to the coordination of concrete trade facilitation reforms, managing the expectations of all stakeholders becomes critical for the successful implementation of various projects. Transparency and systematic communication are the cornerstone of change management. As such, National Trade Facilitation Committees are recommended put into place a proactive communication strategy, including clear goals, messages designed for each of the different target groups, adapted communication channels, concrete outreaching activities and a dedicated budget”.

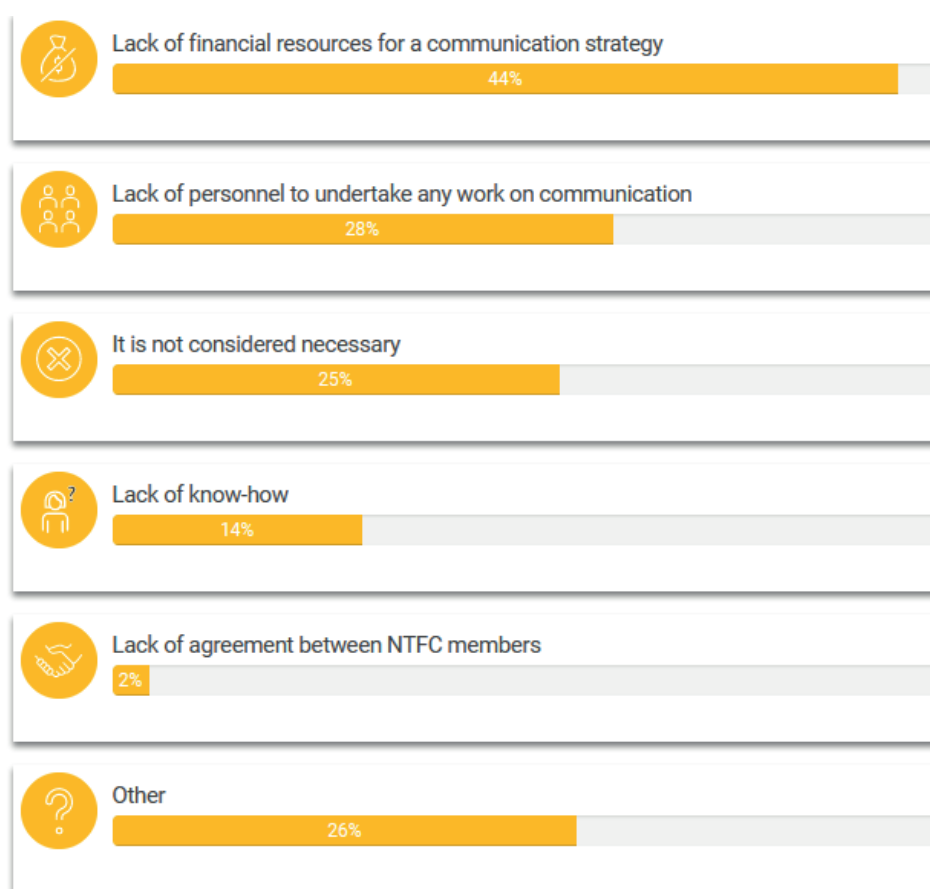


Based on this assumption, having a communication strategy contributes up to four points to UNCTAD Sustainability Score for National Trade Facilitation Committees.

Despite these arguments and recommendations, **only slightly over a third of NTFCs affirm to have in place a communication strategy**. This is a dramatic drop compared to the results in 2020 when 55 per cent of NTFCs sustained to have such strategy in place.

For one out of four NTFCs having such a strategy is not considered necessary. However, as shown in Figure 24, the lack of financial and human resources seems to be the main reasons behind the absence of a communication strategy.

**Figure 24: Reasons for not having a communication strategy**



Why is there no communication strategy?

Number of countries included in this sample: 57/57

Source: UNCTAD

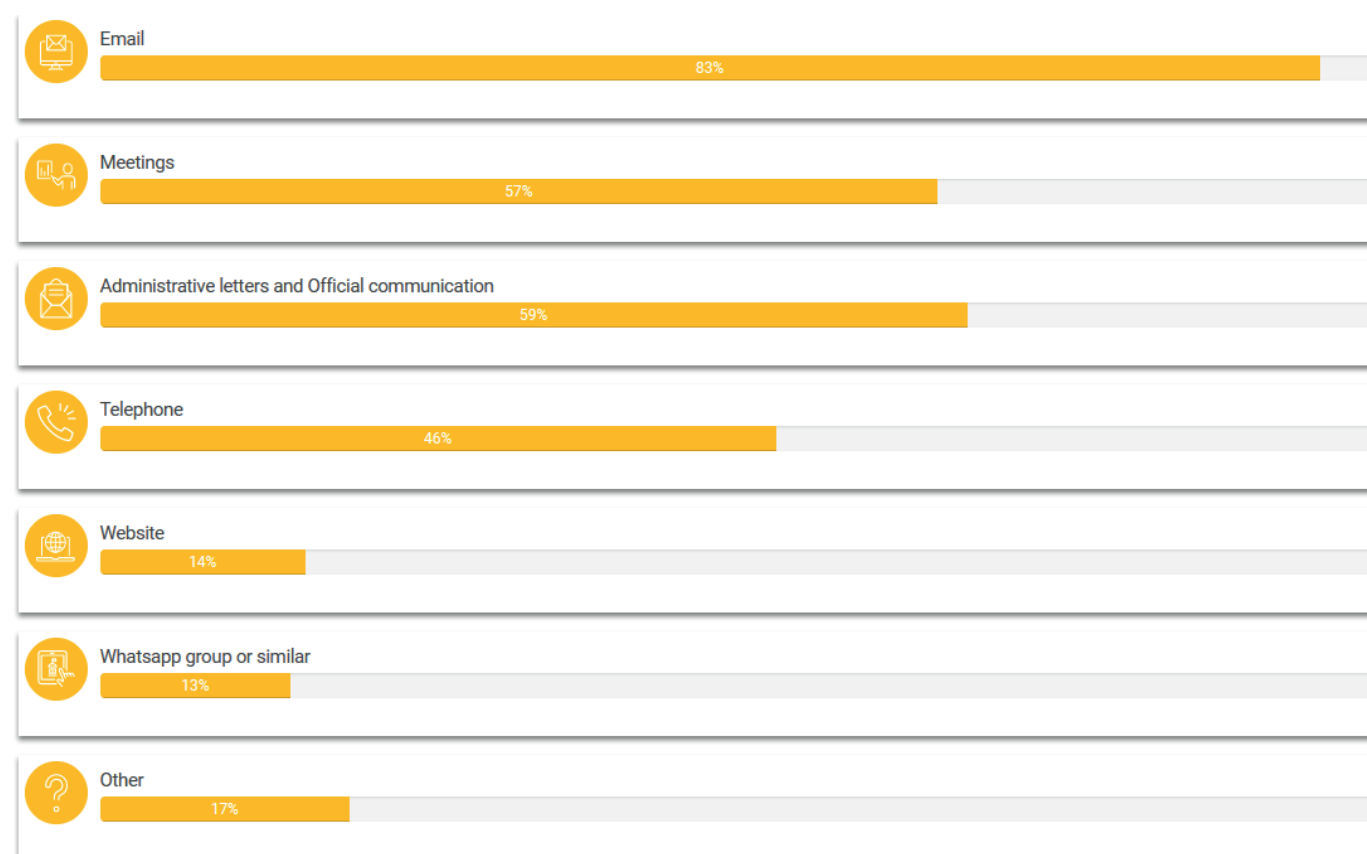
Interesting enough, not only NTFCs are less probable to have a communication strategy in 2022 than two years ago, but there is also a general drop in the number of communication channels used to exchange with trade facilitation stakeholders.

For instance, as can be seen in detail in Figure 25 communication with stakeholders via email has dropped from 94 per cent in 2020 to 83 per cent in 2022. The use of administrative letters as a channel of communication has decreased to 59 per cent compared to 73 per cent in 2020. The use of meetings as communication channels has not suffered as much from the COVID-19 restrictions as one could have thought. 61 per cent of NTFCs used it in 2020 compared to 57 per cent in 2022.

Almost one out of five NTFCs assert not to undertake any communication activities to inform the general public about the country's trade facilitation agenda, with similar results across all levels of development.

All these results show that **there is room for improvement when it comes to ensure that an active communication policy is set up and conducted by NTFCs**. If the NTFC is communicating properly to its stakeholders and beyond, it will be easier for the Committee to ensure political buy-in as well as the support from the trader community, both essential to the sustainability of its activities.

**Figure 25: Channels to inform trade facilitation stakeholders**



How do you keep all stakeholders informed of the NTFC meetings and new documents, upcoming events etc?

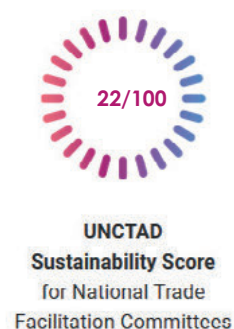
Number of countries included in this sample: 119/119



## 5 TANGIBLE OUTCOMES

As mentioned in UNCTAD 2017 study: “It is crucial to show them (NTFC members) the impact of their work and the return on their investment to join the meetings of the Committee”.

If the NTFC produces tangible results, members will be more motivated to continue participating in the meetings (this is specially the case for the private sector) and high-level support will be granted. All these factors will contribute to make the NTFC sustainable in time. This is why, being able to create concrete outcomes is given one of the highest weights (22 points) in the calculation of UNCTAD Sustainability Score for National Trade Facilitation Committees.



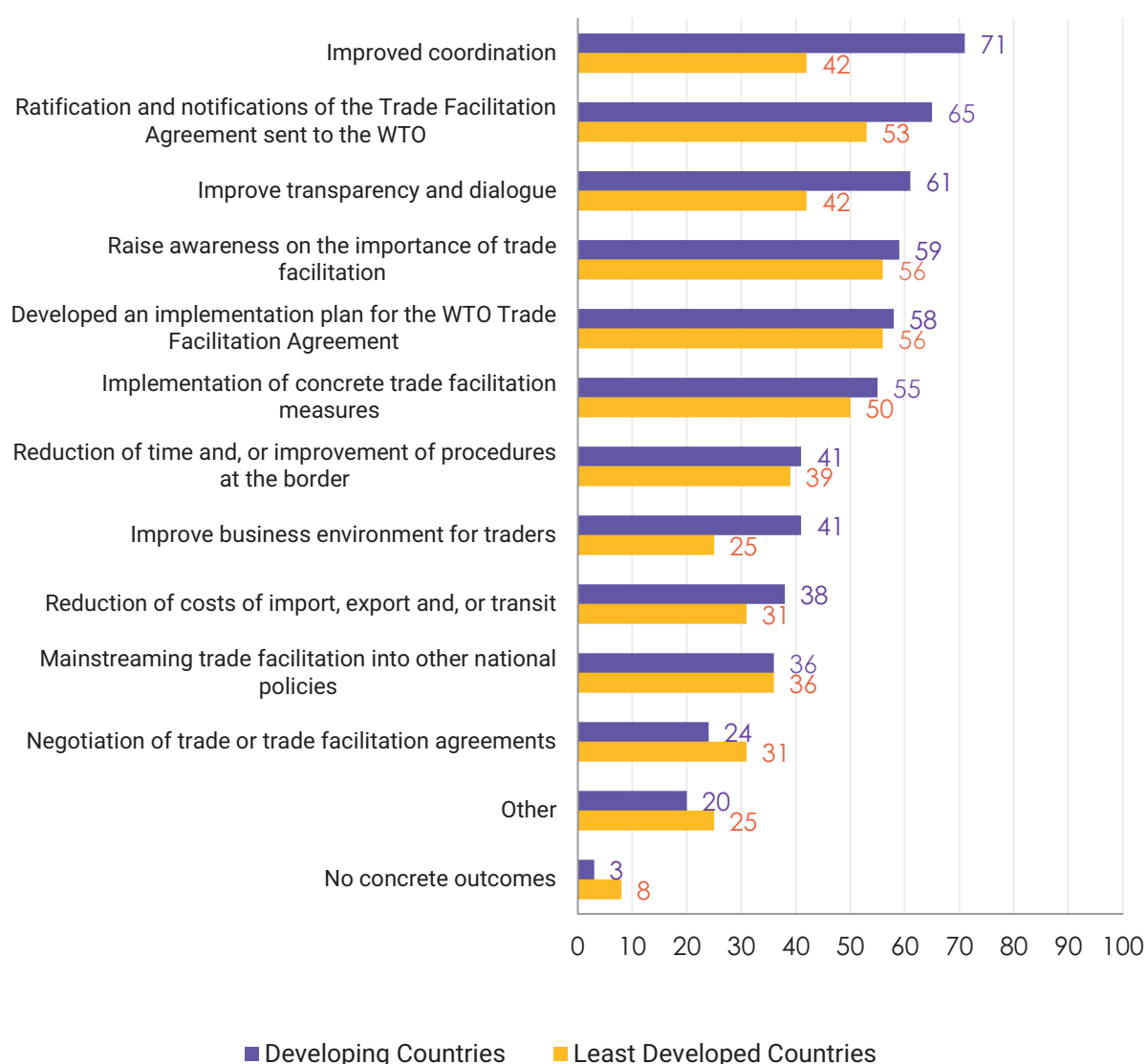
Following the trend from previous studies, there are less NTFCs (currently 4 per cent compared to the 6 per cent in the UNCTAD study 2020) reporting that they have not produce any outcomes. This shows that the entry into force of the WTO Trade Facilitation Agreement has moved NTFCs into taking action and more NTFCs have made sure that their work produces tangible results.

The most cited outcomes among National Trade Facilitation Committees is their improved coordination (57 per cent), the raised awareness on the importance of trade facilitation (57 per cent), and improved transparency and dialogue (54 per cent). Interestingly, these outcomes all have an intangible aspect to it. Looking at the country's level of development in Figure 26, it is noticeable that **a higher percentage of NTFCs from developing countries have reported improved coordination and improved transparency and dialogue than that of least developed countries.**

Regarding outcomes that are related directly to the WTO Trade Facilitation Agreement, more than half of NTFCs have reported that one outcome is that they have sent ratifications and notifications to the WTO (52 per cent). The same percentage of NTFCs have affirmed that they even developed an implementation plan for the Agreement. In this regard, half of the NTFCs have reported a success in the implementation of concrete trade facilitation measures in the country and a third has also reported that they mainstreamed trade facilitation into other national policies.

**Two out of five NTFCs report that their work has contributed to improving the business environment for traders.** In this line, 39 per cent of NTFCs reported that their work has helped reduce time and/ or improved trade procedures at the border and that it also resulted in reduction of costs of import, export, and transit.



**Figure 26: Outcomes of the National Trade Facilitation Committees**

Which concrete outcomes have been produced by the Committee? Number of countries included in this sample: 66 developing countries, 36 least developed countries.

Source: UNCTAD

## SUMMARY AND CONCLUSIONS

This study builds on **information from 134 countries collected until January 2022** via a standardized questionnaire developed by UNCTAD and distributed to chairpersons and secretariats of NTFCs around the world. As such, it is the largest quantitative study ever made on NTFCs.

**It helps NTFCs, identify specific factors relevant for their long-term sustainability.** The purpose of the study is not to judge how things were done in the past, but to identify specific actions that will assist the NTFCs to reorganize and be able to better adapt to challenges in the future.

**The novelty is the introduction of UNCTAD's Sustainability Score for NTFCs.** This Score aims at assessing the sustainability likelihood of the NTFC by identifying key factors contributing to the daily operations of the National Trade Facilitation Committees. Based on the weight those factors have on the Committee's capacity to be functional, it calculates its prospects to be sustainable. As such, the Score focuses on the prerequisites for setting up an efficient NTFC, while considering current practices in each given country.

**UNCTAD Sustainability Score for NTFCs takes into consideration seven clusters of factors:** 1) scope of work; 2) institutional setup; 3) NTFC structure; 4) membership; 5) funding; 6) outcomes; and 7) communication. The hypotheses on the influence of each of these seven factors on the operations of an NTFC have been formulated based on UNCTAD's extensive research and wide-ranging experience supporting. In the UNCTAD Sustainability Scores for National Trade Facilitation Committees, a country can get up to 100 points, with each factor having a different weight within the overall score.

**The Sustainability Score is calculated based on answers given by the chairperson or the secretariat of each NTFC** to a specific UNCTAD survey. The reason for this is that perception that the chairperson or the secretariat of the NTFC has about the sustainability of the own body they lead or administered is a strong indicator of the chances that an NTFC has to be operational in the long term, although it could be seen as a subjective factor.

**The study shows a significant difference in perception of what is crucial for the sustainability of the NTFC** depending on the level of development of the country. In the case of least developed countries, the main sustainability factor for NTFCs is financial assistance and adequate resources. Secondary factors are political commitment, capacity building, and private sector involvement. On the other hand, developing countries prioritize the sustainability factor of having the political commitment and high-level support, and the commitment and high participation of their members. Secondary factors for them are the involvement of the private sector, financial assistance, and adequate resources.

**The greatest obstacle to the sustainability of NTFCs was identified as a lack of funding and resources** by more than a third of the Committees. This percentage goes much higher, all the way to 84 percent, for least developed countries. The lack of awareness of the importance of the NTFC and the lack of understanding of trade facilitation is the second most mentioned obstacles among more than half of the committees.

**This study and the NTFC Sustainability Score serve as a baseline and a clear indication of current challenges NTFCs face**, and highlight what will make them become more resilient in the long-term if identified areas are properly addressed. In the case of least developed countries, this study is a call from NTFCs for further technical assistance and empowerment as they are responsible for the overall coordination and oversight of the implementation of the trade facilitation priority actions in their countries.

## REFERENCES

- FAO (2017). Formalization of informal trade in Africa: Trends, experiences and socio-economic impacts. See <http://www.fao.org/3/a-i7101e.pdf> (accessed on November 2019)
- International Post Corporation (2017), State of e-commerce: global outlook 2016-21, <https://www.ipc.be/services/market-research/e-commerce-market-insights/e-commerce-articles/global-ecommerce-figures-2017>, accessed 30 January 2020
- ITC (2015). National Trade Facilitation Committees, Moving Towards Implementation. International Trade Centre.
- McKinsey & Company (2022). Signed, sealed, and delivered: Unpacking the cross-border parcel market's promise. See <https://www.mckinsey.com/industries/travel-logistics-and-infrastructure/our-insights/signed-sealed-and-delivered-unpacking-the-cross-border-parcel-markets-promise?cid=other-eml-alt-mip-mck&hdpid=46c6b754-9d3a-46e9-b142-5e63d54747a7&hctky=13378770&hlkid=f41193ffc9c14fe9ac3224c6b76ddb28> (accessed on 4 April 2022)
- UNCTAD (2006). Trade Facilitation Handbook Part I – National Facilitation Bodies: Lessons from Experience. United Nations publication. New York and Geneva.
- UNCTAD (2011). Technical Note 18: Multi-agency working group on Trade Facilitation. United Nations publication. New York and Geneva.
- UNCTAD (2015). Trade Facilitation Bodies in the World. United Nations publication. New York and Geneva.
- UNCTAD (2016). Trade facilitation and development: Driving trade competitiveness, border agency effectiveness and strengthened governance. New York and Geneva
- UNCTAD (2017). National Trade Facilitation Committees: Beyond Compliance with the WTO Trade Facilitation Agreement? United Nations publication. New York and Geneva.
- UNCTAD (2017). UNCTAD Information Economy Report. New York and Geneva
- UNCTAD (2018). Article No. 27 - UNCTAD Transport and Trade Facilitation Newsletter N°80 - Fourth Quarter 2018, Is the WTO Trade Facilitation Agreement an enabler of e-Commerce?, <https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=1958>, accessed 30 January 2020
- UNCTAD (2018). UNCTAD Policy Brief No. 65, Fostering Gender Mainstreaming in National Trade Facilitation Committees. United Nations publication. New York and Geneva.
- UNCTAD (2020). National Trade Facilitation Committees as coordinators of trade facilitation reforms United Nations publication. New York and Geneva.
- UNCTAD (2022). Database on Trade facilitation bodies around the world. See <http://unctad.org/tfc> (accessed January 2022).
- UNCTAD (2022). UNCTAD Policy Brief No. 98, Integrating a gender perspective into trade facilitation reforms. United Nations publication. New York and Geneva.
- UNECE (2015). Recommendation N°. 4 - National Trade Facilitation Bodies. ECE/TRADE/425. United Nations publication. New York and Geneva
- UNECE (2015). Recommendation N°. 40 - Consultation approaches Best Practices in Trade and Government Consultation on Trade Facilitation matters. ECE/TRADE/C/CEFACT/2015/9/Rev.1. United Nations publication. New York and Geneva

UNECE (2017), Briefing note on the contribution of UN/CEFACT to UN Sustainable Development Goal 5, Executive Committee, Centre for Trade Facilitation and Electronic Business, Twenty-third session.

UNESCAP (2011). Guidelines on Establishing and Strengthening National Coordination Mechanisms for Trade and Transport Facilitation in the ESCAP Region. United Nations publication.

UNESCAP (2017). Trade Facilitation and Paperless Trade Implementation - Global Report 2017

WCO (2016). National Committees on Trade Facilitation, a WCO Guidance.

WCO (2021). National Committees on Trade Facilitation, a WCO Guidance.

World Economic Forum (2017), Global Gender Gap Report

WTO (2013). Bali Ministerial Decision WT/MIN(13)/36 WT/L/911.

WTO (2014). Agreement on Trade Facilitation. 15 July 2014. WT/L/931.

WTO (2017). National Committees on Trade Facilitation: current practices and challenges.

## ANNEX 1: DETAILED MATRIX OF UNCTAD SUSTAINABILITY SCORE FOR NATIONAL TRADE FACILITATION COMMITTEES

The following table sums up the groupings of factors, their hypothesis, the robustness of their hypothesis. It also presents the questions and answers and their specific scores.

**Table 2: Detailed matrix of UNCTAD Sustainability Score for National Trade Facilitation Committees**

Question in the survey	Hypothesis	Robustness of the hypothesis	Answers	Max pts	Name of category
<b>To what extent is the scope of work of your National Trade Facilitation Committee (NTFC) limited to issues related to the WTO Trade Facilitation Agreement (TFA)?</b>	National Trade Facilitation Committees that, per definition, have limited their activities to the coordination and oversight of the implementation of the WTO Trade Facilitation Agreement risk to become irrelevant once the majority of measures of the Agreement will be in place.	Strong	1 meaning "work limited to WTO TFA" = 0 pts 2= 0,75 pt 3 = 1,5 pt 4= 2,25 pts 5 means "work much broader than the WTO TFA"=3 pts	3	Scope
<b>Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Advise government and make recommendations</b>	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope
<b>Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Collect and disseminate information on Trade Facilitation and awareness raising</b>	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope

Question in the survey	Hypothesis	Robustness of the hypothesis	Answers	Max pts	Name of category
Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Monitor technical assistance projects and programmes (others than the WTO TFA)	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope
Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Monitor the implementation of the WTO TFA	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope
Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Negotiate, promote and monitor new Trade Facilitation Agreements (other than WTO TFA)	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope
Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Organise training sessions and capacity building	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope

Question in the survey	Hypothesis	Robustness of the hypothesis	Answers	Max pts	Name of category
	formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.				
Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Special advice on legal changes	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope
Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Search financing partnerships, fundraising, relationship with donors and implementation agencies	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope
Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Advise and promote the implementation of international trade facilitation standards (UN, WCO...) and other trade facilitation reforms	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope



Question in the survey	Hypothesis	Robustness of the hypothesis	Answers	Max pts	Name of category
<b>Regarding the scope and mandate of the NTFC, how often your NTFC fulfils the following roles? Acting as donor coordinator for trade facilitation initiatives</b>	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Strong	Never= 0 pts Rarely= 0,25 pts From time to time = 0,5 pts Frequently = 0,75 pts Always= 1 pt	1	Scope
<b>To what extent has regional integration been considered within the work of the NTFC?</b>	To ensure that the work of the National Trade Facilitation Committees remains relevant over the years, the scope of action of a National Trade Facilitation Committee needs to be broadly formulated, allowing to adapt itself to the requirements that will arise from future trade facilitation reforms.	Moderate	N/A= 0 pts Not considered = 0 pts It has been considered to some extent = 0,25 pts Very considered= 0,5 pts	0,5	Scope
<b>Has the National Trade Facilitation Committee been officially set up?</b>	NTFCs with a solid institutionalization and legal backing, entail high-level political commitment, strong participation of members and the prevention of possible conflicts of interest between the parties involved.	Strong	No= 0 pts Ongoing = 5 pts Yes = 7,5 pts	7,5	Official set up

Question in the survey	Hypothesis	Robustness of the hypothesis	Answers	Max pts	Name of category
<b>What specific documents were necessary to institutionalize the Committee?</b>	The governmental level includes those decisions taken at a level above a single ministry, that is, decisions that involve the entire executive branch and not just one ministry, including decisions taken by the Council or Cabinet of Ministers, presidential decree, etc. Given the fact that trade facilitation committees have a coordinating role among public agencies, a legal basis at the governmental level may result in a stronger high-level political commitment and might help address potential conflicts of interest among key stakeholders; all these factors contributing to the sustainability of the NTFC.	Strong	Decision or Decree at the level of President / Government / Cabinet of Ministers = 2,5 pts Ministerial level = 0 pts Other = 0 pts	2,5	Official set up
<b>Does the National Trade Facilitation Committee have terms of reference?</b>	Having specific terms of reference that have been validated and officially adopted by the NTFC, will support the operationalization of its activities, thus increasing the chance of the NTFC to be sustainable in time.	Strong	No=0 pts Ongoing = 1.5 pts Yes= 3,5 pts	3,5	Official set up
<b>Does the national trade facilitation committee have a work plan?</b>	Having a defined work plan makes the NTFC more efficient and this increases its chances of being sustainable in time	Moderate	Yes = 5 pts No = 0 pts	5	NTFC structure
<b>Does the national trade facilitation committee meet regularly?</b>	An NTFC that meets regularly has higher chances of being sustainable in time than an NTFCs that does not meet regularly.	Strong	No = 0 pts Yes = 6 pts	6	NTFC structure

Question in the survey	Hypothesis	Robustness of the hypothesis	Answers	Max pts	Name of category
<b>How often does the national trade facilitation committee meet?</b>	A higher frequency of meetings shows than an NTFC is more active and, as such, has higher chances of being sustainable in time. A monthly or quarterly frequency has been demonstrated to be convenient for NTFCs.	Strong	Monthly or Quarterly = 5 pts Twice a year = 3,5 pts Yearly = 2.5 pts Only on an ad-hoc basis = 0 pts Other = 0 pts	5	NTFC structure
<b>Does the NTFC have a permanent secretariat?</b>	Having a permanent secretariat increases the chances of an NTFC to be sustainable	Strong	Yes = 6 pts Ongoing = 3 pts No = 0 pts	6	NTFC structure
<b>Who finances the permanent secretariat?</b>	Having financial resources dedicated to the permanent secretariat increases the chances of an NTFC to be longer operative. This is even more the case if the resources are domestic, since those will not be tight to a specific project or donor.	Strong	Only Domestic resources = 3 pts Both Donors and Domestic resources = 2 pts Only Donor / development partners = 1 pts There is no budget = 0 pts Other = 0 pts	3	NTFC structure
<b>How many people compose the permanent secretariat?</b>	The more people work in the secretariat, the stronger the capacity of the NTFC to operate; thus, the higher the chances for the NTFC to last in time.	Moderate	0 = 0 pts 1 = 1 pts 2 or over 2 = 2 pts	2	NTFC structure
<b>How many members of your NTFC belong to the private sector?</b>	The involvement of the private sector will ensure that the work of the NTFC addresses the needs of the traders' community. If the work of the NTFC translates into benefits for the private sector, the Committee will have more chances of getting the necessary support to ensure its sustainability on the long run.	Strong	0 = 0 pts 1 = 1 pt 2 = 2 pts 3 = 3 pts 4 = 4 pts 5 and over = 5 pts	5	Membership

Question in the survey	Hypothesis	Robustness of the hypothesis	Answers	Max pts	Name of category
What is the level of seniority of the participants?	Senior participants will have more decision power than junior staff, thus making the NTFC more relevant and sustainable.	Moderate	% Senior staff is the highest compared to mid-level and junior = 2 pts If mid-level or junior are the highest = 0 pts	2	Membership
What is approximately the percentage of female members of the committee?	Evidence has shown that bodies with a more balanced representation of women, particularly at the senior level, considerably outperform their counterparts with a lower representation of women. Research has likewise shown that teams with gender parity demonstrate greater potential for innovation. NTFC that perform better have better chances of being sustainable in time.	Moderate	Percentage of women higher than 40% = 1 pt	1	Membership
Is there a budget available for the National Trade Facilitation Committee?	If an NTFC has an allocate budget to finance its activities, it has greater chances of being sustainable in time.	Strong	Yes = 6 pts No = 0 pts	6	Funding
Who finances the NTFC?	Having financial resources dedicated to the NTFC increases the chances of an NTFC to be longer operative. This is even more the case if the resources are domestic, since they won't be tight to a specific project or donor.	Strong	Only Domestic resources = 6 pts Both Donors and Domestic resources = 4 pts Only Donor / development partners = 2 pts Other = 0 pts	6	Funding
Does the national trade facilitation committee have a communication strategy?	If the NTFC is communicating properly to its stakeholders, it will be easier for the committee to ensure political buy-in as well as the support from the trader community,	Strong	Yes = 4 pts No = 0 pts Other = 0 pts	4	Communication

Question in the survey	Hypothesis	Robustness of the hypothesis	Answers	Max pts	Name of category
	both essential to the sustainability of its activities.				
Which concrete outcomes have been produced by the Committee?	If the NTFC produces tangible results, members will be more motivated to continue participating in the meetings (this is specially the case for the private sector) and high-level support will be granted. All these factors will contribute to make the NTFC sustainable in time.	Strong	We don't have any concrete outcomes = 0 pts For each concrete outcome (of a list of 11), +2 pts The answer "other" does not add any points.	22	Outcomes

Printed at United Nations, Geneva  
2217910 (E) – November 2022 – 411

**UNCTAD/DTL/TLB/2022/2**

United Nations publication  
Sales No. E.22.II.D.49

ISBN 978-92-1-113080-5

