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# **Progress report on the World Trade Point Federation**

#### INTRODUCTION

1. The Trade Point Programme was launched at UNCTAD VIII<sup>1</sup> in 1992 as part of a larger initiative to improve trade efficiency. Its main objective was to open international trade to new participants – especially small and medium-sized enterprises (SMEs) – by simplifying and harmonizing trade procedures worldwide, disseminating knowledge about best practices in this regard and giving traders access to advanced technologies and information networks.

- 2. The Trade Point Programme was designed to establish, operate and interconnect Trade Points in all regions of the world. These Trade Points comprise three key elements:
  - They are **trade facilitation centres**, where all participants in foreign trade transactions (e.g. customs, banks, insurance companies, freight forwarders, transport companies, Chambers of Commerce) are grouped together under a single physical or virtual roof.
  - They serve as a source of trade-related information, which provides actual and potential traders with data about business and market opportunities, potential clients and suppliers, trade regulations and requirements, etc.
  - They act as **a gateway to global information networking**. It was decided that all Trade Points would be interconnected through a worldwide network, and equipped with efficient telecommunication tools to link up with other global networks.
- 3. The fierce competition in international markets and rapid technological developments are driving the global Trade Point operations to adapt to the new environment. The Trade Points thus decided, further to the request by the UNCTAD member States,<sup>2</sup> to create an international non-governmental organization in November 2000, with the aim of taking over the Programme from

<sup>1</sup> TD/B/WG.2/7/Add.1 and TD/B/EX(8)/L.4, dated 7 October 1993 and 20 June 1995 respectively.

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 $<sup>^2</sup>$  TD/B/WP/L.102, TD/B/WP/L.93 and TD/B/WP/120, dated 24 September 2001, 6 October 1999 and 9 August 1999 respectively.

UNCTAD and managing it on behalf of its beneficiaries. This World Trade Point Federation (WTPF) is a not-for-profit association under Swiss law, and is located in Geneva, Switzerland.

4. Since its formal establishment and during the first three-year term of its Steering Committee (comprising elected Trade Point Managers, with equitable representation of all regions in the world), the World Trade Point Federation has made considerable progress in the enhancement of the self-management capacity of the Trade Point community. The most important achievements and tasks are described below.

### Strategy and Planning

- 5. A well-functioning executive board consisting of elected Trade Point Directors (the WTPF's Steering Committee and Bureau) was established, which was able to assume its responsibilities and guide the Trade Point community into the newly created environment of the Federation. About ten meetings have taken place since November 2000.
- 6. A Strategic Business Development Plan for the WTPF covering a period of three years was prepared in 2001 with the assistance of an international advisory firm that gave guidance to the undertakings of the Federation thanks to funds received from UNCTAD and the Governments of Belgium and France. This Plan was further worked out in annual operational plans and reviewed through annual progress reports that were submitted to Trade Points at the General Assembly meetings with the aim of contributing to the level of responsibility of Trade Points in the Federation.

#### **Communication and Promotion**

- 7. In order to strengthen the WTPF, well-known personalities in the area of trade and development were invited to become Goodwill Ambassadors. So far, the Federation counts amongst its Goodwill Ambassadors Mr. Cesar Gaviria, Secretary-General of the Organization of American States; Mr. José Maria Figueres, Managing Director of the World Economic Forum and the UN Secretary-General's Special Representative on Information and Communications Technologies; and Mr. Enrique Garcia, Executive President of the Corporation for Andean Development, who actively support the work of the WTPF.
- 8. Strong support has come from a large number of Trade Points in, for instance, the hosting of the annual General Assembly meeting. In 2002, the Government of Lebanon, together with UNDP and ESCWA, financed the meeting that took place in Beirut and in 2003 the Government of Jamaica, with the support of Jamaica Trade Point, Jamaica Promotions Corporation and other agencies, organized the meeting. The Trade Point of Murcia, Spain, jointly with the local government, will host the 2004 General Assembly and strong interest in organizing the 2005 meeting has been expressed by Trade Points from the Asia/Pacific region.
- 9. Until the 2002 edition, the annual Trade Point Review was prepared by UNCTAD. The content and layout of the 2003 Trade Point Review were fully prepared by three Trade Point Managers within a period of a month and a half. UNCTAD was responsible for the update of the Trade Point world map and the printing.

#### **Strengthening of Trade Points**

10. The WTPF focused on the quality level of Trade Points. In total, more than 120 Trade Points in over 80 countries were assisted in their strengthening and about 38 new requests were received

from Governments for the creation of a new Trade Point, coming from both developing and developed countries.

- 11. Trade Points were assisted in the preparation of a legal framework for the creation of regional Trade Point Forums including the election of a Steering Committee in Arab countries and the Asia/Pacific region in November 2001 and in Africa in August 2003. In addition, action plans were drafted.
- 12. Further to the analysis of the needs of Trade Points, the set of documents "How to establish a Trade Point" was updated and enlarged; a guide to the writing of a Trade Point business plan was prepared and disseminated, as well as a user guide for branding guidelines. In addition, customized and decentralized tools management modules were developed for Trade Points, allowing them to enrich the WTPF website with information from their respective countries, as well as user guides for other tools and services offered by the WTPF at a central level. Later, training material was prepared and delivered to Trade Points on the use of the website as a tool to provide services to SMEs and on the use of services.
- 13. Several missions were undertaken to individual Trade Points in Africa, the Americas, Arab countries, the Asia/Pacific region and Europe in order to strengthen them and to create awareness in the business communities. Workshops were organized jointly with ITC on trade support services.
- 14. A Memorandum of Understanding between UNCTAD and the WTPF is, at the time of the writing, in preparation and includes a Multi-donor Trust Fund. One of the first contributions to this Trust Fund will come from the Government of France, which has donated to the WTPF through UNCTAD.
- 15. The Corporation for Andean Development (CAF) has donated to the WTPF for the implementation of the WTPF integrated Trade Point websites and related on-line trade facilitation tools in 2004.

#### Website tools and services

- 16. The Federation's website in which both institutional aspects but also trade-related services are being offered to Trade Points and companies to provide worldwide has been developed (www.wtpfed.org). The objective of this website is to provide in a single place all the information that an SME requires in order to conduct international business.
- 17. A high-level inauguration of the WTPF website for Permanent Missions and highly-placed representatives of the partners took place at UNCTAD on 19 February 2003 in the presence of the Secretary-General of UNCTAD, Deputy Directors of the WTO and UN/ECE and representatives of ITC, the Coface Group and Siemens. The more than 100 participants were provided with information on the work of the WTPF and a presentation was made on its new website and services. The feedback that was received from the Missions and other invitees was very positive.
- 18. A WTPF integrated Trade Point website has been developed and is offered to Trade Points. It integrates the website of the Federation at the local Trade Point website level. This greatly facilitates the development and maintenance of a Trade Point website. All updating of services, information and so forth is done by one click at the level of the Federation and is replicated worldwide. The hosting of the websites of all Trade Points is on the server of the Federation, which covers the costs linked to its management.

19. A large number of services have been developed by the WTPF, either alone or jointly with its partners. Among them are the well-known Electronic Trading Opportunities system (ETO), which was further enhanced by the Federation; the Global Company Directory service (GTDS), which is going to be launched in April 2004; company credit ratings, and country information profiles, including taxation information.

## **Partnerships**

20. Partnerships for the provision of services through Trade Points to SMEs have been established with international organizations such as UNCTAD, ITC, the WTO, UN/ECE, the World Bank, the national agency Centre for the Promotion of Imports from Developing Countries (CBI) and key players in the private sector – the Coface Group, Ernst & Young, Siemens and WorldInformation.com. These partners allow the Federation to disseminate trade-related publications, some even on an exclusive basis, and to offer fee-based services with reduced registration costs to companies in developing and least developed countries with the aim of contributing to the development objective of the WTPF.

#### Conclusion

- 21. The impact of the work over the last three years can clearly be felt at the level of the Trade Points and SMEs. At present, Trade Points have access to a large set of tools and services offered to them free of charge, which greatly facilitate their task of providing assistance to SMEs, particularly those located in developing and least developed countries. With regard to SMEs, positive feedback has been received by the Trade Points as more enterprises contact them for assistance; an increased number of business deals have been concluded thanks to the support of a Trade Point the active interaction by e-mail, meetings and telephone calls between Trade Points has increased.
- 22. The achievements described above were made possible thanks to, *inter alia*, the support received by UNCTAD,<sup>3</sup> which, in close cooperation with the WTPF's Steering Committee, assisted in many areas. A clear increase in the number of activities undertaken by Trade Points to support the WTPF at the central level was also noticeable in areas such as the development and management of the website of the Federation as well as its design and branding, the WTPF integrated Trade Point website, the ETO system and the production of a large set of user guides, all to be given to trade Points free of charge. Other Trade Points prepared the annual Trade Point Review, organized meetings, prepared and implemented regional action plans, prepared marketing material for the General Assembly meeting and financially assisted the WTPF in the application for intellectual property protection of its trademarks in Switzerland.

<sup>&</sup>lt;sup>3</sup> TD/B/WP/L.109 and TD/B/WP/154, dated 24 September 2004 and 8 July 2002 respectively.