TRADE FACILITATION SUPPORT PROGRAM

Challenges and lessons learned from TFA implementation

October 23, 2018
Brussels, Belgium

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TFSP assists developing countries in reforming and aligning their trade facilitation laws, procedures, processes, and systems to enable implementation of the WTO TFA requirements.

- Launched in 2014
- Hosted by the WBG - draws on the expertise of both the World Bank and the International Finance Corporation
- Designed to provide practical and demand-driven assistance
- Focuses on supporting the full and effective implementation of the WTO TFA and related trade facilitation reforms
- Helps client countries identify constraints, plan reforms implementation, and align procedures with international standards covering import, export, and transit activities
- With support from:
TWO OVERALL PROGRAM COMPONENTS

The Program comprises of two main components:

1. Provision of **technical assistance** in developing countries where the WBG helps reform trade facilitation laws, procedures, processes, systems, and consultative mechanisms within the context of the provisions of the WTO TFA, and;

2. Facilitation of **knowledge sharing**, peer-to-peer learning, and the measurement of progress and results.
## OBJECTIVE & BENEFITS OF THE WTO TFA

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<th>Objectives</th>
<th>Benefits for Traders</th>
<th>Benefits for Government</th>
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<td><strong>Transparency &amp; Fairness</strong></td>
<td>▪ Predictability</td>
<td>▪ Better compliance</td>
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<td>▪ Reduced time/costs</td>
<td>▪ More informed decisions</td>
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<td>▪ Creation of a mechanism of accountability for the government</td>
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<td><strong>Better Governance</strong></td>
<td>▪ Reduced costs</td>
<td>▪ Better compliance</td>
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<td>▪ Reduced delays</td>
<td>▪ More effective government</td>
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<td>▪ Reduced complexity</td>
<td>▪ More efficient government</td>
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<td><strong>Modernized Border Procedures and Controls</strong></td>
<td>▪ Reduce clearance times and costs</td>
<td>▪ Alignment with modern business practices</td>
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The import-export and transit process is complex.

The average trade transaction involves 20 – 30 different parties, 40 separate documents, and around 200 data elements (30 of which are repeated many times).

Parties have different objectives, incentives, competencies, and constituencies.

The private sector, which is a critical component to success, is often not invited to consult and participate actively.

There may be limited political understanding of international trade and a lack of willingness to drive change in border agencies.

There may be multiple interpretations of the TFA or lack of a clear understanding of the legal implications of the TFA.

Not all non-Customs border agencies are fully integrated into the TFA agenda.

Challenges exist with selecting activities requiring donor support vs. self-implementation.
LESSONS LEARNED: COMMON CHALLENGES TO ACHIEVING TFA IMPLEMENTATION

Capacity Building, Sharing, and Coordination

1. Capacity building is vital to enhance overall understanding of trade reforms and essential when implementation capacity amongst border agencies vary.
2. Coordination of activities between key border agencies is essential.
3. Sharing of best practices can improve achievements.
4. Bringing together stakeholders can spur reforms by building consensus and securing buy-in and cooperation in delivering projects.

Prioritization and Sequencing

5. Early establishment of a National Trade Facilitation Committees involving both the private and public sectors supports efficient use of resources.
6. Having commitment at all levels is vital to generating results.
LESSONS LEARNED CONT.

Legal

- Having a legal framework for the NTFC Secretariat can ensure the NTFC delivers its mandate effectively
- Codifying interagency cooperation can establish ground rules for how agencies will interact

Planning Reforms and Implementation

- Automation is a big driver for reform
- Synchronized support ensures that technical assistance is carried out simultaneously with capacity building and training
- Baseline measurement – TRS etc..
- Monitoring and measuring progress over time is important to show results
CRITICAL SUCCESS FACTORS

- Change management practices
- Simplification and harmonization
- Public-private dialogue
- Integrity and transparency
- Border agency cooperation & coordination
- Manage risk
- Updated legal frameworks
- ICT support & connectivity

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Thank You

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