AGENDA

• Introduction
• TFA
• TFSP Updates
• Program Highlights
• Closing Remarks
Trade Facilitation Support Program (TFSP)

TFSP funding supports developing countries in reforming and aligning their trade facilitation laws, procedures, processes, and systems for full and effective implementation of the WTO TFA.

- Launched in 2014
- Hosted by the WBG - draws on the expertise of both the World Bank and the International Finance Corporation
- Helps client countries identify constraints, finalize reform priorities, implement reforms
- Supported by:

Provision of practical and demand-driven assistance through:

1. **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.

2. **Facilitation of knowledge sharing**, peer-to-peer learning, and the measurement of progress and results.
Implementation Support to 56 Countries (as of February 2023)

Regional Breakdown

- SSA, 27%
- LAC, 23%
- EAP, 21%
- ECA, 20%
- MENA, 4%

- SAR, 5%

- Albania
- Angola
- Antigua & Barbuda
- Bangladesh
- Bolivia
- Bosnia and Herzegovina
- Botswana
- Burundi
- Cambodia
- Costa Rica
- Egypt
- El Salvador
- Eswatini
- Ethiopia
- Fiji
- Georgia
- Grenada
- Guatemala
- Honduras
- Indonesia
- Jamaica
- Kazakhstan
- Kosovo
- Kyrgyz Republic
- Lao PDR
- Lebanon
- Lesotho
- Liberia
- Madagascar
- Malawi
- Moldova
- Mongolia
- Montenegro
- Mozambique
- Myanmar
- Nepal
- Nicaragua
- Panama
- Papua New Guinea
- Peru
- Republic of North Macedonia
- Samoa
- Sao Tome and Principe
- Serbia
- Sierra Leone
- South Africa
- Sri Lanka
- St. Kitts & Nevis
- St. Lucia
- Tajikistan
- Timor-Leste
- Togo
- Tonga
- Vanuatu
- Vietnam
- Zambia
Partnerships & Collaboration

Partnerships are essential to the optimal delivery of TFSP

Examples:

**Global:**
- Advancing efficiencies in safe trade with STDF
- Recommendation No. 38 on TIPs with UN/CEFACT
- TRS (WCO)

**Country:**
- **Georgia:** Complemented USAID support on the AEO program
- **Vietnam:** Collaboration with DFAT bilateral support for the FTA Portal
- **Zambia:** Donor platform in collaboration with other (incl. EU and FCDO)
<table>
<thead>
<tr>
<th>Objectives</th>
<th>Benefits for Traders</th>
<th>Benefits for Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transparency &amp; Fairness</td>
<td>▪ Predictability&lt;br&gt;▪ Reduced time/costs&lt;br&gt;▪ Creation of a mechanism of accountability for the government</td>
<td>▪ Better compliance&lt;br&gt;▪ More informed decisions</td>
</tr>
<tr>
<td>Better Governance</td>
<td>▪ Reduced costs&lt;br&gt;▪ Reduced delays&lt;br&gt;▪ Reduced complexity</td>
<td>▪ Better compliance&lt;br&gt;▪ More effective government&lt;br&gt;▪ More efficient government</td>
</tr>
<tr>
<td>Modernized Border Procedures and Controls</td>
<td>▪ Reduce clearance times and costs</td>
<td>▪ Alignment with modern business practices&lt;br&gt;▪ More effective government</td>
</tr>
</tbody>
</table>
# KEY TECHNICAL TFA ARTICLES

<table>
<thead>
<tr>
<th>Transparency</th>
<th>Concerning fees, charges &amp; formalities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Articles 1-5</strong></td>
<td><strong>Articles 6-12</strong></td>
</tr>
<tr>
<td>1. Publication and availability of information</td>
<td>7. Release and clearance of goods</td>
</tr>
<tr>
<td>2. Opportunity to comment, information before entry into force and consultation</td>
<td>8. Border agency cooperation</td>
</tr>
<tr>
<td>3. Advance rulings</td>
<td>9. Movement of goods under customs control intended for import</td>
</tr>
<tr>
<td>4. Appeal or review procedures</td>
<td>10. Formalities connected with importation and exportation and transit</td>
</tr>
<tr>
<td>5. Other measures to enhance impartiality, non-discrimination and transparency</td>
<td>11. Freedom of transit</td>
</tr>
<tr>
<td>6. Disciplines on fees and charges imposed on or in connection with importation or exportation</td>
<td>12. Customs cooperation</td>
</tr>
</tbody>
</table>

**Institutional Arrangement and Final Provisions**

23. National Trade Facilitation Committee
WTO TFA - CATEGORIES

TFA commitments are divided into three categories with different transitional periods for developing countries and LDCs, allowing for sequencing of reforms:

- To prioritize reforms, Governments need to assess their current alignment with the TFA and identify implementation gaps.

- A correctly sequenced Reform Plan can be used to finalize Category A, B and C Commitments, and to identify indicative and definitive implementation dates, and to define areas requiring technical assistance or capacity building support.

**Category A** commitments are those that are implemented at the same time the TFA comes into effect (for developing countries) or within one year after entry into force (for LDCs).

**Category B** commitments are those that require a transition period for implementation. The implementation timeline for Category B commitments is designated by the country itself.

**Category C** commitments are those that require capacity building before they can be implemented. Countries must report on their progress and designate dates for implementation.
TRANSPARENCY PROVISIONS

Donors must provide to the WTO Trade Facilitation Committee:

- Annual information on their assistance programs
- Contact points for their agencies responsible for providing assistance
- Information on the process and mechanisms for requesting assistance and support

Developing Country Members must provide to the Committee:

- Information on contact points of the office(s) responsible for coordinating & prioritizing assistance and support
TFSP Program
Highlights
Examples of Key Areas of Support Provided

11 TIPs and 10 Single Windows

24 TRS in 18 countries (incl. updated TRS in some countries)

31 risk management frameworks

14 AO/AEO schemes
TFSP Support by TFA Measure

1.1 Publication
1.2 Information Available Through Internet
1.3 Enquiry Points
1.4 Notification
2.1 Opportunity to Comment and Information Before Entry into Force
2.2 Consultations
3 Advance Rulings
4 Procedures for Appeal and Review
  4.1 Notifications for Enhanced Controls or Inspections
  4.2 Detention
  4.3 Test Procedures
6.1 General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation
6.2 Specific Disciplines on Fees and Charges for Customs Processing Imposed on or in Connection with Importation and Exportation
  6.3 Penalty Disciplines
7.1 Pre-Arrival Processing
7.2 Electronic Payment
  7.3 Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges
7.4 Risk Management
7.5 Post-Clearance Audit
7.6 Establishment and Publication of Average Release Times
7.7 Trade Facilitation Measures for Authorized Operators
7.8 Expedited Shipments
7.9 Perishable Goods
TFSP Support by TFA Measure (cont.)

- 8 Border Agency Cooperation
- 9 Movement of Goods under Customs Control
- 10.1 Formalities and Documentation Requirements
- 10.2 Acceptance of Copies
- 10.3 Use of International Standards
- 10.4 Single Window
- 10.5 Pre-Shipment Inspection
- 10.6 Use of Customs Brokers
- 10.7 Common Border Procedures and Uniform Documentation Requirements
- 10.8 Rejected Goods
- 10.9 Temporary Admission of Goods and Inward and Outward Processing
- 11 Freedom of Transit
- 12.1 Measures Promoting Compliance and Cooperation
- 12.2 Exchange of Information
- 12.3 Verification
- 12.4 Request
- 12.5 Protection and Confidentiality
- 12.6 Provision of Information
- 12.7 Postponement or Refusal of a Request
- 12.8 Reciprocity
- 12.9 Administrative Burden
- 12.10 Limitations
- 12.11 Unauthorized Use or Disclosure
- 12.12 Bilateral and Regional Agreements
- 23.2 National Committee on Trade Facilitation
Measuring Firm-Level Impact through Private Sector Savings (PSS)

Trade facilitation intervention

- Reduced time (time costs)
- Other cost reductions
- Tariff equivalent reduction
- Increased trade
- Increased private sector savings

ECA regional project

- PSS: approx. USD 6 million
- Reforms: reforms made in Albania, Kosovo, Montenegro, North Macedonia, and Serbia, including roll out of AEO programs, support on risk management, and establishment of a One Stop Border Post between Serbia and North Macedonia

South Asia regional project

- PSS: approx. USD 40 + million
- Reforms: support to Nepal and Bangladesh in a variety of areas, including implementation of an Online Licensing Module (OLM) in Bangladesh and improving risk management at the Biratnagar and Birgunj border crossing posts

More examples of PSS calculations for completed projects are available in the TFSP Annual Report
With TFSP funding, the Trade and Gender Study methodology and survey tool was designed to collect quantitative data and identify gender gaps in cross-border trade processes and procedures. The survey was undertaken in 5 Pacific Island countries between 2019-2020.

Since then, the TFSP-developed Trade and Gender Study methodology has been replicated in Brazil, South Africa, the Philippines, and Tajikistan through other funding sources. The survey is planned for Jordan (also through another funding source).

TFSP continues to disseminate the findings and share the importance of collecting such data for inclusive trade.

The work was recently presented at the WTO World Trade Congress on Gender (Dec. 2022), as well as a WBG/TFAF/PIFS Regional Conference (Dec. 2022). The Solomon Islands and Tonga have expressed interest in undertaking this study in their countries.
Lesotho National Single Window

Leveraging technical assistance to make trade faster and more affordable
Lesotho National Single Window

“An online portal for the application, processing and issuance of cross-border regulatory certificates, licenses and permits. It allows parties involved in trade and transport to lodge standardized documents through a single-entry point.”

Lesotho Revenue Authority automation reform agenda

- Customs Modernization Program I (2012-2016)
  - ASYCUDA World introduction
- Customs Modernization Program II (2017-2022)
  - ASYCUDA extension & enhancements
  - Strengthening ASYCUDA resilience and disaster recovery preparedness
  - Lesotho National Single Window (LNSW)
Achieving Results in Europe and Central Asia.....

Kosovo AEO

- **Reform**: Kosovo Customs implemented AEO program.
- **Result**: To date, 5 AEOs have been certified. 1 AEO cited clearance times have been reduced from >24 hrs to <3 hrs. Overall, import processing times have reduced for all traders by 50% at the borders and over 30% at the inland terminals.

Serbia Transit Agreement

- TRS recommended harmonization of clearance procedures w/ neighboring countries to help the business community.
- **Reform**: Agreement between Serbia and North Macedonia signed to establish a joint border crossing for international road traffic at Presevo/Tabanovce.
- **Result**: Exit controls of customs and border police are performed upon entry into each country. As a result, the waiting time for trucks has been reduced from 26 to 10 mins for exports.

Kyrgyz Republic

- TRS recommended Customs Administration standardize procedures across locations and introduce a trusted traders regime.
- **Reform**: Customs Administration initiated implementation of these and other improvements, while WBG also trained phytosanitary and veterinary agencies on how to develop risk-based controls.
- **Result**: 2021 TRS revealed that road import times were reduced to under 9 hrs (compared to close to 20 hrs in 2018).
Why Toolkit Version 3 (TK3)?

- The concept of TIP started 10 years ago in Lao PDR
- TK2 was introduced approx. 4 years ago
- We now have more than 15 users of TIP and at least 3 more in the pipeline

We collected good ideas through feedback by users and experience. It’s time to upgrade TIP!
The concepts embodied in the World Bank’s TIP have gained recognition as the most effective approach to promoting transparency.

UN/CEFACT developed Recommendation No. 38 on good practice for publishing trade information and based it on our TIP.

TK3 will make TIP fully compliant with Recommendation No. 38.
TK3 - Features

Features

- Tools to create a more modern layout and easier navigation
- Improved intelligent search facilities
- Improved administration dashboard
- Q&A user experience:
  - Presents information based on what user wants to do
  - Dynamic presentation of step-by-step procedure
- Uses API to collect trade stats from international sources
- Data exchange
- Use of App technology
- Core collection of data points for analysis
New Multimedia Product: Single Window Animation

https://youtu.be/g-KdfJf478Q
New Multimedia Product: Trade Facilitation Tips Podcast

New podcast explores the big issues and solutions in the world of trade. Highlights voices of traders and experts. First season with six episodes covers key themes: digitization, climate, gender, and more. Donor attribution is on all platforms.

Available on ApplePodcasts, Spotify, and more
Dissemination of TFSP Supported Work and Donor Visibility

Examples of communications materials produced and disseminated on various online platforms. Donor logos and/or mentions are included in the materials.
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
LESSONS LEARNED

Key lessons after 50+ validation and scoping missions and implementation in 45 countries

- **Sharing & Coordination**
  - Sharing of best practices can improve achievements
  - Coordination of activities between key border agencies is essential
  - Bringing together stakeholders spurs reforms

- **Sequencing**
  - Early set-up of NTFC supports efficient use of resources, and having a legal framework is key
  - Codify interagency cooperation

- **Legal**
  - Early set-up of NTFC supports efficient use of resources, and having a legal framework is key
  - Codify interagency cooperation

- **Commitment**
  - Needed at all levels for achieving results

- **Other Lessons**
  - Automation is a big driver for reform
  - Support should be synchronized
  - Monitor and measure progress over time

- **Capacity Building**
  - Implementation capacity varies across border agencies
Looking Ahead
Looking Ahead……

❑ Designing TF & Climate Impact Monitoring Mechanism for Ports and Land Borders

❑ Scaling up through the design & Implementation of:

  ❑ Border Agency Digitization Gap Analysis
  ❑ Mainstreaming Expedited Shipments for Vaccines, Medical, Food and Emergency/Disaster related Cargo
  ❑ Integrating Supply Chain and Food security and safety into cross border TFA implementation (Ukraine case in point).
Thank You