



**TRADE FACILITATION
SUPPORT PROGRAM**
USAID MARKET LINKS WEBINAR



WORLD BANK GROUP

April 26, 2023

Virtual

AGENDA

- **Introduction**
- **TFA**
- **TFSP Updates**
- **Program Highlights**
- **Closing Remarks**

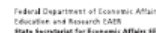
Trade Facilitation Support Program (TFSP)

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

Provision of practical and demand-driven assistance through:

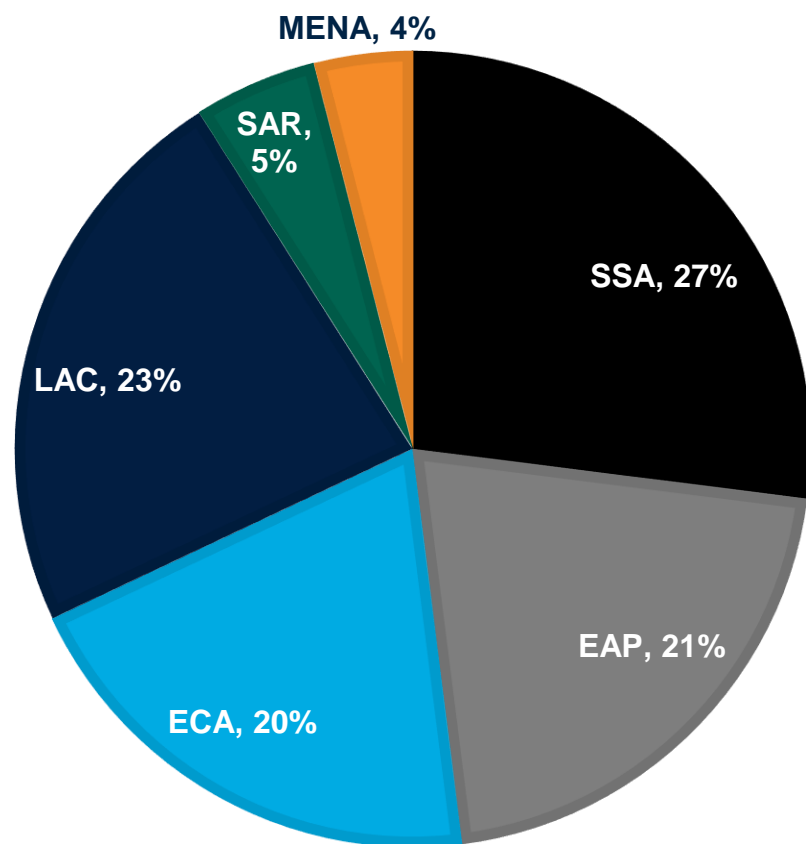
1. **Technical assistance** in developing countries where the WBG helps reform trade facilitation laws, procedures, processes, systems, and consultative mechanisms within the context of the provisions of the WTO TFA
2. **Facilitation of knowledge sharing**, peer-to-peer learning, and the measurement of progress and results

- 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:



Implementation Support to 56 Countries (as of February 2023)

Regional Breakdown



- 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)

OBJECTIVE & BENEFITS OF THE WTO TFA

Objectives	Benefits for Traders	Benefits for Government
Transparency & Fairness	<ul style="list-style-type: none">▪ Predictability▪ Reduced time/costs▪ Creation of a mechanism of accountability for the government	<ul style="list-style-type: none">▪ Better compliance▪ More informed decisions
Better Governance	<ul style="list-style-type: none">▪ Reduced costs▪ Reduced delays▪ Reduced complexity	<ul style="list-style-type: none">▪ Better compliance▪ More effective government▪ More efficient government
Modernized Border Procedures and Controls	<ul style="list-style-type: none">▪ Reduce clearance times and costs	<ul style="list-style-type: none">▪ Alignment with modern business practices▪ More effective government

TRADE FACILITATION AGREEMENT



Section I

Technical Measures

Article 1-12



Section II

**Special and Differential
Treatment Provisions For
Developing Country
Members and Least-
developed Country
Members**

Article 13-22



Section III

**Institutional
Arrangements and
Final Provisions**

Article 23-24

KEY TECHNICAL TFA ARTICLES

Transparency Articles 1-5



1. Publication and availability of information



2. Opportunity to comment, information before entry into force and consultation



3. Advance rulings



4. Appeal or review procedures



5. Other measures to enhance impartiality, non-discrimination and transparency



6. Disciplines on fees and charges imposed on or in connection with importation or exportation

Concerning fees, charges & formalities Articles 6-12



7. Release and clearance of goods



8. Border agency cooperation



9. Movement of goods under customs control intended for import



10. Formalities connected with importation and exportation and transit



11. Freedom of transit



12. Customs cooperation

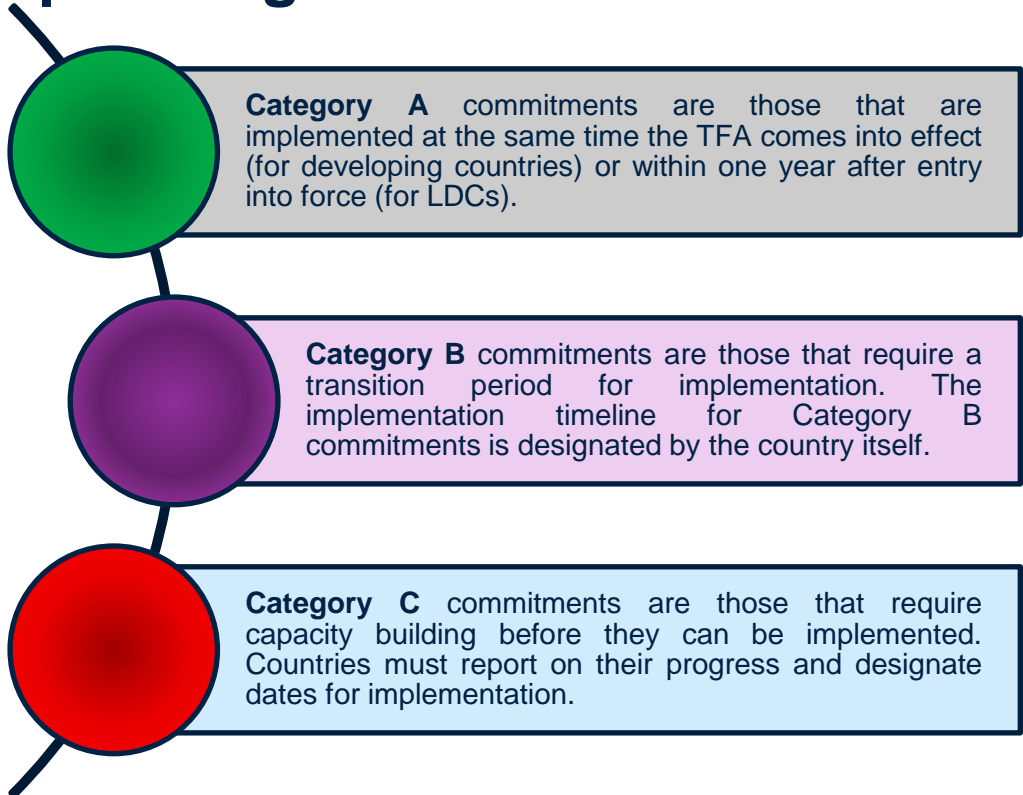
Institutional Arrangement and Final Provisions

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.



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**

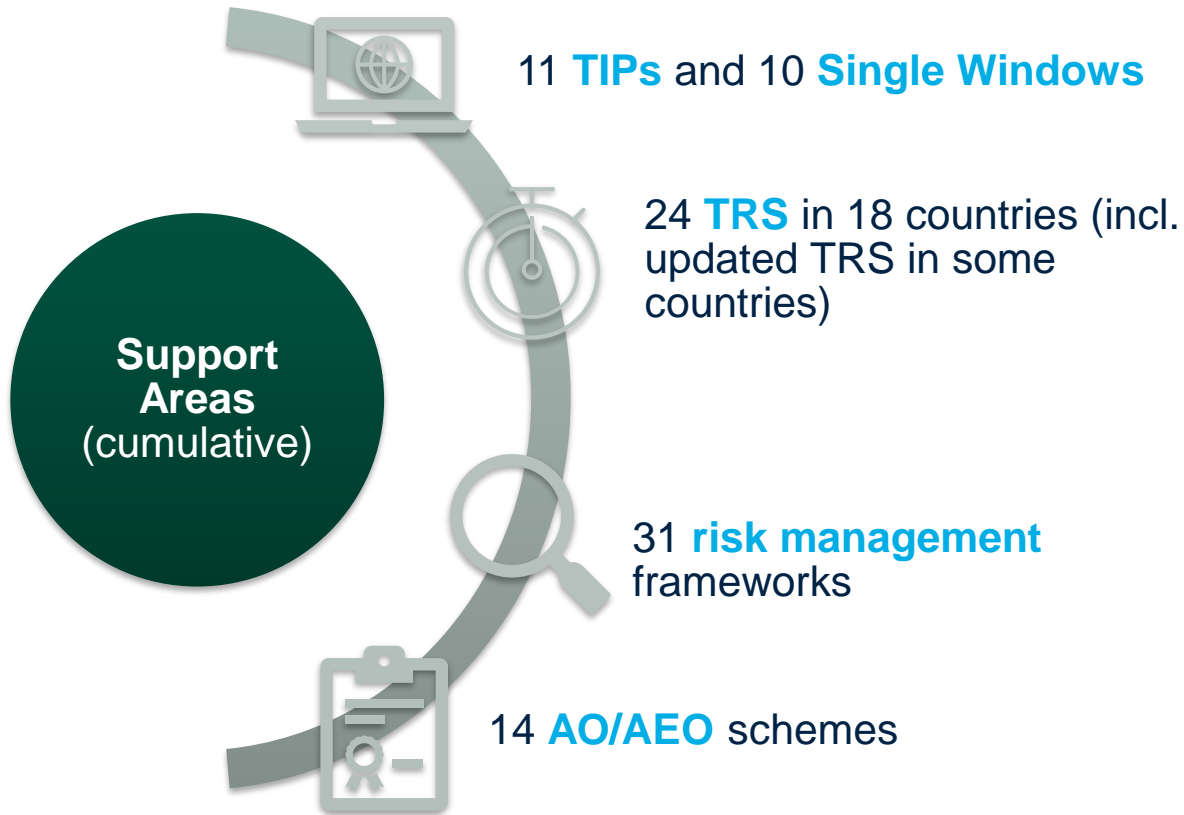
Developing Country Members must provide to the Committee:

- **Information on contact points of the office(s) responsible for coordinating & prioritizing assistance and support**

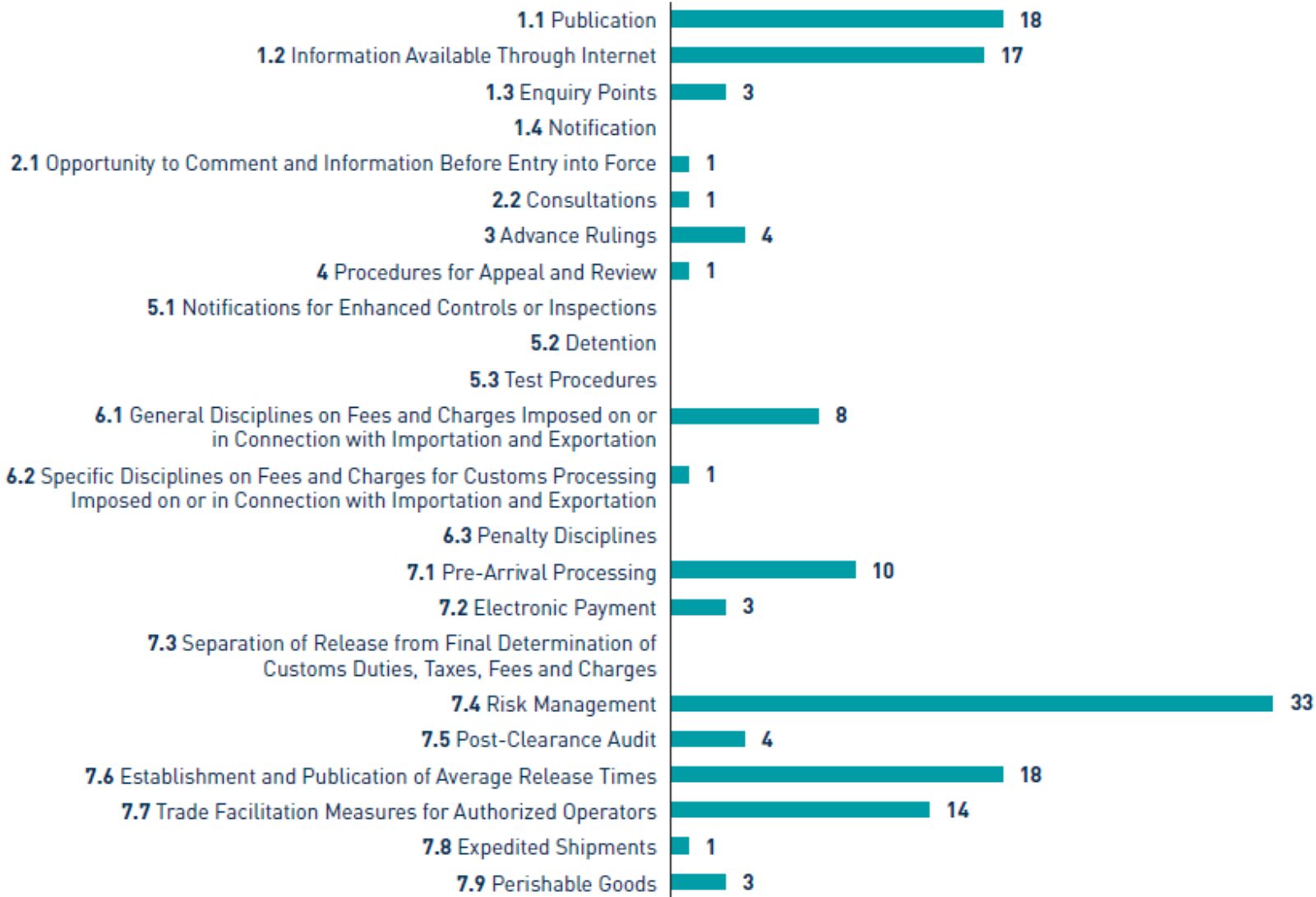
TFSP Program Highlights



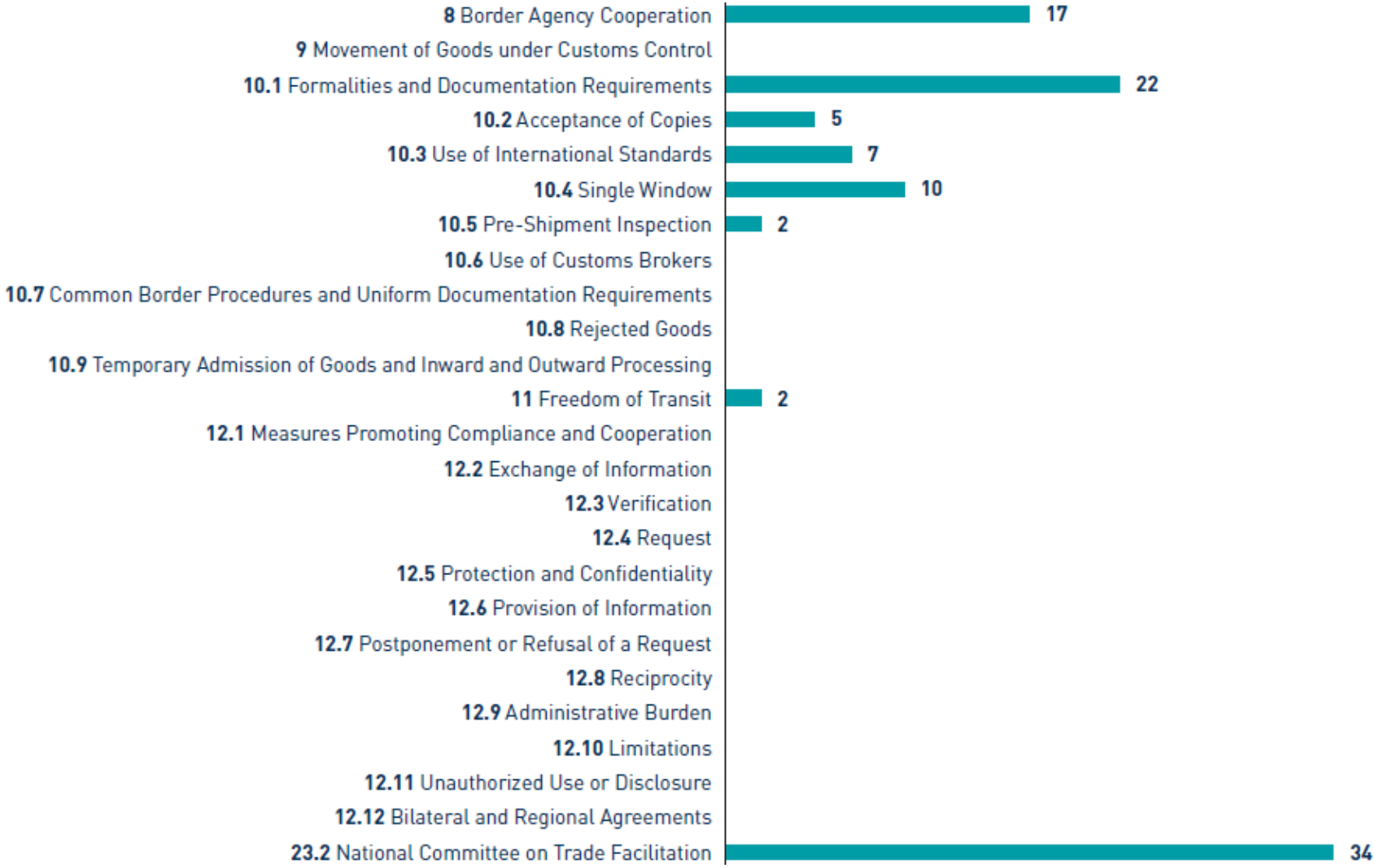
Examples of Key Areas of Support Provided



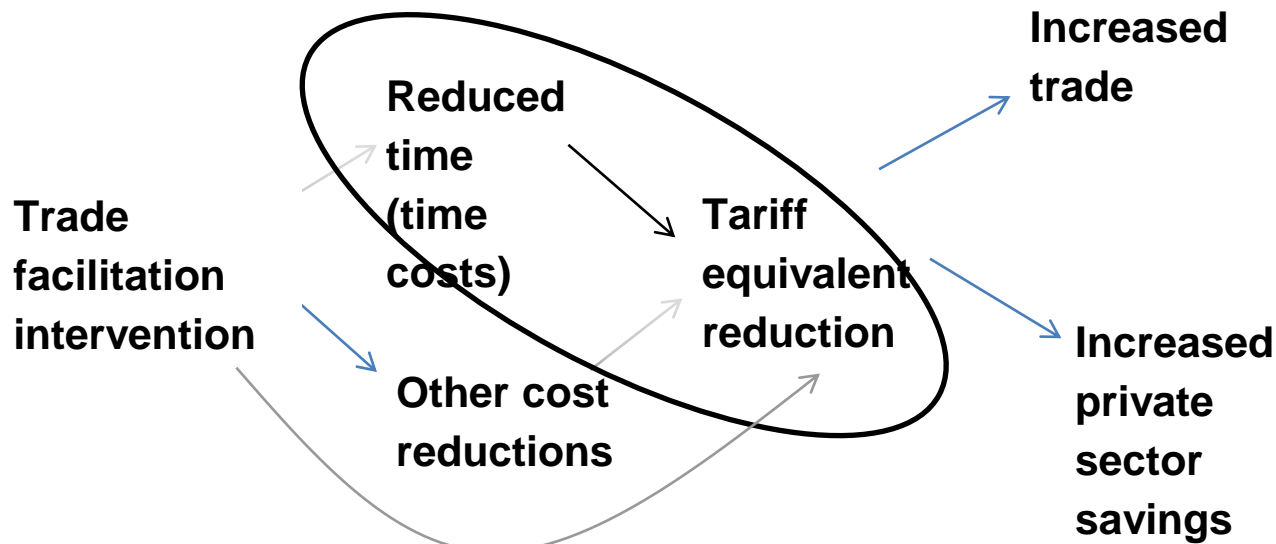
TFSP Support by TFA Measure



TFSP Support by TFA Measure (cont.)



Measuring Firm-Level Impact through Private Sector Savings (PSS)



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

Trade Facilitation and Gender Work

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/TFAP/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).

Trade Information Portal Software Enhancements

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



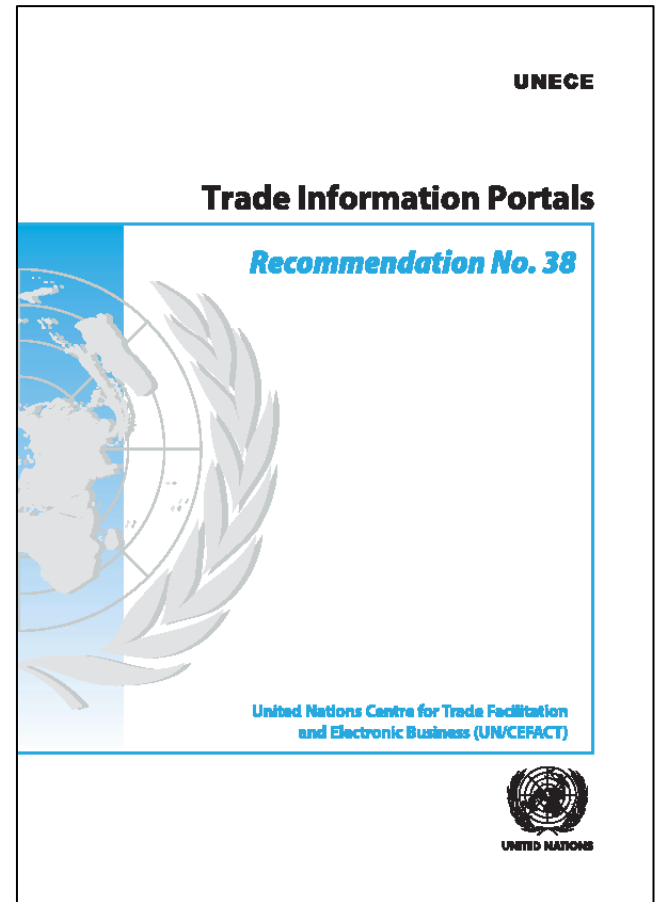
We collected good ideas through feedback by users and experience. It's time to upgrade TIP!

TIP is an International Standard

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



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 collage displays a variety of communication materials from the World Bank Group, including:

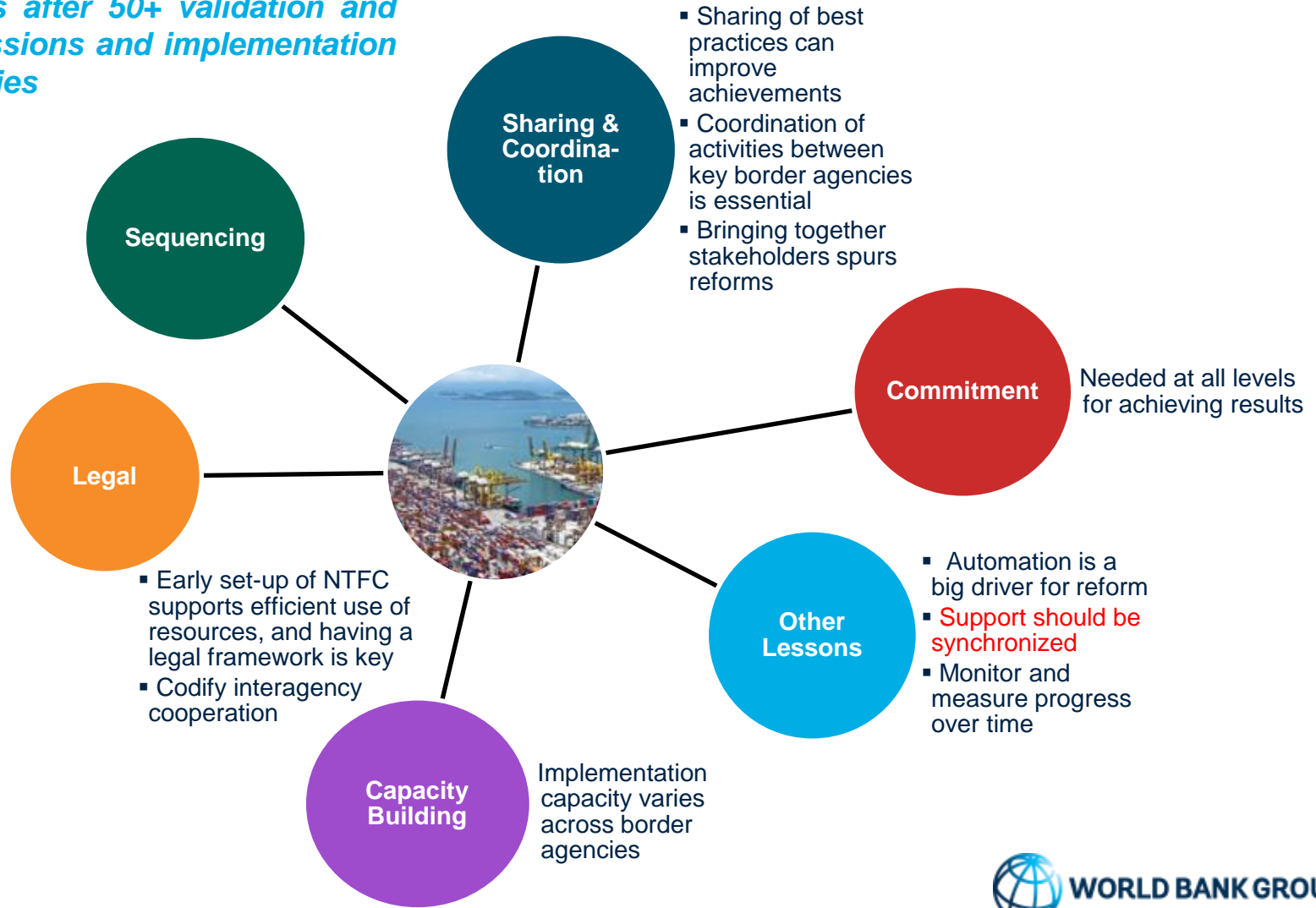
- Trade Facilitation Support Program (TFSP) Website:** A page titled "Trade Facilitation Support Program (TFSP)" with a featured event: "Trade facilitation to improve economic integration in Central America" on November 7, 2022. It includes social media sharing options and a description of the event.
- Trade Facilitation Support Program Graphic:** A graphic with the text "Trade Facilitation Support Program" and "Making trade faster and more affordable" against a background of a port with shipping containers.
- WTO Trade Facilitation Agreement (TFA) Pacific Region Event:** A poster for an event titled "THE WTO TRADE FACILITATION AGREEMENT (TFA) PACIFIC REGION" on December 18, 2022, in Sydney, Australia. It lists sponsors including USAID, the Pacific Islands Development Forum, and the World Bank Group.
- Thank you and our donors:** A graphic listing donors such as Australia Aid, Canada, the European Union, USAID, and the Pacific Islands Development Forum.
- Single Window YouTube Video:** A video player for "Single Window: A path to paperless trade" with a view count of 1.8K.
- Public-private collaboration facilitates the import of vaccines in Tonga:** A news article snippet from "The Trade Post" dated November 16, 2022.
- How can Pacific Island countries better align with the WTO's Trade Facilitation Agreement?** A social media post with a link to a video.
- Thank You:** A graphic similar to the donor list, thanking various partners.
- Twitter Posts:** Several tweets from @WBG_Finance discussing digital trade platforms, automation of border procedures, and the benefits of single windows.
- Facebook Post:** A post titled "A PATH TO PAPERLESS TRADE" with a video player.
- LinkedIn Post:** A post about a research session on gender equality and trade.

REFORM IS NOT EASY...

- **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



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



Ministry of Foreign Affairs of the Netherlands



Norwegian Ministry of Foreign Affairs



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra



USAID
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