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# Building Capacity for Trade Facilitation in the sub-region: towards a SPECA Regional Trade Facilitation Strategy

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# Building Capacity for Trade Facilitation in the sub-region

## Training on 5 items of trade facilitation

- National TF Committees (TFA art.23.2 & UN/CEFACT Rec.4)
- Streamlining formalities and documentary procedures (TFA art. 10.1 & UN/CEFACT Recs and standards)
- Use of international trade facilitation standards (TFA art. 10.3 & UN/CEFACT Recs and standards)
- Implementation of Single Window for export, import and transit clearance, and interoperability of SW systems (TFA art. 10.4 & UN/CEFACT Recs 33-37)
- Implementing National Trade and Transport Monitoring Mechanisms (UN/CEFACT Rec. 42) using BPA and TRS

# Concept of the TF strategy / roadmap

**Short comprehensive document, which will:**

Define a vision (led by SDGs), e.g. to improve efficiency on key TF indicators; lower trade costs, time of exports and imports, e.g. by 50% till 2030;

- Describe the current and desired situations;
- Define goals and indicators of achievement;
- Define activities & monitoring mechanism;
- Define the resources necessary to implement TF;

# Drafting a TF strategy

We are here

- **Initiation Phase**, draft the concept; nominate Lead Editor or Drafting Team (involve the key stakeholder agencies in a country).
- **Drafting Phase** of the document itself: 1) engage countries and stakeholders, 2) discuss with them existing issues and possible activities plan, and 3) define the performance indicators. Outcome – a consolidated draft strategy document. Gradually involve all key stakeholder agencies in all the countries. Good communication is a must. Support for some countries. Should not be an activity imposed from abroad.
  - Multi-stakeholder process – needs identification of issues and activities; resolving arguments (good moderator is needed) – encouraging dialogue, helping conciliate positions, summarizing and pointing to a solution. Workshops and brainstorming sessions necessary.
  - Review: the Drafting Team needs to assess whether the proposed activities of the Roadmap stand a chance to be supported by the key stakeholders.
- **Validation Phase**, the document is presented to the Member States. This phase may include a high-level regional meeting to endorse the strategy and start the implementation of the Activities.

- **Principles:** KISS: Keep It Short and Simple!
- SMART: specific, measurable, attainable, relevant, and time-bound

# Goals

**SPECA countries adopting the Regional TF Strategy should aim to:**

1. implement TF measures and promote TF reforms,
2. Ensure freedom of transit,
3. Streamline formalities and documentation requirements,
4. Improve the performance on a list of TF performance indicators, and help countries develop mechanisms to monitor and measure progress
5. Include TF into other national and regional development plans,
6. Enhance regional cooperation in TF and paperless trade to reduce trade costs and enhance regulatory compliance
7. Enhance the use of international TF instruments and standards.

**2018 request from 2 countries TJ and KZ:**

**Develop more on the current situation with paperless trade**

**Separate the strategy (short) from the list of actions to implement it.**

# Trading across Borders, Doing Business WB

| Economy / group of countries | Rank | export | | | | import | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Border procedures | | Document procedures | | Border procedures | | Document procedures | |
| | | Time for export (hours) | Cost of exports (USD) | Time for export (hours) | Cost of exports (USD) | Time for import (hours) | Cost of import (USD) | Time for import (hours) | Cost of import (USD) |
| Afghanistan | 177 | 48 | 453 | 228 | 344 | 96 | 750 | 324 | 900 |
| Azerbaijan | 84 | 17 | 214 | 33 | 250 | 14 | 300 | 33 | 200 |
| Kazakhstan | 102 | 105 | 470 | 128 | 200 | 2 | 0 | 6 | 0 |
| Kyrgyzstan | 70 | 5 | 10 | 21 | 110 | 72 | 512 | 36 | 200 |
| Tajikistan | 148 | 51 | 313 | 66 | 330 | 107 | 223 | 126 | 260 |
| Uzbekistan | 165 | 112 | 278 | 96 | 292 | 111 | 278 | 174 | 292 |
| East Asia & Pacific | 101 | 54,7 | 382,2 | 57,6 | 109,4 | 69,2 | 415,8 | 57 | 109,5 |
| Europe & Central Asia | 54 | 22,1 | 157,5 | 24,3 | 97,9 | 21,1 | 162,3 | 24,7 | 93,9 |
| High-income OECD countries | 26 | 12,5 | 139,1 | 2,4 | 35,2 | 8,5 | 100,2 | 3,4 | 24,9 |
| Sub-Saharan Africa | 139 | 97,3 | 605,8 | 72,8 | 168,8 | 126,3 | 684,3 | 97,7 | 283,5 |

WB Doing Business Scores
100
90
80
70
60
50
40
30
20
10
0
Afghanistan
Azerbaijan
Kazakhstan
Kyrgyzstan
Tajikistan
Uzbekistan
East Asia & Pacific
Europe & Central Asia
High-income OECD countries
Sub-Saharan Africa
score 2018
score 2019

# Preliminary results of survey of implementation of trade facilitation measures in SPECA countries

# SPECA countries' TFA notifications

# Regional Trade Facilitation Strategy: Roadmap of implementation (Action Plan)

- Identify priority TF measures, and develop regional cooperation
- Strengthen the sustainable functioning of the National Trade Facilitation Bodies. Organize regional & bilateral meetings
- Strengthen cross-border cooperation on Public-Private consultations
- Cooperate on the implementation of international TF standards.
- Develop more detailed national trade facilitation road maps, reflecting the goals of this regional cooperation strategy.
- Exchange best-practice experiences in: electronic payments; appeal systems; periodic review of the use of international standards, exchange of information among Single Window systems, etc.
- Cooperate among the countries on reviewing formalities, documentary requirements and procedures to simplify them; encouraging the harmonization of procedures among the countries.
- Share information, organize joint training activities.
- If possible, establish a SPECA trade facilitation web page.
- Foster exchange of information among se enquiry points.
- develop mutual recognition of AEOs, and exchange of information.
- Harmonize border-crossing procedures among the countries.
- Enhance border agency cooperation;
- Enhance free transit in the region; reinforce the implementation of the TIR Convention; establish separate infrastructure for transit.
- Establish a collaboration mechanism of transit coordinators.
- Use internationally standardized terminology and data definitions.
- Strengthen cross-border cooperation on balancing trade facilitation and compliance.
- Accelerate the establishment of Single Window and/or Port Community Systems, and ensure interoperability in the subregion, using international standards.
- Share experiences on implementing TF measures.
- Enable regional and bilateral exchange of Customs information.
- Participate in the implementation of the Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific.
- Conduct Time Release Studies (TRS) and Business Process Analyses (BPA) of trade procedures along relevant SPECA corridors, and publish the results;
- Build trade and transport facilitation monitoring mechanisms (Recommendation 42: www.unece.org/fileadmin/DAM/trade/Publications/ECE_TRADE_437E_Rec42.pdf).

*Identify Activities Compliance Indicators* (ACI), which measure whether an Activity has been successfully implemented in terms of quantity, quality, time frame and location.

*Prioritize activities:*

*Implementation schedule:*

- Start-up phase:
- Delivery phase: 1-4 years.
- Review phase: 6-12 months before the deadline.

# Thank you !

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