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# SmartLessons

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## Jamaica's Trade Facilitation Task Force: Involving Public and Private Sectors to Improve Competitiveness

*Jamaica is taking steps to strengthen its trade environment as a way to improve the ease and ways of doing business and stimulate growth. In February 2015, Jamaica formed its National Committee on Trade Facilitation, known as the Trade Facilitation Task Force (TF2). During its first year, the Task Force had fruitful consultations with its members in the public and private sectors on how to increase trade facilitation in Jamaica. These consultations laid the foundation for the creation of a Trade Facilitation Project Plan, currently in use as a guide for the execution and monitoring of Jamaica's trade-competitiveness activities. This SmartLesson describes the establishment of the Task Force and the progress of the Project Plan—and shares key lessons learned along the way.*

### BACKGROUND

Following the decision to set up a National Committee on Trade Facilitation (NCTF), there came early determinations regarding the strategic path the Task Force would follow to fulfill its mandate. In the Jamaican context, the Task Force decided at its first meeting that key deliverables should be the creation of a Roadmap and Project Plan that would ultimately serve to guide the processes for fostering a trade environment that supports the transacting of business.

The content of the Roadmap formed the basis of the Project Plan, and implementation of the Project

Plan is already under way. The expected macro outcome from the successful implementation and execution of this Plan is appreciable and sustainable growth in the Jamaican economy. Specifically, the Plan is designed to: 1) reduce the time and cost of cross-border



Task Force members at the Roadmap validation in May 2015 included representatives of the government, customs brokers, shippers, and business associations. (Photo courtesy of the Trade Board Limited)

operations through improved governance of border regulatory agencies; 2) enhance transparency and efficiency of cross-border formalities; 3) strengthen businesses' capacity for compliance with international trade procedure requirements; and 4) enable the country to be compliant with the obligations under the World Trade Organization (WTO) Trade Facilitation Agreement (TFA).

Key steps leading up to the creation of the Trade Facilitation Project Plan were as follows:

- **The Roadmap:** The Task Force decided to draw from the content of 18 existing trade-facilitation studies and reports to produce a roadmap. It also consulted other studies that the International Trade Centre (ITC) identified. These studies and reports served to inform the content of a roadmap, which the Task Force members validated at a two-day workshop.
- **The Memorandum of Understanding:** The ministers and permanent secretaries of ministries that are members of the Task Force signed an MOU for the implementation of trade measures. The MOU required the signatories to support trade-facilitation processes to optimize information sharing and clearly identify the roles and responsibilities of each ministry and/or its departments and agencies. The signatories also agreed to remove obstacles to trade facilitation within each of their organizations without compromising their core functions.
- **International Partners:** Several missions from donor partners, such as the World Bank, UNCTAD, and the ITC, consulted with Task Force members and provided technical assistance in such areas as training and legislative drafting. Specifically, the alliances that were formed with our international partners helped in the creation and validation of the Roadmap, the preparation of the Project Plan, and the implementation of the activities, such as risk assessment, adoption of Harmonized System (HS) Codes by border agencies, and other projects set out in the Project Plan.
- **Cabinet Endorsement:** A Cabinet decision accorded support for the Trade Facilitation Project



The author, Kanika Y. Tomlinson, presents the Trade Facilitation Project Plan to Task Force members in January 2016. (Photo courtesy of the Trade Board Limited)

Plan and recognized it as providing direction and a course of action toward realizing a modernized, internationally competitive trade regulatory infrastructure in Jamaica.

## LESSONS LEARNED

### **Lesson 1: Determine a clear and tangible mandate for the National Committee on Trade Facilitation.**

The TF2 was established as a designated entity to help drive economic growth in Jamaica by addressing the challenges the country faced in establishing a trade-friendly environment. This in turn would help promote Jamaica as a competitive logistic hub for Latin America and the Caribbean. Jamaica's ratification of the WTO Trade Facilitation Agreement in January 2016 and its establishment of the Task Force signaled the country's commitment to establish a competitive trading environment. Thus the Task Force received a mandate to map and drive the implementation of trade-facilitation measures deemed critical to support economic growth and promote competitiveness in Jamaica.

The Task Force was also responsible for ensuring a coordinated approach across the ministries, departments, and agencies of the government of Jamaica, particularly in the development of a single electronic window for trade as well as the implementation of the provisions under the TFA. Such clear and important mandates gave the NCTF a strong focus and direction.

**Lesson 2: Ensure that all relevant stakeholders are included in the composition of the task force.**

After its establishment, the first major undertaking of the Task Force was to call a meeting of its members. It was decided from the outset that the members would include all the relevant ministries, departments, and agencies of the government as well as private sector institutions involved in trade—in recognition that the role of the private sector, which drives production and trade, was even more important than that of the public sector. Private sector entities are the users and beneficiaries of the trading system; thus they are best placed to pinpoint the hiccups and challenges and identify improvements that can be made to address these. As a result, all key public and private sector agencies that affect or can be affected by Jamaica’s trading environment were invited to become members of the Task Force (see Table 1). This ensured general buy-in and support in fulfilling the mandate of the Task Force.

**Lesson 3: It is important to establish a coordinating body to help drive the decisions of the Task Force.**

The Task Force is led by a chairman and supported by the commissioner of the Jamaica Customs Agency, who serves as deputy chairman. The administrative arm of the Task Force is its Secretariat. The Secretariat is housed at the Trade Board Limited and is responsible for coordinating and managing the implementation of the activities outlined in the Trade Facilitation Project Plan. Given the large number of stakeholders and the diversity of activities involved, determining a coordinating body responsible for the administrative duties of the Task Force, in the form of a Secretariat, is critical in the scheme of things. The Secretariat works directly with the chairman and deputy chairman of the Task Force and is responsible for coordinating the flow of information among the members and for generally providing support, facilitating and implementing the decisions of the Task Force.

**Table 1: Members of the Task Force**

Public Sector Stakeholders	Private Sector Stakeholders
<ol style="list-style-type: none"> <li>1. Ministry of Finance and Planning (now Ministry of Finance &amp; the Public Service)</li> <li>2. Ministry of Agriculture and Fisheries (now Ministry of Industry, Commerce, Agriculture &amp; Fisheries)</li> <li>3. Ministry of Foreign Affairs &amp; Foreign Trade</li> <li>4. Ministry of Health</li> <li>5. Ministry of Science, Technology, Energy and Mining (now Ministry of Energy, Science &amp; Technology)</li> <li>6. Ministry of Transport, Works and Housing (now Ministry of Transport &amp; Mining)</li> <li>7. Ministry of National Security</li> <li>8. Ministry of Industry, Investment and Commerce (now Ministry of Industry, Commerce, Agriculture &amp; Fisheries)</li> <li>9. Bank of Jamaica</li> <li>10. Bureau of Standards Jamaica</li> <li>11. National Compliance &amp; Regulatory Authority (formerly part of Bureau of Standards of Jamaica)</li> <li>12. JAMPRO (Jamaica’s investment promotion arm)</li> <li>13. The Trade Board Limited</li> <li>14. Jamaica Customs Agency</li> <li>15. Planning Institute of Jamaica</li> <li>16. Port Authority of Jamaica</li> <li>17. Maritime Authority of Jamaica</li> <li>18. Caribbean Maritime Institute</li> <li>19. Attorney General’s Chambers</li> <li>20. Office of the Cabinet</li> </ol>	<ol style="list-style-type: none"> <li>1. Six major business associations:               <ul style="list-style-type: none"> <li>• Jamaica Manufacturers’ Association</li> <li>• Jamaica Exporter’s Association</li> <li>• Private Sector Organisation of Jamaica</li> <li>• Jamaica Chamber of Commerce</li> <li>• Small Businesses Association of Jamaica</li> <li>• Micro, Small and Medium-Sized Enterprises (MSME) Alliance</li> </ul> </li> <li>2. Shipping Association of Jamaica</li> <li>3. Jamaica Society of Customs Brokers</li> <li>4. Customs Brokers and Freight Forwarders Association of Jamaica</li> </ol>

Source: Author.



Director General of the WTO Roberto Azevêdo, General Manager of the Shipping Association Trevor Riley, and Chairman of the Task Force Patricia R. Francis have a discussion at the Task Force meeting in January 2016. (Photo courtesy of the Trade Board Limited)



P. Terence Leonard, ASYCUDA World Implementation Adviser, United Nations Conference on Trade and Development, addresses participants at the Roadmap validation in May 2015. (Photo courtesy of the Trade Board Limited)

## CONCLUSION

After being in effect for a year, the Project Plan is already proving its worth. The Jamaica Customs Agency has expedited the process by optimizing and simplifying procedures and introducing a paperless environment, non-redundant processes, and risk-based interventions. It has done so through implementation of

the ASYCUDA<sup>1</sup> World System, an IT-based system that interfaces with all border agencies, making applications for licenses and permits electronic. The results are faster clearance times, no paper, and an easier and more efficient business process.

ASYCUDA is being integrated into a Port Community System, which manages and automates port and logistics processes through a single submission of data connecting transport and logistics chains. Once this integration is complete, a modern and effective trade and logistics platform will benefit the business community as well as trade in Jamaica.

Jamaica is also in the final stages of creating an agreement with the World Bank to develop a trade portal to make all regulatory trade-related information readily available in a single integrated website. The aim is transparency and predictability of trade procedures, which should increase the compliance level and reduce the time and cost of doing business for trade.

Our experience with establishing the Task Force and drafting the Project Plan may be of value to teams attempting to improve the trade environment and business competitiveness of other countries. Having an unequivocal mandate, a clear strategy, and broad support made all the difference.

<sup>1</sup> ASYCUDA = Automated SYstem for CUstoms Data.



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