



**Standing Committee
for Economic and Commercial Cooperation
of the Organization of Islamic Cooperation (COMCEC)**

Establishing Well Functioning National Trade Facilitation Bodies (NTFBs) in the OIC Member States



**COMCEC COORDINATION OFFICE
August 2015**



**Standing Committee
for Economic and Commercial Cooperation
of the Organization of Islamic Cooperation (COMCEC)**

Establishing Well Functioning National Trade Facilitation Bodies (NTFBs) in the OIC Member States

**COMCEC COORDINATION OFFICE
August 2015**

This report has been commissioned by the COMCEC Coordination Office to Edna Ramirez Robles. Views and opinions expressed in the report are solely those of the author and do not represent the official views of the COMCEC Coordination Office or the Member States of the Organization of Islamic Cooperation. Excerpts from the report can be made as long as references are provided. All intellectual and industrial property rights for the report belong to the COMCEC Coordination Office. This report is for individual use and it shall not be used for commercial purposes. Except for purposes of individual use, this report shall not be reproduced in any form or by any means, electronic or mechanical, including printing, photocopying, CD recording, or by any physical or electronic reproduction system, or translated and provided to the access of any subscriber through electronic means for commercial purposes without the permission of the COMCEC Coordination Office.

For further information please contact:

COMCEC Coordination Office

Necatibey Caddesi No:110/A

06100 Yücetepe

Ankara/TURKEY

Phone : 90 312 294 57 10

Fax : 90 312 294 57 77

Web : www.comcec.org

TABLE OF CONTENTS

1.	GENERAL FRAMEWORK	4
1.1	INTRODUCTION	4
1.2	THE RELEVANCE OF TRADE FACILITATION WORLDWIDE AND OIC MEMBER COUNTRY'S PERFORMANCE	4
1.2.1.	THE CONCEPT OF TRADE FACILITATION	4
1.2.2.	THE NTFBS & COSTS: COSTS RESULTING FROM LACK OF TRADE FACILITATION MEASURES AND OF THEIR IMPLEMENTATION	7
1.2.3.	THE WORLD BANK'S TRADING ACROSS BORDERS (TAB) INDEX: THE POSITIVE EFFECT OF IMPLEMENTING TRADE FACILITATION MEASURES	11
1.3.	HISTORICAL BACKGROUND OF NTFBS	19
1.3.1.	AN EVOLVING CONCEPT OF NATIONAL TRADE FACILITATION BODIES (NTFBS)	19
1.3.2.	INTERNATIONAL EFFORTS FOR ESTABLISHING NTFBS	19
1.3.3.	THE NTFB INCLUSION IN THE WTO AGENDA	21
1.4.	RATIONALE FOR ESTABLISHING NATIONAL TRADE FACILITATION BODIES (NTFBS)	22
1.4.1.	RATIONALE OF DOMESTIC COORDINATION FOR IMPLEMENTING TRADE FACILITATION MEASURES	23
1.4.2.	WTO LAW MANDATES THE ESTABLISHMENT OF NTFBS	24
1.4.3.	BENEFITS OF IMPLEMENTING ARTICLE. 23.2 AND NTFBS' ROLE IN IMPLEMENTING TFA OBLIGATIONS	25
2.	NTFBS: A WORLDWIDE OVERVIEW	26
2.1.	INTRODUCTION	26
2.1.1.	TYPES OF NATIONAL TRADE FACILITATION BODIES	26
2.1.2.	OVERVIEW: DATA ON NTFBS IN THE WORLD	26
2.2.	FEATURES OF TOP NTFBS WORLDWIDE FROM DEVELOPED COUNTRIES (PRO COMMITTEES)	29
2.2.1.	SWEDEN (SWEPRO)	29
2.2.2.	JAPAN (JASTPRO)	32
2.3.	FEATURES OF TOP NTFBS WORLDWIDE FROM DEVELOPING COUNTRIES	35
2.3.1.	SOUTH KOREA	35
2.3.2.	SINGAPORE	37
2.4.	WORLDWIDE CASES, SUCCESS FACTORS AND ACHIEVEMENTS FROM NTFBS	39
2.4.1.	GENERAL SUCCESS FACTORS DRAWN FROM TOP CASES	39
3.	NATIONAL TRADE FACILITATION BODIES AND SIMILAR MECHANISMS IN THE OIC MEMBERS	41
3.1.	INTRODUCTION	41
3.2.	OIC MEMBERS LACKING NTFBS	42
3.2.1.	ARAB GROUP	42
3.2.2.	ASIAN GROUP	42
3.2.3.	AFRICAN GROUP	43
3.2.4.	COMMON OBSTACLES FOR ESTABLISHING A NTFB	43
3.2.5.	PROPOSED SOLUTIONS FOR ESTABLISHING A NTFB	43
3.3.	OIC MEMBERS WITH NTFBS OR SIMILAR MECHANISMS	44
3.4.	OIC MEMBER STATES WITH NOT FUNCTIONING NTFBS OR SIMILAR MECHANISMS	47
3.4.1.	AFGHANISTAN	47
3.4.2.	ALBANIA	48
3.4.3.	AZERBAIJAN	48

3.4.4.	BANGLADESH	49
3.4.5.	BAHRAIN.....	51
3.4.6.	KAZAKHSTAN	51
3.4.7.	MALI	52
3.4.8.	NIGER.....	52
3.4.9.	SAUDI ARABIA	53
3.4.10.	SIERRA LEONE.....	54
3.4.11.	SUDAN	54
3.4.12.	TAJIKISTAN.....	55
3.4.13.	THE GAMBIA.....	55
3.5.	OIC MEMBERS WITH FUNCTIONING NTFBS OR SIMILAR MECHANISMS	55
3.5.1.	BENIN.....	55
3.5.2.	BURKINA FASO.....	56
3.5.3.	CAMEROON.....	57
3.5.4.	EGYPT.....	58
3.5.5.	KYRGYZ REPUBLIC.....	58
3.5.6.	NIGERIA	59
3.5.7.	PAKISTAN.....	60
3.5.8.	SENEGAL.....	62
3.5.9.	TOGO	62
3.5.10.	TURKEY.....	63
3.5.11.	UNITED ARAB EMIRATES.....	64
4.	FIELD CASE STUDIES FROM OIC MEMBERS STATES	65
4.1.	INTRODUCTION	65
4.2.	OIC MEMBER STATES WITH NTFBS AND/OR SIMILAR COORDINATION MECHANISMS NOT FUNCTIONING PROPERLY.....	65
4.2.1.	CASE FROM THE ARAB GROUP: LEBANON (NON-WTO MEMBER)	65
4.2.2.	CASE STUDY FROM THE ASIAN GROUP: INDONESIA	70
4.2.3.	CASE STUDY FROM THE AFRICAN GROUP: UGANDA.....	75
4.2.4.	COMMON OBSTACLES IN THE FUNCTIONING OF NTFBS	81
4.2.5.	PROPOSED SOLUTIONS FOR OIC MEMBER STATES WITH NTFB AND OTHER COORDINATION MECHANISMS THAT DO NOT FUNCTION PROPERLY	82
4.3.	OIC MEMBER STATES WITH NTFBS AND/OR SIMILAR COORDINATION MECHANISMS THAT ARE FUNCTIONING PROPERLY	83
4.3.1.	CASE STUDY FROM THE ARAB GROUP: JORDAN.....	83
4.3.2.	CASE STUDY FROM THE ASIAN GROUP: MALAYSIA	92
4.3.3.	CASE STUDY FROM THE OIC ARAB GROUP: MOROCCO.....	99
4.3.4.	COMMON OBSTACLES TO THE FUNCTIONING OF NTFBS	105
4.3.5.	PROPOSED SOLUTIONS FOR FUNCTIONING NTFBS.....	105
4.4.	CONCLUSIONS AND RECOMMENDATIONS FOR OIC MEMBERS.....	106
4.4.1.	CONCLUSIONS	106
4.4.2.	RECOMMENDATIONS.....	108
	BIBLIOGRAPHY	117
	<u>ANNEXES:</u>	
	ANNEX A: FIGURES RANKINGS REGIONAL GROUPS OIC MEMBERS IN WB AND WITHIN OIC	122
	ANNEX B: CRITERIA FOR SELECTING 6 FIELD CASE STUDIES.....	123
	ANNEX C: QUESTIONNAIRE FOR NTFBS STAKEHOLDERS IN THE FIELD.....	123

List of Tables

Table 1 Top cases WB TAB 2007&2015	11
Table 2 Median and average values of indicators and countries with overall lowest and median rankings	12
Table 3 Change of WB Tab Index Rankings for the OIC Member Countries 2007 & 2015	13
Table 4 OIC Members by Regional Group ranked TB WB 2014	16
Table 5 OIC Members with NTFBs	45
Table 6 OIC Ranking of OIC Members	123
Table 7 Executive table of Lebanon's NTFB factors	123
Table 8 Executive table of Indonesia's NTFB factors	125
Table 9 Executive table of Uganda's NTFB factors	127
Table 10 Executive table of Jordan's NTFB factors	129
Table 11 Executive table of Malaysia's NTFB factors	132
Table 12 Executive table of Morocco's NTFB factors	134

List of Figures

Figure 1 Level of TFA Implementation	9
Figure 2 Level of Development and Costs of implementing Trade Facilitation Measures	9
Figure 3 Existing National Trade Facilitation Bodies	27
Figure 4 Worldwide motivations of establishing a NTFB	28
Figure 5 Existing Mandates of NTFBs in the World	29
Figure 6 Chronology of NTFB in OIC Members	46
Figure 7 Public and Private Stakeholders in Lebanon	67
Figure 8 Public and Private Stakeholders in Indonesia	72
Figure 9 Public and Private Stakeholders in Uganda	79
Figure 10 Public and Private Stakeholders in Jordan	87
Figure 11 Public and Private Stakeholders in Malaysia	94
Figure 12 PEMUDAH's Structure	95
Figure 13 Public and Private Stakeholders in Morocco	102
Figure 14 Foreign Trade Ministry Organization	103
Figure 15 Arab group: OIC vs WB ranking	122
Figure 16 Asian group: OIC vs WB ranking	122
Figure 17 African group: OIC vs WB ranking	123
Diagram 1 Phases of a well-functioning NTFB	116

List of Boxes

Box 1 Various Definitions of Trade Facilitation	6
Box 2 National Trade and Transport Facilitation Committee of Lebanon	70
Box 3 National Trade and Transport Facilitation Committee of Indonesia	75
Box 4 National Trade and Transport Facilitation Committee of Uganda	81
Box 5 National Committee for Trade and Transport Facilitation of Jordan	91
Box 6 National Trade and Transport Facilitation Committee of Malaysia	99
Box 7 National Trade and Transport Facilitation Committee of Morocco	105

Abbreviations:

ACAL	Association Of Insurance Company
ACE	African Coast Europe
ADC	Aqaba Development Corporation
AEO	Authorized Economic Operator
AFACT	Asian Pacific Council For Trade Facilitation An Electronic Business
ALADI	Latin American Integration Association
ALBAPRO	Albania Pro Committee
AMDL	National Agency Of Logistics Development
ANP	Agency National Des Ports
APC	Aqaba Ports Corporation
APRAM	Professional Association Of Shipping Agents & Shipbrokers Of Morocco
ASEAN	Association Of Southeast Asian Nations
ASEZA	Aqaba Special Economic Zone Authority
ASMEX	Moroccan Exporters Association
BAPANAS	National Planting Agency
BAPPENS	National Planting Agency
BEA	Bangladesh Economic Association
BIS	Bank For International Settlements
BGMEA	Bangladesh Garments Manufacturers & Exporters Association
BKMEA	Knitwear Manufacturers & Exporters Association
BSM	National Standards Agency of Indonesia
BPOM	National Foods And Drugs of Indonesia
BTMA	Bangladesh Textile Mills Association of Indonesia
BUILD	Business Initiative Leading Development
CCCI	Chittagong Chamber of Commerce And Industry
CCSD	Costumer Centric Service Delivery
CD	Danube Commission
CFCIM	French Chamber of Trade And Industry
CIT	International Rail Transport Committee
CNEA	National Committee of Business Environment
CPT	Center For Policy Dialogue
DCCI	Dhaka Chamber of Commerce & Industry
DDA	Doha Development Agenda
EAC	East African Community
EAN	International Article Numbering Association
ECA	Economic Commission For Africa
ECEA	Electronic Commerce Europe Association
EDI	Electronic Data Interchange
EDIFACT	Electronic Data Interchange for Administration, Commerce and Transport
EMMA	European Electronic Messaging Association
ESCWA	Economic and Social Commission For Western Asia
ESTTF	Executive Secretariat for Trade and Transport Facilitation

EU	European Union
EUROPRO	Association of Committees on Simplified Procedures for International Trade Within the European Community and European Free Trade Association
EXIMBANK	Bank Of Export Import Bank
FBCCI	Federation of Bangladesh Chambers of Commerce and Industry
FDI	Foreign Direct Investment
FGTAB	Focus Group on Trading Across Borders
FMM	Federation of Malaysian Manufacturers
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GCC	Global Competitive Companies
GFP	Global Facilitation Partnership for Transportation and Trade
IAPH	International Association of Port and Harbors
IBRD	International Bank for Reconstruction and Development
ICC	International Chamber of Commerce
IEC	International Electro-Technical Commission
IFC	International Finance Corporation
IFIA	International Federation of Inspection Agencies
IMO	International Maritime Organization
ISO	International Organization for Standardization
ISRT	Inter-State Road Transit
IRU	International Road Union
IT	International Trade
ITC	International Trade Centre
JASTPRO	Japanese Trade Facilitation Body
JBC	Joint Border Committee
JEDCO	Jordan Enterprise Development Corporation
JFDA	Jordan Food And Drugs Administration
JISM	Jordan Institution for Standards And Metrology
JLA	Jordan Logistics Association
JMA	Jordan Maritime Authority
KACITA	Kampala City Traders Association
KADIN	Indonesia Chamber of Trade And Industry
KEMENKO	Indonesia Ministry of Coordination Economic Affairs
LAITP	Lebanese Association of Information Technology Professionals
LDC	Least Developed Country
LPI	Logistic Performance Index
MAEC	Ministry Of Foreign Affairs And Cooperation
MAMPU	Malaysian Administrative Modernization And Management Planning Unit
MCINET	Ministry Of Industry, Trade Investment And Digital Economy
MAQIS	Malaysian Quarantine and Inspection Services
MCCI	Metropolitan Chamber of Commerce & Industry
MFN	Most-Favored Nation
MIT	Ministry of Industry and Trade

MITI	Ministry of International Trade And Industry
MoA	Ministry of Agriculture
MOC	Ministry of Commerce
MoF	Ministry of Finance
MoFPED	Ministry of Finance Planning And Economic Development
MOH	Ministry of Health
MoI	Ministry of Interior
MoICS	Ministry of Industries Commerce And Supplies
MoICT	Ministry of Information Communication And Technology
MoPIC	Ministry of Planning And International Cooperation
MoT	Ministry of Transport
MPC	Malaysia Productivity Corporation
MPWH	Ministry of Public Works And Housing
MTTI	Ministry of Tourism Trade And Industry
NAFITH	Company for Logistics Services
NGO	Non-Government Organization
NGFT	Negotiating Group of Trade Facilitation
NMC	National Monitoring Committees
NRSE	National Response Strategy on Eliminations
NTB	Non-Tariff Barriers
NTFB	National Trade Facilitation Body
NTTFB	National Trade and Transport Body
NTFC	National Trade Facilitation Committee
NTTCC	National Transit Transport Coordinating Committee
NTTFC	Nepal Trade and Transit Facilitation Committee
NWGTF	National Working Group on Trade Facilitation
OECD	Organization for Economic Cooperation and Development
OECS	Organization of Eastern Caribbean States
OIC	Organization of Islamic Cooperation
OSBP	One-Stop Border Post
PAKPRO	PRO Committee of Pakistan
PELINDO	Indonesia Port Corporation
RMCD	Royal Malaysian Customs Department
SECI	Southeast European Cooperative Initiative
SEMs	Small and Medium-Sized Enterprises
SIMPO	France Trade Facilitation Body
SITPRO	United Kingdom Trade Facilitation Body
SOP	Standard Operating Procedure
SWEPRO	Swedish Trade Procedure Council
SWIFT	Society For Word-Wide Interbank Financial Telecommunications
TA	Technical Assistance
TCTTF	Technical Committee for Trade and Transport Facilitation
TEU	Twenty-Foot Container Equivalent Unit
TF	Trade Facilitation

TFA	Trade Facilitation Agreement
TFC	Trade Facilitation Committee
TFF	Transport Trade Facilitation
TFSB	Trade Facilitation Sub Committee
UAC	United Arab Emirates
UEPB	Uganda Export Promotion Board
UIA	Uganda Investment Authority
UFICA	Uganda Clearing And Forwarding Association
UMA	Uganda Manufactures Association
UN	United Nations
UNBS	Uganda National Bureau Of Standards
UNCCI	Uganda National Chamber Of Commerce And Industry
UN/CEFACT	United Nation Center for The Facilitation of Procedures and Practices For Administration, Commerce and Transport
UNCITRAL	United Nation Commission on International Trade Law
UNCTAD	United Nations Conference on Trade And Development
UNECE	United Nation Economic Commission for Europe
UNESCAP	United Nations Economic and Social Commission for Asia and The Pacific
URA	Uganda Revenue Authority
USAID	United States Agency International Development
UTANSC	United Towns Agency for North South Cooperation
UUM	University Utara Malaysia
WB	World Bank
WCO	World Customs Organization
WG	Working Group
WTO	World Trade Organization

EXECUTIVE SUMMARY

The Standing Committee for Economic and Commercial Cooperation (COMCEC) of the Organization of Islamic Cooperation (OIC) has placed the subject of trade facilitation at the top of its agenda, with the main objective of eliminating trade costs and enhancing the economic development of its 57 Member States. COMCEC is aware that, in order to implement effectively trade facilitation measures, close cooperation and coordination between the main stakeholders is required at a domestic level. This can be achieved through the establishment of National Trade Facilitation Bodies (NTFBs) or similar coordination mechanisms. In order to investigate the NTFBs' state-of-play in the OIC Member States, including the obstacles facing them and recommendations for establishing functioning NTFBs, COMCEC has commissioned this study, which aims to:

- Create awareness on the benefits of NTFBs for implementing trade facilitation measures in OIC Member States;
- Derive practical recommendations; and
- Identify policy options for OIC Member countries for establishing and sustaining well-functioning NTFBs.

This study has been organized into four parts. Part 1 sets out the conceptual framework of the study. It outlines the different definitions of trade facilitation in various international fora. It acknowledges that the most accepted version of trade facilitation makes reference to the simplification, harmonization, and standardization of procedures of international trade in order to lower the costs of such operations. It highlights that over time trade facilitation measures have contributed to a decrease in the number of documents, days, and, thus, costs in importing and exporting from and to OIC Members. Moreover, it presents an historical background with regards to the efforts that international organizations have undertaken in encouraging countries to establish NTFBs. This is the case of the United Nations (UN), with the establishment in 1974 of Recommendation No. 4, which has been revised several times, being the latest time in 2015. Most recently, the World Trade Organization (WTO), also included with the negotiation of its Trade Facilitation Agreement (TFA) (Article 22.3), which was accepted in Bali in December 2013. Finally, it recognizes the main reasons for countries to establish NTFBs, such as: a) designing and implementing effectively trade facilitation measures; b) coordinating the main agencies that participate in cross border trade procedures, such as trade, customs, and transport, whilst taking into account private sector needs; and/or c) creating a common position in the negotiations of the WTO's TFA.

Part 2 of this study provides an overview of the different types of NTFBs or trade coordination mechanisms between stakeholders that have been created worldwide. It also highlights the main features of top NTFB cases from countries that are ranked highest in the Trading Across Borders (TAB) index of the World Bank's (WB) publication Doing Business 2015. Specifically, it examines the cases of Sweden, Japan, South Korea, and Singapore. It presents the main elements of their NTFBs with regards to their main characteristics and contributions. Furthermore, outlines achievements drawn from NTFBs of 40 worldwide cases.

Part 3 focuses on examining the state-of-play of NTFBs and other coordination mechanisms in OIC Members divided up by its three regional groups (Arab, Asian, and African). It differentiates between OIC Members that apparently have not yet established NTFBs or similar mechanisms (18), and those that already have a NTFB in place (39). It highlights the issues raised in *not* establishing an NTFB and

propounds recommendations for establishing functioning NTFBs. Regionally speaking, from the 39 OIC Members that have a NTFB, 15 belong to countries from the Arab group (out of 22 countries), 13 to the Asian group (out of 18 countries), and 11 to the African group (out of 17 countries).

Lastly, Part 4 reflects the results of field trips to six OIC Member countries that have either well-functioning or less well-functioning NTFBs. OIC Member States are grouped according to the following criteria: a) Member States that have NTFBs or similar coordination mechanisms that are not working properly; and b) Member States that have well-functioning NTFBs or similar coordination mechanisms. Specifically, it analyzes the following concepts: description (name, year of establishment, membership, structural organization, objectives, responsibilities, and funding etc.); and NTFB performance (obstacles confronted, lessons learned, and achievements).

In order to select the appropriate field cases, the following factors were taken into account. Firstly, regional distribution, secondly their performance over eight years in World Bank Trading Across Borders, and thirdly whether they have NTFBs in place with some of the eighteen factors identified by UNCTAD, in order to gain a preliminary idea as to whether they are functioning or not (see appendix 2). As a result of these factors, the three field studies of non-functioning NTFBs were Lebanon, Indonesia, and Uganda, and for functioning NTFBs, Jordan, Malaysia, and Morocco.

Bearing in mind that the objective of this study is to contribute to the establishment of properly functioning NTFBs, this study resulted in the following findings:

- First, most of the countries that have performed remarkably well over the years when trading across borders have had an NTFB in place that functions well.
- Second, countries that have established an NTFB exhibit constant achievements in trade facilitation matters.
- Third, although there is no golden rule as to which elements to embrace when establishing an NTFB, countries that include specific elements in their NTFBs tend to function well and in a sustainable manner. These elements are the following: political commitment from hierarchies of public and private sectors; including appropriate membership/attendees; start-up funds, strong institutional and legal framework, consistency in holding meetings, and regular communication strategies (internal and external).
- Fourth, this study clusters these “functioning factors” into two interdependent bases of an NTFB: the organizational and the institutional.
- Fifth, the “organizational factors” of an NTFB are those that help the NTFB to achieve two main objectives: division of labour and work specialization. Thus, from the abovementioned elements, the NTFB’s “organizational factors” may be: political commitment from hierarchies of public and private sectors, the appropriate membership and attendees, as well as start-up funds.
- Sixth, the “institutional factors” of an NTFB are those that provide certainty and create standardised patterns of behaviour in a community, facilitating the interaction between stakeholders. Therefore, from the above mentioned “success factors” the NTFB’s institutional factors may be the case of: a strong legal and institutional framework, consistency in holding meetings, and regular communication strategies.

- Seventh, some factors evolve over time according to stakeholders' needs. This evolution is gradual, and different phases are passed through in order to achieve the main goal of establishing a sustainable NTFB. The three main phases are: establishing an NTFB, making this NTFB work properly, and achieving its sustainability.
- Eighth, the challenge for OIC member states is to understand which phase they are in with regard to establishing a functioning NTFB, and to take the organizational and institutional steps suggested in this study for achieving this ultimate goal.

Last but not least, the analysis contained in this study is enriched by reference to relevant data and figures. Conclusions, practical recommendations, and policy options are derived for member states with a view to establishing properly functioning NTFBs or improving the efficiency of existing NTFBs.

1. GENERAL FRAMEWORK

1.1 Introduction

Part 1 is divided into four sections and presents the conceptual framework of this study. The first section introduces the reader to the subject and the other three sections provide a general background for the rest of the study.

Specifically, in section 2, subsection a. explores the concept of trade facilitation through the different definitions used by various international organizations and NTFBs. Subsection b. highlights the importance of trade facilitation in reducing costs in international trade transactions, whilst acknowledging that there is a cost in implementing measures of this nature, and provides policy solutions for reducing these costs. Moreover, subsection c. gathers information from OIC Member States, based on the World Bank (WB) parameters from the Doing Business publications for 2006, 2007, and 2015, and focuses on the data provided from the WB's Trading Across Borders (TAB) index. Tables highlight the WB ranking of each OIC Member, and show in which place this ranking would fall if compared only with other OIC Member States. Furthermore, subsection c. provides an historic evolution, explaining that over time trade facilitation measures (such as, a decrease in the number of documents, days, and, thus, costs worldwide and within OIC Members) have contributed to an improvement in a Member's WB TAB ranking throughout the years.

Section 3 explains the importance of creating NTFBs in order to coordinate efforts between the public and private sector with a view to designing and implementing trade facilitation measures. To this end, an historical background is presented, which demonstrates the efforts made by international organizations over the years in encouraging countries to establish NTFBs. This is the case of the United Nations (UN), since 1974, with its Recommendation No. 4, which was revised in 2015; and, most recently, since 2004, of the World Trade Organization (WTO), with the negotiation of its Trade Facilitation Agreement (TFA), which was accepted in Bali in December 2013 and now reflected in Article 22.3 of the TFA.

At the end of Part I, Section 4 articulates the main reasons for a country to establish a NTFB, for instance: a) designing and implementing effectively trade facilitation measures; b) coordinating the main agencies that participate in cross border trade procedures, such as trade, customs, and transport, whilst taking into account private sector needs; and/or c) creating a common position in the negotiations of the WTO's TFA.

1.2 The Relevance of Trade Facilitation Worldwide and OIC Member Country's Performance

1.2.1. The concept of trade facilitation

Numerous international organizations that work in this field, as well as National Trade Facilitation Bodies (NTFBs), have characterized trade facilitation as the act of simplification of procedures in international trade operations. In addition to this main feature, other concepts are incorporated in definitions of trade facilitation, such as: harmonization and standardization of trade proceedings; reducing costs; and ensuring that international trade operations are undertaken in a transparent manner.

These concepts are evident in the various definitions employed by relevant entities (including international organizations), which are drawn in the following figure (i.e. Figure 1. Global Enabling Trade Report 2014) of the World Economic Forum (WEF) and subsequent paragraphs. In a global context, ECAs also play a role of central importance in international trade and investment flows. In 2013 alone, the members of the Berne Union, the International Credit and Investment Insurance Association (which includes the activities of both public and private insurers) insured USD 1.9 trillion in credit and investment. Figure 1 shows the trend in new business volumes for the Berne Union membership between 2005 and 2013.

In addition, the Swedish Trade Procedures Council (SWEPRO) acknowledges that: "Trade facilitation is a concept directed towards reducing the complexity and cost of the trade transaction process and ensuring that all these activities take place in an efficient, transparent and predictable manner. Trade facilitation comprises the whole trade chain from exporter to importer, including transportation and payment, with emphasis on the border-crossing and the agencies involved there".¹

Moreover, the United Nations Centre for Trade Facilitation and Electronic Business (UNCEFACT) describes trade facilitation as "the simplification, standardization and harmonization of procedures and associated information flows required to move goods from seller to buyer and to make payment".²

The above definitions set out the elements that make up the concept of trade facilitation guiding the work of each of these institutions. The effect of trade facilitation is what matters most for each stakeholder – reducing costs. The following part of this study explains the costs resulting from the absence of trade facilitation measures and expenditures required for the implementation of such measures.

¹ SWEPRO <http://www.kommers.se/SWEPRO/In-English/What-is-trade-facilitation/>

² UNCEFACT: United Nations Centre for Trade Facilitation and Electronic Business.

Box 1: Various Definitions of Trade Facilitation

All international organizations recognize that trade performance depends on many more factors than trade policy alone. This set of additional factors is often regrouped under the heading of *trade facilitation*. The scope of trade facilitation differs across organizations active in this field. The EIT takes a more holistic approach by considering all trade-enabling measures. For the sake of comparison, the approach of various international organizations to trade facilitation is summarized.

- World Trade Organizations. The WTO defines trade facilitations as “the simplification and harmonization of international trade procedures” covering the “activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade” in the Doha Development Agenda, trade facilitation negotiations focus on freedom of transit, fees and formalities related to importing and exporting and transparency of trade regulations –which essentially relates to border procedures such as customs and port procedures and transport formalities.¹
- European Commission. The Commission defines trade facilitation as the simplification and harmonization of international trade procedures including import and export procedures, which largely refer to the activities (practices and formalities) involved in collecting, presenting, communicating and processing the data required for the movement of goods in international trade.²
- Organization for Economic Co-operation and Development. For the OECD, trade facilitation is about streamlining and simplifying international trade procedures in order to allow for easier flow of goods and trade at both national and international level.³
- United Nations Conference on Trade and Development. For UNCTAD, any measure that eases a trade transaction and leads to time and cost reductions in the transaction cycle fits into the category of trade facilitation. The latter can be effected through more efficient procedures and operations or through removing any deadweight economic loss and redundancies.

It may cover measures regarding: (a) formalities, procedures and documents and the use of standard and electronic messages for trade transactions; (b) the physical movement of goods through improvements in services, the legal framework, and the transport and communications infrastructure, as well as the use of modern information technology tools by services providers and users; and (c) the timely discussion and dissemination of trade-related information to all concerned parties.⁴

- World Customs Organization. For the WCO trade facilitation amounts to the avoidance of unnecessary trade restrictiveness. This can be achieved by applying modern techniques and technologies, while improving the quality of controls in an international harmonized manner.⁵
- World Bank. The term *trade facilitation* refers to a series of complex, border and behind-border measures. Broadly defined, these measures include anything from institutional and regulatory reform to customs and port efficiency and are inherently far more intricate and costly to implement. The Bank’s areas of focus are: infrastructure investment; customs modernization and border-crossing environment; streamlining of documentary requirements and information flows; automation and electronic data interchange (EDI); and competitiveness; transit and multimode transport; and transport security.⁶

Notes

¹http://gtad.wto.org/trta_subcategory.aspx?cat=33121

²http://ec.europa.eu/taxation_customs/customs/policy_issues/trade_facilitation/index_en.htm.

³<http://www.oecd.org/tad/facilitation/whatistradefacilitation.htm>.

⁴http://unctad.org/en/Docs/sdtetlb20051_en.pdf

⁵<http://www.wcoomd.org/en/topics/facilitation/overview/customs-procedures-and-facilitation.aspx>.

⁶<http://go.worldbank.org/QWGE7JNG0>.

1.2.2. The NTFBs & Costs: Costs resulting from lack of trade facilitation measures and of their implementation

In brief, because NTFBs play a positive role in the creation and maintenance of frameworks for trade facilitation measures, the establishment of NTFBs translates into reducing trade costs. However, it can be challenging in specific instances to determine which costs are higher – those that trade facilitation measures will help to reduce, or the costs incurred for the implementation of trade facilitation measures. Moreover, there are certain public policies that can assist in paying them off. However, OECD findings suggest that the costs directly incurred as a result of implementing trade facilitation measures are more than offset by the savings resulting from those trade facilitation measures (savings in terms of rationalisation of staff at the border, enhanced control and revenue collection)³ (OECD, 2005). More recent OECD estimates on the benefits – in terms of reduction in trade costs – resulting from implementation of the WTO's Trade Facilitation Agreement are reproduced in the following sub-section.

Accordingly, it follows that the establishment and maintenance of well-functioning NTFBs – as a trade facilitation measure in itself and as a measure that supports the implementation/functioning of other trade facilitation measures – implies a reduction in the cost of trading, even when implementation costs are taken into account. In addition, the OECD notes that more and more technical and financial assistance is available to developing countries in order to implement trade facilitation measures⁴ and thus the upfront and recurring costs of implementation may be lower for developing countries. Any cost-benefit evaluation of introducing trade facilitation measures (including NTFBs) should take account of this availability and should also make predictions on the basis of a long time frame (i.e. to take account of the fact that large upfront, one-off costs may deliver long-term benefits).

1.2.2.1. Costs resulting from lack of trade facilitation measures

Liberalization of international trade has resulted in more goods crossing more borders. However, there are costs associated with goods crossing borders: These goods are required to comply with the specific formalities and procedures of different authorities. Noticeably, the increase in the traffic of goods has created several difficulties that both public and private sectors face and must find ways to overcome. A significant challenge for public administrations can be the lack of extra financial and human resources to cope with the growth of international trade (in terms of volume and associated complexities resulting from relevant trade laws). For the private sector, complicated trade procedures and requirements imply longer delays for goods to cross borders, resulting in extra costs. The co-existence of multilateral and preferential rules (mainly, rules of origin) increases the level of complexity as firms have different locations for manufacturing, sourcing components, and releasing the final product.

³ See also, Moisé, E. (2013), "The Costs and Challenges of Implementing Trade Facilitation Measures", *OECD Trade Policy Papers*, No. 157, OECD Publishing. <http://dx.doi.org/10.1787/5k46hzqxt8jh-enp>. 4.

⁴ Ibid.

Inefficient border procedures and unpredictable regulations generate increased costs for both the private and public sector. The private sector eventually passes these costs on to consumers.⁵ For the public sector, the implications of inefficient border procedures and unpredictable regulations are lost government revenue, a greater chance of smuggling, and difficulty in implementing trade policy due to the inaccuracy of collected trade statistical data. Last but not least, a country with such practices becomes less attractive for foreign investors and leads to reduced competitiveness for that country's exports.

Developing countries, least-developed countries (LDCs), and, specifically, landlocked countries are remarkably susceptible to the above-mentioned challenges. For landlocked countries, this is due to their dependence on neighbouring regulations. Small and medium-sized enterprises (SMEs) – which tend to be the profile of developing country firms – stand to gain more from trade facilitation because costs may be proportionally higher for SMEs than for larger firms.

Trade facilitation measures mitigate these costs/challenges detailed above by bringing about simple, harmonious, and transparent procedures, based on international standards (SWEPRO, 2015). With respect to estimations on the gains to be achieved through implementation of the WTO's Trade Facilitation Agreement (TFA) in particular, the OECD has made estimations of the benefits of its implementation.⁶ In this regard, it should be recalled that one of the non-negotiable commitments that WTO Members made under the TFA is to NTFBs in order to promote implementation of the TFA (see the discussion below). Relying on data from 152 countries, the OECD estimates that: (i) implementation of the TFA could lead to a 12.5% - 17.5% reduction in worldwide trade costs; (ii) countries that implement the TFA in full will benefit from a greater reduction in trade costs than will be experienced by countries that only implement the minimum requirements of the TFA (i.e., those that implement in full will benefit from a 1.4 – 3.9% greater reduction in their trade costs); (iii) the largest reductions in trade costs are available to low and lower middle income countries as many higher income countries already implement measures that relate to the less hard, “best endeavour obligations” of the TFA.

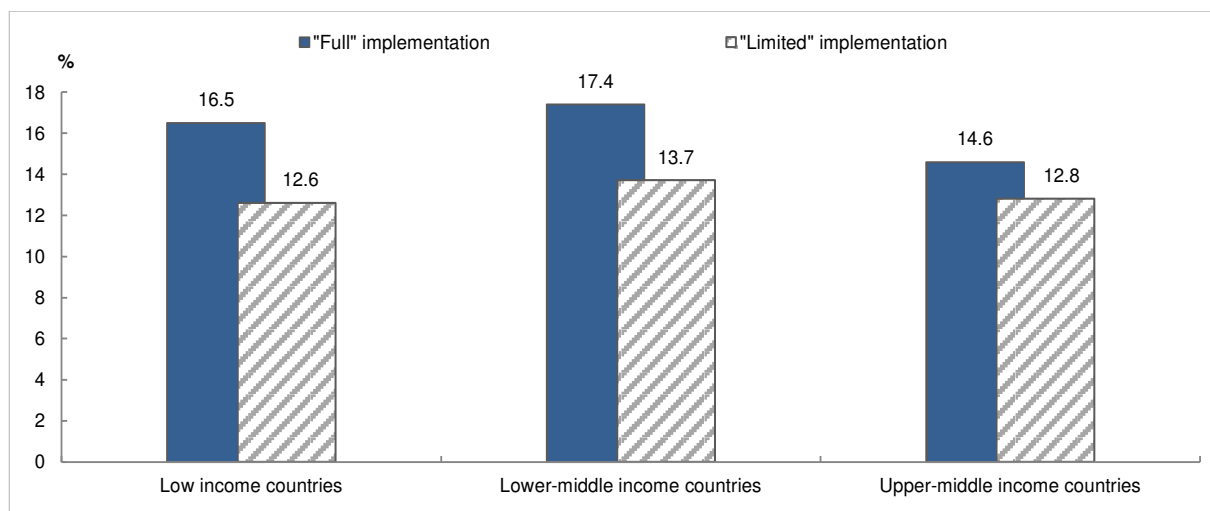
The OECD prepared the following helpful figure⁷ on the potential trade cost reductions depending on the income group, which also distinguishes the potential for trade cost reductions when the provisions of the TFA are fully implemented as opposed to implementation of only the mandatory provisions of the TFA.

⁵ At first blush, it may seem that the costs of implementation are mostly borne by the authorities that have the responsibility of executing these modifications. However, these expenses are actually shared among all participants in the trade chain.

⁶ See OECD Policy Brief, *Implementation of the WTO Trade Facilitation Agreement: The Potential Impact on Trade Costs*, June 2015, http://www.oecd.org/tad/tradedev/WTO-TF-Implementation-Policy-Brief_EN_2015_06.pdf

⁷ Ibid.

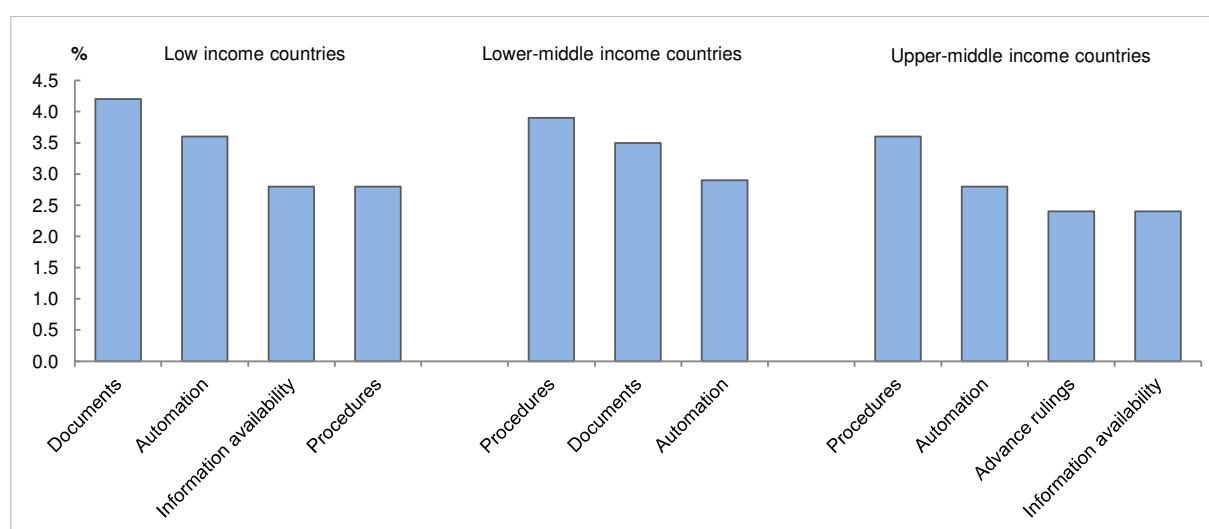
Figure 1: Level of TFA Implementation



Source: OECD

The OECD has also estimated the impacts of different types of trade facilitation measures in terms of reducing costs and prepared the following helpful figure in this respect.⁸ As indicated previously NTFBs have a role in successfully implementing all of the following types of measures: harmonisation and simplification of trade documents; automation of trade and customs processes; making trade-related information available; and the streamlining of border procedures.

Figure 2: Level of Development and Costs of implementing Trade Facilitation Measures (%)



Source: OECD

⁸ Ibid.

1.2.2.2. The cost of implementing trade facilitation measures

The costs of implementing trade facilitation measures can constitute both upfront costs (capital expenditure) and recurring costs (continuing operation costs) and can be categorised as follows for the most part:

- Incorporating new regulations;
- Creating institutional modifications;
- Building capacity; and
- Supplying equipment and infrastructure.

Costs associated with the creation and maintenance of NTFBs can potentially fall within all four of the above categories.

The extent of the above costs can be described as follows: Regulatory costs are minimal because, generally, they only correspond to the time spent by specialized staff working on legislation or amendments of existing laws. Institutional costs arise due to the need to hire additional staff for the new units (e.g. risk management or enquiry points) and the need to train new staff. Building the capacities of existing staff, who simultaneously perform their existing duties, is cheaper than hiring new experts in the field, and is less cumbersome than introducing new experienced hires. The experiences of countries implementing trade facilitation measures is that training is the most important element for ensuring the sustained change in border agencies activities.⁹ Undoubtedly, equipment and infrastructure are the most costly elements (for example, the introduction and maintenance of IT and the creation of single window mechanisms). Sometimes equipment and infrastructure are designed to contribute to the realisation of particular trade facilitation measures (such as automation). Certain trade facilitation measures (such as risk management and pre-arrival processing) are difficult to implement without adequate infrastructure. (OECD, 2005)

In 2013, the OECD has collected and analysed data for 24 countries (developing and LDCs) on the costs incurred by governments in introducing and implementing trade facilitation measures foreseen by the WTO's TFA.¹⁰ The OECD found that the total capital expenditure to introduce trade facilitation measures ranged from 3.5 million to 19 million euro. The maximum annual operating costs for these trade facilitation measures was 2.5 million euro. Moreover, the OECD found that between 2001 and 2011, donor support – i.e., financial and technical assistance for the introduction and implementation of trade facilitation measures – had increased by 365% to USD 381 million.¹¹ It should be noted that these figures were intended to be illustrative – particularly of the relative low costs compared to potential gains – rather than intended to represent any general rules on how should be spent on the introduction and implementation of trade facilitation measures.¹²

⁹ OECD, above n 6, p. 4.

¹⁰ OECD, above n 6. Countries examined included: Argentina, Barbados, Cambodia, Chile, Jamaica, Latvia, Mauritius, Morocco, Mozambique, the Philippines, Senegal, Tanzania, Thailand, Uganda; Zambia; Burkina Faso, Colombia, Costa Rica, the Dominican Republic, Kenya, Lao PDR, Malaysia, Mongolia and Sierra Leone.

¹¹ Ibid., p. 4.

¹² Ibid., p. 6.

1.2.3. The World Bank's Trading Across Borders (TAB) Index: The positive effect of implementing trade facilitation measures

The World Bank's *Doing Business: Trading Across Borders* initiative measures "the time and cost (excluding tariffs) associated with exporting and importing a standardized cargo of goods by sea transport".¹³ The Trading Across Borders (TAB) index in the *Doing Business* (DB) publication of the World Bank (WB) ranks 189 countries in terms of their performance in this regard – on the basis of three indicators (documents required to import/export; time required; and cost) taking account of their distance to frontiers.¹⁴ Thus the index is a useful reference to gauge the relative impact of trade facilitation measures on trading costs.

A review of the index suggests that the implementation of trade facilitation measures (such as rationalisation of documentary requirements and time spent at borders) has had a positive impact for businesses around the globe, including for OIC countries. The following subsections review the indicators relating to those countries ranked by the index as top performers as well as the ranking of OIC Member State countries. The following subsections also reference the average and median scores for these indicators because they are particularly useful to gauge the relative performance of the countries.

1.2.3.1. TAB Index: Top performers overall

The following table shows the top four countries according to the ranking provided by the WB TAB. Specifically, it shows the progress made from 2006 to 2015 in terms of rationalising documentary requirements and the time required to export and import. Notably, the reduction in the number of days required to export and import appears to have been the most significant factor resulting in the top ranking.

The indicators of these world's best performers can serve as a benchmark for OIC Member State countries and be used as a goal to be attained in terms of improved trade facilitation measures.

Table 1: Top Cases WB TAB 2007&2015

WTO Members	Rank WB TAB 2015 (from 189)	Rank WB TAB 2007 (from 170)	Exports						Imports					
			Documents		Time/Days		Costs		Documents		Time/Days		Costs	
			2007	2015	2007	2015	2007	2015	2007	2015	2007	2015	2007	2015
Singapore	1	4	5	3	6	6	382	460	6	3	3	4	333	440
Hong Kong	2	1	2	3	6	6	425	590	2	3	5	5	425	565
Korea	3	28	5	3	12	8	780	670	8	3	12	7	1040	695
Sweden	4	9	4	3	6	9	831	725	3	3	6	6	831	735

Source: World Bank

¹³ World Bank, *Doing Business: Trading Across Borders*, <http://www.doingbusiness.org/data/exploretopics/trading-across-borders>.

¹⁴ For the DB TAB methodology see, <http://www.doingbusiness.org/methodology/trading-across-borders>.

1.2.3.2. TAB Index: Rankings at median point, median values, average scores, and lowest ranking

In order to put the scores of top performers and OIC Member State countries in perspective, it is useful to examine (i) the results of countries ranked at the median line (in overall terms); (ii) the median values for each individual indicator; (iii) the average scores for the three indicators; and (iv) the score of the country with the lowest ranking. The following table sets out this information.

Table 2: Median and average values of indicators and countries with overall lowest and median rankings

WTO Members		Rank WB Tab 2015	Exports 2015			Imports 2015		
			Documents	Time/D ays	Cost USD	Documents	Time /Days	Cost USD
Timor-Leste	Countries at median point (overall)	94	6	28	410	7	26	415
Albania		95	7	19	745	8	18	730
Median for each indicator		n/a	6	17	1,200	7	19	1,420
Average scores		n/a	6	22	1,560	7	24	1,877
Uzbekistan	Lowest ranking	189	11	54	5,090	13	104	6,452

Source: World Bank

It is noteworthy that the average and median scores for documents required for export/import are the same, whereas the averages for the other two indicators are larger than the median values, suggesting that a number of countries with high costs and heavy documentary requirements are raising the averages¹⁵ and the median scores may be better yardsticks for comparison purposes.

1.2.3.3. General observations and the top 20 OIC performers

Table 3 presents data on the 20 OIC Member State countries that are currently most highly ranked by the WB TAB index.¹⁶

A number of observations can be made in relation to the performance of 54 OIC Member State countries in the TAB Index.

First, of the 54 OIC Member State countries covered by the index, only 16 of them fall within the top 50% of performers overall. In other words, a somewhat disproportionate number of OIC Member

¹⁵ For example, an analysis of the data suggests that the cost to export exceeds USD2,000 in only 34 of the 189 countries reviewed (of those 34 countries, three of the countries have a final overall ranking above the 153rd place) and the cost to import exceeds USD2,000 in 50 of the 189 countries reviewed (of those 50 countries, 16 of the countries have a final overall ranking above the 153rd place).

¹⁶ Note two tables providing this information for all OIC Member State countries are contained in Annex 1.

State countries (approximately 66% of them) are ranked in the lower 50% overall. This suggests that there is a large room for the improvement for the OIC Member Countries.

Second, in terms of progress in moving up the index, table 3 indicates that half OIC Member State countries that were most highly ranked in 2015 have actually dropped their rank since the collection of the last set of data, where half of them moved up in rank (sometimes making significant jumps up the ranking). Of course the index is only illustrates the relative rank/performance of countries (i.e., when ranked in comparison to other countries). Thus, in certain instances, the introduction of measures that are increasingly trade facilitative may not translate into a movement up the ranking. However, the, information contained in the following table illustrates how the streamlining of documentary requirements and reduction in the time required for import/export appears (in general) to affect the countries ranking.

Finally, as indicated elsewhere, the three indicators considered cumulatively dictate the ranking and thus a country's positive performance in one field may be offset by a relatively poorer performance in another field, and vice versa. This is illustrated when one examines the following table with the median and average values (set out in above sub-section) in mind.

The following table shows the changes in OIC Member State countries' ranking according to the WB TAB index of the Doing Business publications in 2007 and 2015. The second and third columns highlight the evolution of OIC Members in Trading Across Borders (TAB), and the fourth column shows where they are found to be up-to-date with other OIC Members. The following columns specify the criteria for the 2015 classification. The data for 2006 shows the point of departure for these countries, because in that year no TAB ranking yet existed.¹⁷

Table 3: Change of WB Tab Index Rankings for the OIC Member Countries 2007 & 2015

OIC total Group	Rank WB TAB 2007	Rank WB TAB 2015	Moveme nt in rank (up +; down -)	Rank OIC 2015	Exports				Imports				Cost (USD) – 2015 only	
					Documents		Time		Documents		Time		Export	Import
					2006	2015	2006	2015	2006	2015	2006	2015		
United Arab Emirates	10	8	+3	1	6	3	18	7	6	5	18	7	665	625
Malaysia	46	11	+35	2	6	4	20	11	12	4	22	8	525	560
Morocco	77	31	+46	3	7	4	31	10	11	6	33	14	595	970
Brunei Darussalam	36*	46	-10	4		5		19		5		15	705	770
Tunisia	39	50	-11	5	5	4	25	16	8	6	33	20	805	910

¹⁷ Please note that Palestine, Turkmenistan, and Somalia are OIC Members, but are not included in the data that the WB Doing Business 2015 provides.

*Data for 2008

**Data for 2009

*** Data for 2014

OIC total Group	Rank WB TAB 2007	Rank WB TAB 2015	Moveme nt in rank (up +; down -)	Rank OIC 2015	Exports				Imports				Cost (USD) – 2015 only	
					Documents		Time		Documents		Time		Export	Import
					2006	2015	2006	2015	2006	2015	2006	2015		
Jordan	78	54	+24	6	7	5	28	12	12	7	28	15	825	1235
Djibouti	148	56	+92	7		5		20		5		18	885	910
Oman	115	60	+55	8	9	7	23	10	13	8	27	9	765	700
Qatar	36**	61	-25	9		5		15		7		16	927	1050
Indonesia	60	62	-2	10	7	4	25	17	10	8	30	26	572	647
Bahrain	21**	64	-43	11		6		11		8		15	810	870
Gambia	24	77	-53	12		6		19		6		19	1040	745
Senegal	94	79	+15	13	6	6	6	12	10	6	26	14	1225	1940
Guyana	155	82	+73	14	8	6	42	19	11	7	54	22	730	720
Turkey	79	90	-11	15	9	7	20	13	13	8	25	14	990	1235
Saudi Arabia	33	92	-59	16	5	6	36	13	9	8	44	17	1285	1309
Albania	101	95	+6	17	6	7	37	19	12	8	38	18	745	730
Lebanon	82	97	-15	18	6	4	22	22	12	7	34	30	1080	1365
Egypt	83	99	-16	19	8	8	27	12	9	10	135	82	625	3650
Suriname	43	106	-63	20		8		22		6		19	1050	1190

Source: World Bank

1.2.3.4. Regional analysis of OIC performance

The following table shows the 2015 ranking within OIC Members according to the World Bank (WB) ranking of Trading Across Borders (TAB) when exporting and importing. Within the top 15 countries, eight are from the Arab group, five from the Asian group, and two from the African group. Meanwhile, in the bottom 15 countries, two belong to the Arab group, six to the Asian group, and seven to the African group. Therefore, the Arab group is ranked as the best performer for doing business when trading across borders, followed by the Asian group, and, finally, the African group. Obviously, there are contrasts within the same regional group. This is the case in the Asian group, where, on the one hand, Tajikistan is ranked as the most expensive country with 9,050 USD for exporting and 10,650 USD for importing a container. On the other hand, the country with the lowest costs is Malaysia, spending an average of 542.5 USD per container.

Annex 2 contains tables that set out the performance of, and information on, OIC Member State countries according to their regional grouping (i.e., the Arab Group; the Asian Group; and the African Group).

With respect to the Arab Group, the progress in terms of reduction in number of days for export/import and documentary burden over the past 9 years (from 2006 to 2015) is noteworthy. Moreover, with respect to the cost for import/export (in 2015), countries in the Arab Group are for

the most part lower than the average and median costs of the 189 countries examined in the TAB index. There is relatively significant variance among countries in the Arab Group however.¹⁸ With respect to the Asian Group, the majority of OIC Member State countries falling within this grouping are ranked in the bottom 50% of the 189 covered by the WB TAB index and this grouping include several countries with the lowest rankings overall.¹⁹ In terms of the cost of importing/exporting, this grouping includes the country with the highest cost (worldwide) for import/export²⁰ while also including countries with some of the lowest costs (e.g., Malaysia).

With respect to the African Group, only two of these 17 countries appear in the highest ranked 50% of countries (namely, The Gambia and Senegal). Nevertheless, as indicated elsewhere, rankings do not necessarily tell the full story with respect to progress and improvements being made. Indeed, over the nine years (2006-2015), most of these countries the time and documents required have reduced. The cost for import/export varies greatly depending on the particular country however they are for the most part greater than the world medians/averages.

¹⁸ For example, the country with the highest costs for exports is Iraq, with 3,550 USD per container. The countries with the highest costs for imports are Iraq and Egypt, with containers costing 3,650 USD. The countries with the lowest costs for exports are Morocco (595 USD per container) and, for imports, the United Arab Emirates (625 USD per container).

¹⁹ I.e., those in the following positions (out of 189): 183, 184, 185, 188 and 189.

²⁰ I.e., Tajikistan at USD9,050 for export and USD10,650 for import.

Table 4: OIC Members by Regional Group ranked TB WB 2014²¹

OIC Member total group	Rank OIC	Rank WB TAB	Exports 2014			Imports 2014		
			Documents	Time/ Days	Cost US	Documents	Time/ Days	Cost US
<i>United Arab Emirates</i>	1	8	3	7	665	5	7	625
<i>Malaysia</i>	2	11	4	11	525	4	8	560
<i>Morocco</i>	3	31	4	10	595	6	14	970
<i>Brunei Darussalam</i>	4	46	5	19	705	5	15	770
<i>Tunisia</i>	5	50	4	16	805	6	20	910
<i>Jordan</i>	6	54	5	12	825	7	15	1235
<i>Djibouti</i>	7	56	5	20	885	5	18	910
<i>Oman</i>	8	60	7	10	765	8	9	700
<i>Qatar</i>	9	61	5	15	927	7	16	1050
<i>Indonesia</i>	10	62	4	17	572	8	26	647
<i>Bahrain</i>	11	64	6	11	810	8	15	870
<i>Gambia</i>	12	77	6	19	1040	6	19	745
<i>Senegal</i>	13	79	6	12	1225	6	14	1940
<i>Guyana</i>	14	82	6	19	730	7	22	720
<i>Turkey</i>	15	90	7	13	990	8	14	1235
<i>Saudi Arabia</i>	16	92	6	13	1285	8	17	1309
<i>Albania</i>	17	95	7	19	745	8	18	730
<i>Lebanon</i>	18	97	4	22	1080	7	30	1365
<i>Egypt</i>	19	99	8	12	625	10	82	3650

²¹ OIC Regional Groups: Arab Group: Red ; Asian Group: Yellow; African Group: Blue

OIC Member total group	Rank OIC	Rank WB TAB	Exports 2014			Imports 2014		
			Documents	Time/ Days	Cost US	Documents	Time/ Days	Cost US
Suriname	20	106	8	22	1050	6	19	1190
Pakistan	21	108	8	20.7	765	8	18.4	1005
Togo	22	112	6	24	1015	7	29	1190
Kuwait	23	117	7	15	1080	10	20	1250
Guinea-Bissau	24	119	6	25	1448	6	22	2006
Benin	25	121	7	25	1052	7	25	1487
Mozambique	26	129	7	21	1100	9	25	1600
Algeria	27	131	8	17	1270	9	26	1330
Maldives	28	132	7	21	1625	9	22	1610
Sierra Leone	29	133	7	25	1185	8	28	1575
Yemen	30	134	6	29	1065	9	27	1560
Gabon	31	135	6	20	2145	8	22	2275
Libya	32	139	7	23	1140	9	37	1255
Bangladesh	33	140	6	28.3	1281	9	33.6	1515
Guinea	34	141	7	36	915	8	31	1480
Comoros	35	144	9	31	1295	8	24	1295
Syria	36	146	8	18	1995	9	24	2410
Iran	37	148	7	25	1350	11	37	1555
Mauritania	38	151	8	31	1640	8	38	1523
Cote d'Ivoire	39	158	9	25	1390	13	32	1960
Nigeria	40	159	9	22.9	1564	13	33.9	1960
Cameroon	41	160	11	32	1390	13	32	1960
Uganda	42	161	7	28	2800	10	31	3375

<i>OIC Member total group</i>	<i>Rank OIC</i>	<i>Rank WB TAB</i>	<i>Exports 2014</i>			<i>Imports 2014</i>		
			<i>Documents</i>	<i>Time/ Days</i>	<i>Cost US</i>	<i>Documents</i>	<i>Time/ Days</i>	<i>Cost US</i>
<i>Sudan</i>	43	162	7	32	2630	7	46	3400
<i>Mali</i>	44	163	6	26	2440	11	34	4540
<i>Azerbaijan</i>	45	166	9	27	3460	11	25	3450
<i>Burkina Faso</i>	46	174	10	42	2305	12	49	4330
<i>Iraq</i>	47	178	10	80	3550	10	82	3650
<i>Niger</i>	48	179	8	56	4475	10	61	4500
<i>Chad</i>	49	182	8	70	6615	11	90	9025
<i>Kyrgyz Republic</i>	50	183	9	63	4760	11	73	6000
<i>Afghanistan</i>	51	184	10	86	5046	10	91	5680
<i>Kazakhstan</i>	52	185	10	79	5285	12	67	5265
<i>Tajikistan</i>	53	188	11	71	9050	12	70	10650
<i>Uzbekistan</i>	54	189	11	54	5090	13	104	6452

Source: Author based on TAB WB data

1.3. Historical Background of NTFBs

As indicated previously, trade facilitation measures aim to bring simplification, standardization, harmonization and transparency in order to facilitate and expedite the free flow of trade and release/clearance of goods. The concept of establishing bodies charged with trade facilitation objectives has existed for decades and appears to be a direct response to the internationalization of markets. Such bodies have been established and developed in an *ad hoc* manner depending on, and as a response to, particular countries' circumstances. Sometimes these bodies have been established in the context of national trade facilitation projects and other times in the context of regional trade facilitation projects.

Of the international initiatives that address trade facilitation, the UN stands out as the entity that has long encouraged its members to establish "National Trade Facilitation Bodies". The creation of PRO²² committees dates back at least to the UNECE's Recommendation No. 4 of 1974.²³

The international landscape of organizations that have been engaged in NTFB-related work is broad and includes UNCTAD and the World Bank, which *inter alia* provide technical assistance for the establishment of NTTFCs.

1.3.1. An evolving concept of National Trade Facilitation Bodies (NTFBs)

It has been widely accepted that trade facilitation aims to: simplify, harmonize and standardize trade transactions so that trading is easier, faster and less costly.²⁴

Over time, as the landscape for trading changes, the role(s) and purpose(s) of NTFBs have evolved in response to, and in order to speak to, what is necessary to achieve the foregoing aims and objectives. Similarly, as illustrated by the following sections of this paper, the focus of NTFB-related work undertaken by various entities appears to have responded to this changing landscape and the accompanying changing needs – as illustrated, for example, in the section below that highlights the evolution of Recommendation No. 4 over the years (e.g., to address transport and so forth). Moreover, the number of international organizations directly engaged in trade facilitation and NTFB work has increased over time – for example, to the point where trade facilitation is now covered by WTO rules.

1.3.2. International Efforts for establishing NTFBs

Among the international efforts relating to the establishment of NTFBs include work by UNECE (which has set out best practices for countries to follow); work by UNCTAD (which maintains a repository with country-specific information).

1.3.2.1. United Nations Recommendation No. 4 over the years

UN Recommendation No. 4 has evolved over time – since its adoption initially in 1974 – due to the changing trading environment including new needs in logistic operations. UNCEFACT has been charged with the updating of Recommendation No. 4.

²² PRO stands for "procedures".

²³ UNCTAD, National Trade Facilitation Bodies in the World, Geneva, 2014, p. 23.

²⁴ United Nations, UNECE, National Trade Facilitation Bodies, Geneva, October 2001, ECE/Trade/242, p. 3-4.

1961 – UNECE Working Party on Facilitation of International Trade Procedures – WP4

A Working Party on the Simplification and Standardization of External Trade Documents (WP4) was established in 1961. Subsequent to the creation of WP4 in 1961, many countries set up committees dedicated to studying – in cooperation with the Working Party – the feasibility of international standardization of the main export documents.

UN/CEFACT²⁵ has since replaced WP4.

1974 – Recommendation Number 4 – National Trade Facilitation Organs

In 1974, the UN Working Party on Facilitation of International Trade Procedures adopted Recommendation No. 4 on the subject of “National Trade Facilitation Organs” and “Arrangements at the National Level to Coordinate Work on Facilitation of Trade Procedures”. At this time, the focus was on trade procedures, document alignment and EDI. However, as mentioned elsewhere, the focus of trade facilitation efforts has evolved over time.

Recommendation No. 4 recommended that:

- The Members of the Economic Commission for Europe encourage the implementation of trade facilitation recommendations *through the establishment of* national organizations or committees or by administrative or other suitable means.
- The Commission alert the Economic and Social Council and the other UN Regional Economic Commissions to the desirability of establishing such national committees in countries that are not members of the Economic Commission for Europe.

1999 – Recommendation 4 Revised by UNCEFACT²⁶ – National Trade Facilitation Bodies

In 1999, UNCEFACT updated Recommendation No. 4. At this time, a stronger focus on EDIFACT is evident.

2000 – Guidelines to Recommendation No. 4 National Trade Facilitation Bodies: Creating an Efficient Environment for Trade and Transport

These guidelines were prepared by UNCTAD and endorsed by UNCEFACT and published by UNECE. The notable aspect of these guidelines is the specific attention placed on “transport”. National trade and transport facilitation committees (NTTFCs) are treated specifically in these guidelines.

2015 – Final Draft for Public Review Recommendation No. 4: National Trade Facilitation Bodies²⁷

The latest instalment with respect to Recommendation No. 4 is contained in a UNCEFACT document titled “Final Draft for Public Review Recommendation No. 4: National Trade Facilitation Bodies”. An emphasis is placed dynamics between government and the business community in this instalment. In addition to some discussion of the background of NTFBs and related considerations, this document contains a number of recommendations by UNCEFACT and Guidelines to Recommendation No. 4.²⁸

²⁵ UN Centre for the Facilitation of Procedures and Practices for Administration, Commerce and Transport.

²⁶ See 2001 ECE/TRADE/242.

²⁷ CEFAT/2015/IT001, 30 April 2015.

²⁸ For *Guidelines to Recommendation No. 4: National Trade Facilitation Bodies (NTFB)*, see *ibid.* p. 5 *et seq.*

Recommendations are that:

- Governments establish and support NTFBs with balanced private and public sector participation.²⁹
- Such NTFBs should
 1. include trade facilitation as an integral part of a national integrated strategy for trade policy and sustainable economic development;
 2. identify issues affecting the cost and efficiency of their country's involvement in international trade, develop simplifications measures to eliminate or reduce such barriers and assist in their implementation;
 3. provide a national focal point for the collection and dissemination of information on best practices in international trade facilitation;
 4. Participate in international efforts to improve trade facilitation and efficiency.³⁰

The guidelines cover how NTFBs should be established (e.g., organization, membership, role and responsibilities); the coordination of NTFBs at national and regional levels; the funding, budget and staffing of NTFBs; and how to go about creating a NTFB (e.g., consultation with interested parties).

Moreover, UNCTAD also maintains a repository with country-specific information.

1.3.2.2. UNCTAD Repository: Trade Facilitation Bodies around the World

UNCTAD has worked as a forum for National Trade Facilitation Bodies (NTFBs) to promote institutional coordination. In its repository (<http://unctad.org/en/DTL/TLB/Pages/TF/Committees/default.aspx>) emphasizes on the importance in the collaborative involvement of all the parties in the private and public sectors.

UNCTAD has greatly contributed to clarifying the state-of-play of NTFBs in more than 50 countries. Their data have been collected “through desk research and detailed survey with national entities”³¹ It has also highlighted the most relevant stakeholders and classify them in to the following categories:

- Governmental actors: Ministries, agencies and officials involved in export, import and transit processes. Moreover, for the purposes of this study, this includes policymakers and lawmakers.
- Private actors: Users of trade services (in whatever capacity this may entail, grouped under a chamber of commerce or business association and all relevant parties involved in the trade supply chain.

1.3.3. The NTFBs Inclusion in the WTO Agenda

The WTO provides a treaty framework of international rules that govern how international trade happens. All WTO Members must comply with WTO law or expose themselves to WTO disputes settlement and, moreover, all regional or bilateral trade rules concluded between countries that are

²⁹ Ibid, p. 4.

³⁰ Ibid.

³¹ <http://unctad.org/en/DTL/TLB/Pages/TF/Committees/default.aspx>

WTO Members must comply with the WTO treaties. Thus, the inclusion of trade facilitation – and specifically NTFBs – on the WTO agenda was very significant.

Genesis of WTO negotiations on Trade Facilitation

At the 1996 Singapore Ministerial Conference Ministers from WTO Members decided to focus on particular issues as part of the Doha Development Agenda negotiations and to set up a number of new working groups. These issues became known as the “Singapore issues”. Over time certain issues were dropped from the agenda because they were perceived as too challenging to tackle, e.g. investment and competition policy. By 2004, Members decided to focus on trade facilitation rather than in the other challenging issues.

Culmination of negotiations: The WTO Trade Facilitation Agreement (TFA)

As part of the broader “Bali package”, WTO Members concluded negotiations on the WTO’s Trade Facilitation Agreement at the 9th Ministerial Conference in Bali in December 2013. Pursuant to the WTO’s Trade Facilitation Agreement, Members undertook certain obligations. Unlike other WTO Agreements, the contours of substantive obligations under the TFA vary depending on the particular circumstances of the respective Members and the extent of the obligations that Members agree to accept. However, an obligation concerning NTFBs appears to apply to all Members. This obligation is contained in Article 23.2 of the Trade Facilitation Agreement, which obliges “[e]ach Member [to] establish and/or maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of the provisions of the Agreement”.

1.4. Rationale For Establishing National Trade Facilitation Bodies (NTFBs)

Various reasons for the establishment of NTFBs are well documented. These include practical reasons (i.e., their establishment facilitates trade) and legal reasons (i.e., WTO Members are now legally obliged to establish NTFBs).

The following list provides an overview of the widely accepted inter-related reasons underlying the rationale for establishment and maintenance of NTFBs. NTFBs are important:

- As platforms for institutional coordination (between relevant agencies with trade facilitation roles) and stakeholders' consultation, with public and private participation thus also increasing confidence between the various actors.
- To enable the planning and implementation of positive trade facilitation reforms. In this regard, NTFBs may advise government and agencies with trade facilitation mandates on how to most effectively work towards trade facilitation.
- To foster trade facilitation in general, for example through:
 - The identification of issues affecting the cost and efficiency of the relevant countries' international trade.
 - The development of measures aimed at reducing the cost and improving the efficiency of international trade – e.g., the drafting of proposals and recommendations for measures aimed at the simplification, harmonization and

- standardization of trade procedures. (This is perceived by many countries as the most important function of NTFBs.³²)
 - The provision of assistance in the implementation of such above-mentioned measures, e.g. through the organization and delivery of training to stakeholders.
 - Their role as national focal points for the collection and dissemination of information on best practices in trade facilitation, including new reforms and initiatives.
 - Their role as participants in international efforts (including WTO efforts mentioned below) to improve trade facilitation and efficiency.
- To ensure implementation of commitments under the WTO's TFA. (NTFBs previously played an important role in enhancing positions vis-à-vis the WTO negotiations on trade facilitation).

1.4.1. Rationale of domestic coordination for implementing trade facilitation measures

NTFBs' role in terms of bridging public and private concerns by providing a channel for communication has been widely recognized and is particularly worthy of attention. The rationale for establishing NTFBs reflects the central importance of public-private liaison in order to precisely specify and appreciate the needs of traders and government and to achieve implementation of any relevant national or international measures aimed at improving border transactions. NTFBs allow for coordinated approaches to trade facilitation so that activities (public and private) along the transaction chain are coherent and trade facilitative. NTFBs can represent effective forums where private actors (e.g., manufacturers, importers, exporters, freight forwarders, carriers, banks, insurance companies) and public actors (e.g., policy makers) can converge and cooperatively work towards jointly-agreed trade facilitation measures. The role that NTFBs play in ensuring coherence between public and private interests has been recognized in, *inter alia*, the explanatory text to the 2001 revision of Recommendation No. 4, which itself called for "balanced private and public sector participation" in NTFBs. Having recognized that NTFBs constitute important forums and that NTFB membership should reflect all entities playing a role in international trade transactions³³, the explanatory text also highlights the need for public-private coordination and clear identification of the distinct needs of the public and private sectors so that "problems are not created in one part of the transaction chain by introducing solutions to another part".³⁴

It is accepted that the meaningful involvement of all stakeholders creates a greater probability of developing viable and functioning solutions to a common problem. Coordination among public and private stakeholders at the domestic level (e.g., institutions, companies, entrepreneurs) is thus of supreme importance. It is important for the identification of barriers/issues faced and the identification of potential solutions to issues faced (e.g., how can procedural simplification be achieved if conditions "on the ground" are not known?). Not only does a lack of public-private

³² See, UNCTAD, *National Trade Facilitation Bodies in the World* (New York and Geneva, 2014), pp. 10-11.

³³ See paragraph 23 of the 2001 revision of Recommendation No. 4.

http://www.unece.org/fileadmin/DAM/cefact/recommendations/rec04/rec04_ecetrd242e.pdf

³⁴ See also, World Bank, *Border Management Modernization* (Washington, DC: 2011), p. 160 on the contribution that the private sector can make to the identification of issues and the approach to reforms.

<https://openknowledge.worldbank.org/bitstream/handle/10986/2544/588450PUB0Bord101public10BOX353816B.pdf?sequence=1>

coordination and channels of communication have a negative effect on NTFBs' ability to appropriately identify issues of concern, the absence of public-private communication inhibits NTFBs' ability to *inter alia* develop appropriate proposals/recommendations for measures and provide effective assistance.

UNCTAD recently undertook an in-depth analysis of 50 NTFBs (based on information in UNCTAD's online repository) and, on that basis, produced a set of recommendations based on those countries' experiences of participating stakeholders.³⁵ These recommendations are intended to assist in the creation and/or strengthening of NTFBs worldwide. While UNCTAD noted that the principal challenge for NTFBs is ensuring their sustainability – something that is determined by a variety of factors which vary in importance depending on the circumstances and culture of the country at issue – UNCTAD also found that the level of development of a country is the most important factor to ensure sustainability.³⁶ Moreover UNCTAD found a positive correlation between (i) level of development (a factor proven to influence sustainability of NTFBs) and (ii) the degree of private sector participation and the number of members in NTFBs.³⁷ One of the resulting recommendations was to “always involve the private sector”: in this regard, UNCTAD noted that “[t]he public sector and/or lead agency of the trade facilitation body should actively and genuinely involve the private sector in the body, as this is the most important success factor for the body. The public sector should ensure that the involvement of the private sector is inclusive and representative.”³⁸

1.4.2. WTO law mandates the establishment of NTFBs

1.4.2.1. TF negotiations on NTFBs (e.g. TN/TF/W/158)

The important role of NTFBs is evidenced by the fact that WTO Members agreed to the inclusion of Article 23.2 requiring the establishment/designation of an NTFB in each Member (discussed in a previous section). The inclusion of this provision appears to be the result of a long-established recognition on the part of Members with respect to the useful role of NTFBs, including for domestic coordination purposes. For example, in the context of the Negotiating Group on Trade Facilitation, a number of Members (namely, Honduras, Norway and Switzerland) suggested the inclusion of the following obligation in WTO law:

“In order to facilitate the process of domestic coordination of trade facilitation needs, priorities and implementation, Members shall establish a national committee or a similar mechanism on trade facilitation with the objective of assisting in the implementation of the Agreement on Trade Facilitation.”³⁹

This proposal of 2009 was made further to a self-assessment activity that was undertaken by Members, which indicated that Members placed great importance on the national committees that were formed to undertake the self-assessment activity. It appears that many Members expressed a desire for these national committees to continue work after the conclusion of WTO negotiations. This proposal also sought to recognise the role that these entities could play in coordinating the tasks required for compliance with the commitments that would eventually be accepted at the WTO and in

³⁵ See UNCTAD, *National Trade Facilitation Bodies in the World* (New York and Geneva, 2015).

³⁶ Ibid, p. 10.

³⁷ Ibid, p. 12 noting that the resources available to developed country NTFBs may provide a reason for this.

³⁸ Ibid, p. 16. See also, ibid. p. 13.

³⁹ Negotiating Group on Trade Facilitation, Communication from Honduras, Norway and Switzerland, TN/TF/W/158, 23 February 2009, para. 9.

coordinating with the private sector. It also sought to address a perceived void – i.e., until that point, it was considered that little attention had been paid to how Members should organize their trade facilitation work domestically in order to effectively identify and address obstacles.

1.4.2.2. WTO Legal nature of the TFA obligation on NTFB

A plain reading of the Article 23.2 in its context suggests that it is a “hard” obligation that requires all WTO Members to have a NTFB in place in their territories. Failure to comply with the obligation set out in Article 23.2 would expose a Member to the possibility of dispute settlement being initiated against it. The final provision, Article 23.2 titled “National Committee on Trade Facilitation”, provides:

Each Member shall establish and/or maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of the provisions of this Agreement.

It is somewhat noteworthy that the framing of this obligation as a hard obligation created some controversy because a previous version of the (then draft) Trade Facilitation Agreement had provided more flexibility for Members with respect to establishment/maintenance of NTFBs. However, this flexibility does not exist on the basis of the final agreed text. Specifically, when compared with the previous draft of the TFA, there is no facility for Members to “opt out” of accepting this obligation – it is an obligation that applies across the board to all WTO Members.

There are a number of reasons why certain Members – especially developing country Members – may have preferred greater flexibility and a less “hard” obligation. The principal reason appears to relate to costs (e.g., of the NTFB; related reforms). Indeed, throughout negotiations, the cost of complying with obligations under the WTO’s TFA was continuously proven to be of great concern to many developing countries.

1.4.3. Benefits of implementing Article. 23.2 and NTFBs’ Role in Implementing TFA obligations

In conclusion, the benefits of establishing and maintaining NTFBs are highlighted throughout this paper. NTFBs also play a particular role in ensuring Members’ compliance with their obligations under the TFA.

The significance of accepting obligations on trade facilitation in the WTO context relates in part to the fact that the WTO is a rules-based system – i.e., unlike some other international fora, Members tend to pay careful attention to comply with their WTO obligations or to possibly face dispute settlement. Commentators suggest that the compliance rate with WTO obligations is a very positive one – meaning that WTO Members take seriously their WTO obligations as well as compliance by other Members.

The WTO TFA includes an array of obligations relating to inter alia expediting the movement, release and clearance of goods, measures for effective cooperation between customs and other appropriate authorities. Thus, in light of the typical role of NTFBs, it is clear that they can provide support for the implementation of many – if not all – of the broad array of obligations undertaken pursuant to the TFA (e.g., as a forum for cooperation, etc.).

2. NTFBs: A WORLDWIDE OVERVIEW

2.1. Introduction

NTFBs vary from country to country in terms of: membership, institutional structure, responsibilities, functions, sources of funding, etc. This section aims to draw out some of the differences that exist between NTFBs and to highlight the main features of NTFBs that are considered “top performers” (i.e. Sweden, Japan, South Korea and Singapore).⁴⁰

2.1.1. Types of National Trade Facilitation Bodies

While the essence and overall goals of NTFBs are shared, differences in the form of NTFBs result from the diversity of needs depending on particular country circumstances and the different perspectives on trade facilitation that exist.

The main types of NTFBs established worldwide include the following:

- **PRO Committees** are independent entities that are often of a public nature, receiving funding from the public sector. PRO Committees’ structure and roles are outlined in the UNECE Recommendation No. 4. They address the facilitation of procedures across all modes of transport, identify bottlenecks to trade, and promote solutions.
- **National Trade and Transport Facilitation Committees (NTTFC)** have a broader scope than that of the PRO Committees. UNCEFACT Recommendation No. 4 was revised in 1999 to encompass NTTFCs. In many countries, they receive support/technical assistance from UN Regional Commissions, UNCTAD and the World Bank. NTTFCs act as consultative inter-institutional bodies with the purposes of promoting facilitation, studying international trade and transport regulations, preparing recommendations and creating transparency on major trade and transport issues.
- **National Trade Facilitation Committees** are coordination mechanisms that seek to streamline trade procedures and implement trade facilitation measures at national levels.⁴¹
- **WTO Negotiations on Trade Facilitation Support Groups** are intrinsically related to the WTO TFA and were created to support negotiators based in Geneva or delegates from capital during the negotiations on trade facilitation as part of the Doha Development Agenda.

2.1.2. Overview: Data on NTFBs in the world

UNCTAD has gathered data on more than 80 countries and found the following distribution of NTFB types:⁴²

⁴⁰ These countries have been chosen because they are ranked at the top in the Trading Across Borders (TAB) index from the Doing Business 2015 report by the World Bank.

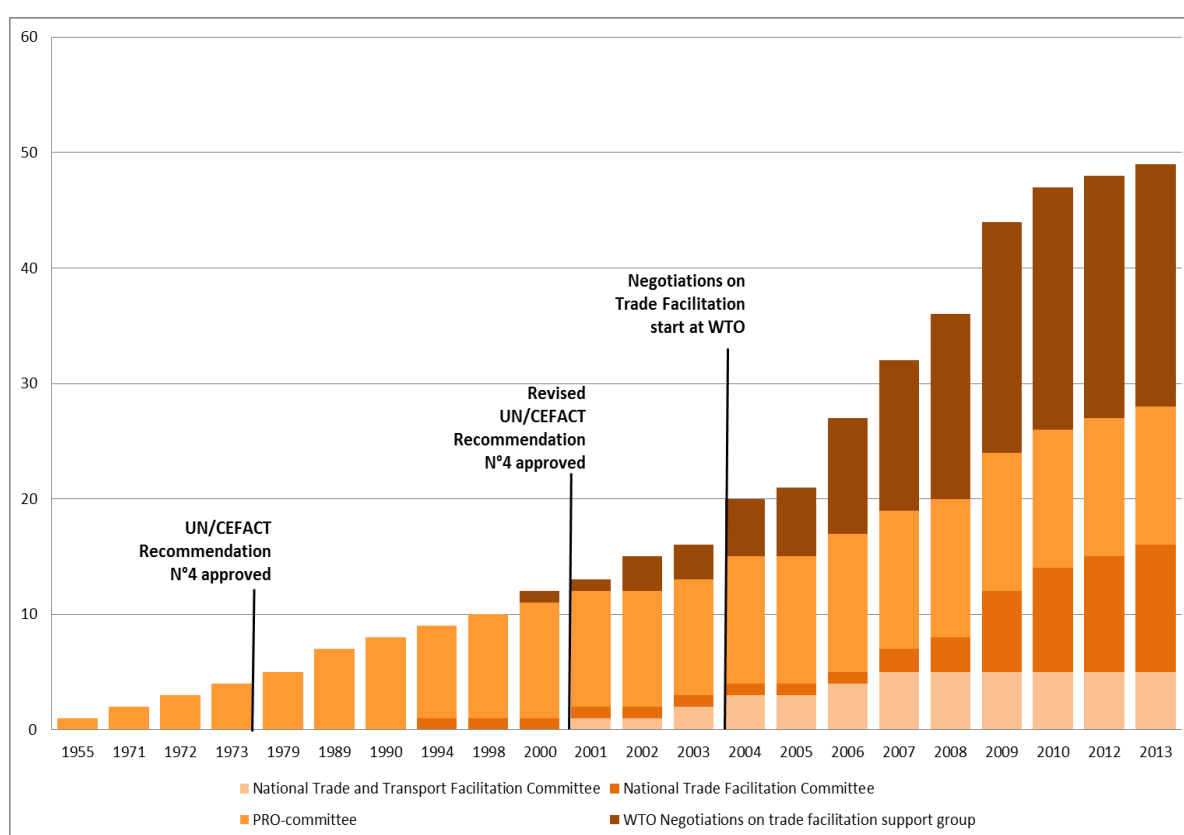
⁴¹ Moreover, some countries also participate in regional trade facilitation committees, such as EUROPRO (for all European Pro-committees); SECIPRO (for the PRO Committees in Southeast Europe), and the Trade Facilitation Committee for the European Free Trade Association (EFTA).

⁴² Belastegui, A.Sánchez, Trade Facilitation Bodies in the World: Ad Hoc Expert Meeting on Trade Facilitation Committees 4 July 2014, Geneva, p. 3-5.

- 10% of the NTFBs are NTTFCs.
- 22% of the NTFBs are NTFCs.
- 24% of the NTFBs are PRO committee.
- 44% of the NTFBs are WTO Negotiation trade facilitation support group

With respect to the number of NTFBs worldwide, there has been a steady increase. As illustrated by the following figure, the establishment of NTFBs gained momentum in line with the increased focus of trade facilitation at the WTO and the WTO negotiations for a Trade Facilitation Agreement. The following graph prepared by UNCTAD also demonstrates the spread of different types of NTFBs over time.⁴³

Figure 3: Existing National Trade Facilitation Bodies



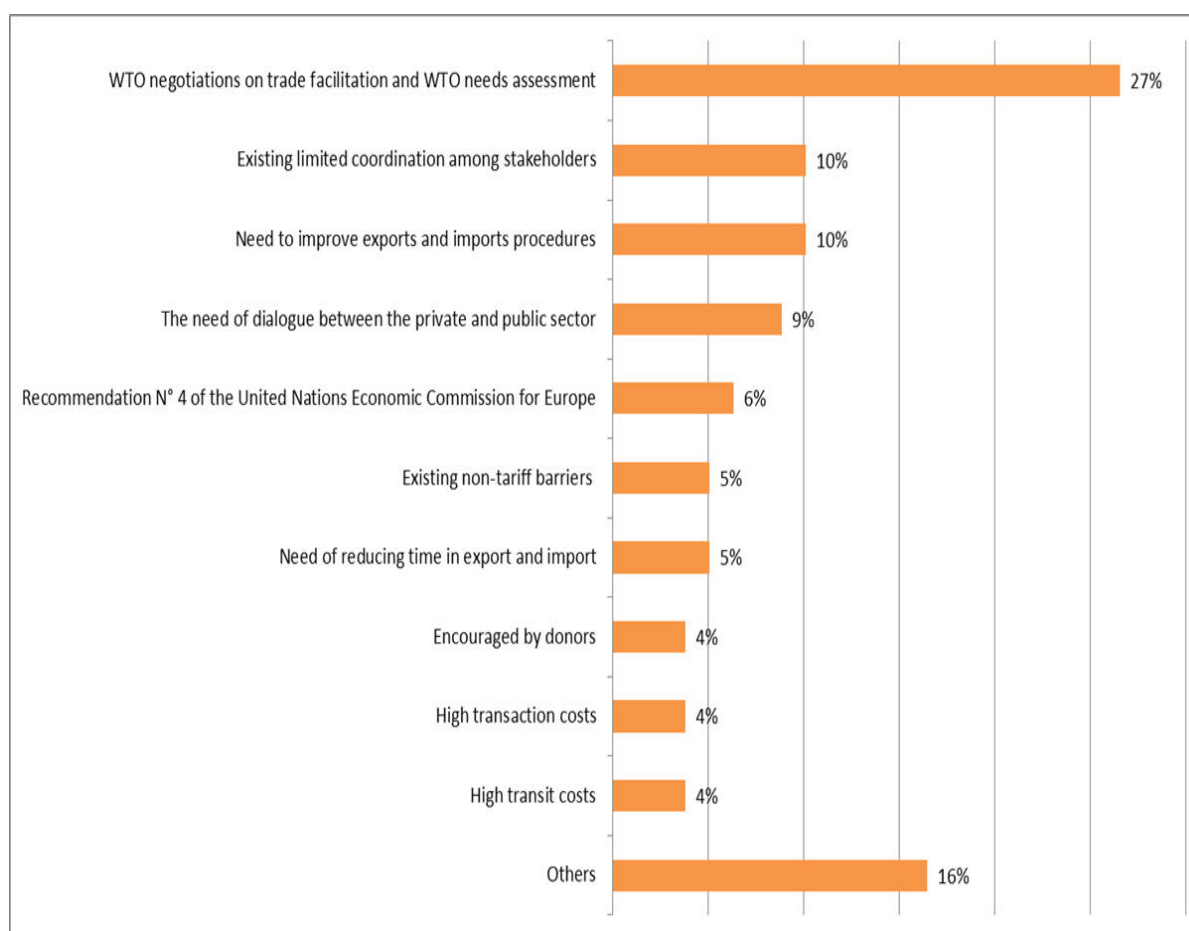
Source: UNCTAD 2014, National Trade Facilitation Bodies in the World

Developed countries generally have an internally driven motivation (i.e., need to improve export and imports procedures). Whereas developing and least developed countries generally have an externally driven motivation – e.g., the WTO negotiations on trade facilitation and WTO needs assessment. Motivations for the establishment of NTFBs are expressed in the following graph.⁴⁴

⁴³ Ibid, p.16.

⁴⁴ Ibid, p.17.

Figure 4: Worldwide motivations of establishing a NTFB



Source: UNCTAD 2014, National Trade Facilitation Bodies in the World

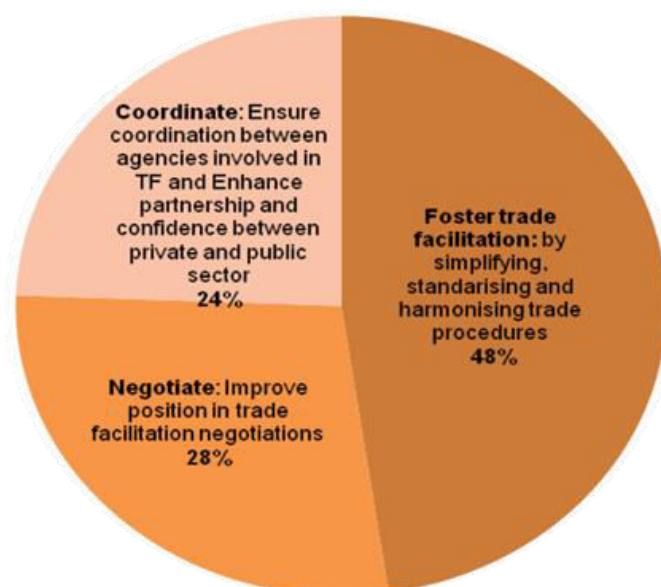
Developed countries generally have an internally driven motivation (i.e., need to improve export and imports procedures).

Whereas developing and least developed countries generally have an externally driven motivation – e.g., the WTO negotiations on trade facilitation and WTO needs assessment.

The mandates of NTFBs worldwide vary but reflect the rationale for establishing NTFBs (discussed in a separate section of this paper)⁴⁵:

⁴⁵ Ibid, p.20.

Figure 5: Existing Mandates of NTFBs in the World



Source: UNCTAD 2014, National Trade Facilitation Bodies in the World

2.2. Features of Top NTFBs Worldwide From Developed Countries (Pro Committees)

The purpose of this section is to provide an overview – drafted on the basis of publicly available information – of four NTFBs that are perceived as being the most successful examples of developed country NTFBs and developing country NTFBs. This section describes the NTFBs in terms of membership, institutional structure, functions and responsibilities and also highlights what have been reported as the NTFBs' key achievements.

2.2.1 Sweden (SWEPRO)

SWEPRO (Swedish Trade Procedures Council) was created by government decision. Its establishment was motivated by the realization (in the 1950s) of how new printing/copy machines could be used for the standardization of trade documents, which led to a National Enquiry into the subject. The results of this enquiry were taken to the Nordic Council and the UNECE (1961) and formed the basis of UN/LAYOUT KEY. The National Enquiry was transformed into a consultative body in 1955 and, in 1975, it was officially called SWEPRO.

SWEPRO is Sweden's forum for discussion between public and private sectors and information (database) on simplified, harmonized and efficient trade procedures at the general level.

In addition to the national level, SWEPRO follows the issue of trade facilitation at international level and represents Sweden in this context. SWEPRO has a secretariat, hosted by The National Board of Trade. It coordinates intergovernmental efforts to simplify, harmonize and (where possible) remove unnecessary procedures.

2.2.1.1. Membership

SWEPRO's membership is open and includes representatives of business and the public authorities – i.e., three representatives of the public sector appointed by government with a three year mandate and three business representatives.

Participants in SWEPRO are senior (i.e., experts/heads of division). SWEPRO is composed of the following public agencies:

- National Board of Trade;
- Swedish Customs;
- Business Sweden;
- Swedish Association of Local Authorities and Regions; and
- Ministry of Foreign Affairs.

Its composition also includes the following private associations:

- Swedish Trade Association;
- Swedish Bankers' Association;
- Swedish International Chamber of Commerce (ICC);
- Swedish International Freight Association; and
- Network for Electronic Business.

2.2.1.2. Institutional structure

SWEPRO was a legal entity until 2009. It is currently an informal forum administered by/located within the National Board of Trade.

The SWEPRO secretariat, hosted by The National Board of Trade, coordinates and actively participates, among others, in the intergovernmental efforts to simplify, harmonize and if possible remove unnecessary procedures and information flows in international trade. Work is conducted at both global and national levels.⁴⁶

SWEPRO comprises of three staff members who are also trade facilitation analysts at the National Board of Trade. With respect to its terms of reference, SWEPRO has a running one-year programme.

The full forum meets three to four times annually on ad hoc basis. The forum may also decide to form project-related working groups that may meet more frequently. Indeed, it is common for special task forces and working groups to be established *ad hoc* to examine specific issues.

⁴⁶ Consulted <http://www.kommers.se/SWEPRO/In-English/SWEPRO-in-brief/>

2.2.1.3. Responsibilities

The Swedish Government has set up SWEPRO to: “promote simplification and efficiency in international trade procedures through active participation in the central international forums where these matters are addressed”.

2.2.1.4. Functions

The objectives of SWEPRO are:

- To highlight trade procedures that constitutes hindrances to Swedish industry.
- To discuss possible solutions at national, regional and international level.

SWEPRO monitors and discusses national and international work and thereby constitutes a platform for Swedish representation in international organizations. The SWEPRO secretariat coordinates and participates in work that is mainly conducted within the framework of the UN, the WTO, and the EU.

2.2.1.5. Sources of funding

Today, SWEPRO has no independent budget and is not dependent on any financing in order to sustain its activities. Each representative in the forum contributes with his or her time and work effort. The case of the National Board of Trade is particular since the Board also provides the secretariat for SWEPRO. Thus, the Secretariat is funded by the National Board of Trade’s regular budget for trade facilitation. This proved to be a beneficial solution when it was decided that SWEPRO would not have secretariat staff of its own. The Board can make good use of the information gained through SWEPRO in its analysis and, vice-versa, providing input to SWEPRO on on-going work related to trade facilitation in the Board.

2.2.1.6. Achievements

As stated in their main web page: “Sweden is a small, heavily trade dependent country and the more complex international trade becomes, the more important international efforts to harmonize, standardize and simplify procedures gets. Regular dialogue and cooperation between government and industry is a cornerstone of trade facilitation. The importance of trade for Sweden and of dialogue between stakeholders is reflected in the approach of SWEPRO. SWEPRO gathers Swedish stakeholders from both the public and private sectors. SWEPRO has seen a high level of participation (80%).”⁴⁷

The Members of SWEPRO have as one of their most important practices, to follow and discuss trade facilitation issues at national and international level.

SWEPRO’s means of keeping channels of communication open, such as: to keep stakeholders informed of meetings, SWEPRO uses its website; meeting minutes; and the provision of information

⁴⁷ <http://www.kommers.se/SWEPRO/In-English/SWEPRO-in-brief/> consulted 13-07-15 13:25

on special issues. Affected stakeholder groups are also invited to discuss particular themes. SWEPRO reports (informally) to the Ministry of Foreign Affairs.⁴⁸

Specific achievements of SWEPRO are as follows:

- SWEPRO's role has moved with the times: Historically SWEPRO did a lot for simplification of trade procedures in Sweden. It remains an important source of information, especially for authorities *vis-à-vis* the implications of EU legislation for business and on how business addresses various issues
- Positive role during WTO negotiations: Regular information sessions were held on the negotiations progress and SWEPRO worked as a sound board at some instances
- High impact of work on specific issues: For example, its work on supply chain security issues have had a large impact both in terms of providing information to companies and in terms of setting out Swedish positions on security issues in the EU context
- Positive track record for dialogue and participation. Indeed, its main objective for the future appears to be maintaining and enhancing continued dialogue

The following have been recognized as specific success factors for SWEPRO:

- Organization flexibility, while maintaining continuity and a stable framework
- Concrete work items, particularly in the start-up phase
- A dedicated membership
- Consistent meetings overtime

2.2.2. JAPAN (JASTPRO)

Japan responded to international entities calling to simplify, harmonize and standardize procedures in all trade aspects as a direct response to barriers/issues faced when seeking to gain market access in international markets. JASTPRO was established in 1971.

2.2.2.1. Membership

JASTPRO works in coordination with the Asian Pacific Council for Trade facilitation and Electronic Business (AFACT). It appears to consist of:

- (i) Members (e.g., Asia Pacific countries, UN agencies, etc.), and
- (ii) Associate members (including, e.g., other organizations in the Asia Pacific region or relevant international organization located in the region, prospective AFACT members, etc.).
- (iii) There is also a provision for observers and special invitees.

⁴⁸ <http://www.kommers.se/SWEPRO/In-English/SWEPRO-in-brief/> consulted 13-07-15 13:25

As observers, JASTPRO has the following public entities:

- Ministry of Finance;
- Ministry of Economic, Trade and Industry; and
- Ministry of Land, Infrastructure, Transport and Tourism.

Private entities that take part in JASTPRO include the following inter alia:

- Ocean Carriers;
- Trading, Petrochemical industry;
- Sea & Air forwarders;
- Electronics; Digital information;
- National Single Window provider; and
- Bankers, Insurance, Automobile, Information System enterprises.

2.2.2.2. Institutional structure

JASTPRO is not a legal body. It has terms of reference (only available in the web in Japanese language, however).

JASTPRO consists of the three committees and a “code center” (which consists of Japan standard shippers). Committees include:

- Steering Committee (formed by business).
- Business Committee (research base for trade analysis and improvement).
- Special Committee (for special projects).

Moreover, JASTPRO can create ad hoc committees to address specific issues.

JASTPRO constitutes the secretariat for UNCEFACT Japan Committee, which was founded in 1990. It has the following three working groups under its control, composed of members from the relevant sectors/fields. The Committee and the groups have annual plans for their work and report to the supervisory authority twice per year.

- Japan Committee for UNCEFACT Standards;
- Supply Chain Information Platform Study Group; and
- Travel Tourism and Leisure Japan Working Group.

2.2.2.3. Responsibilities

Its responsibilities include: simplification of trade documentation and procedures; standardization through trade policies, access and transparency to information. Its goal is to provide for effective collaboration among interested parties.

2.2.2.4. Functions

The main focus of JASTPRO can be summarized as follows:

- Facilitation of International Trade Documents and Procedures
- Research and Studies
- Public Relations and Dissemination of Information

- Co-operation with the Government

However, it is noteworthy that its objectives change in accordance with needs – i.e., they respond to the need of improving business and trade practices in Japan.

The UN/CEFACT Japan Committee holds an annual plenary meeting. The Japan Committee for UNCEFACT Standards meets around five times per annum. There are monthly meetings for the Supply Chain Information Platform Study Group and the AFACT Travel Tourism and Leisure Japan Working Group. Moreover, JASTPRO prepares seminars several times per year where those interested are free to take part.

JASTPRO reports that it maintains channels of communication by the provision of information by email, through its website, a monthly magazine, and by way of its seminars.

2.2.2.5. Sources of funding

JASTPRO is funded by the government. There is no formal budget for the UNCEFACT Japan Committee – its expenses are covered by JASTPRO.

2.2.2.6. Achievements

Since 1971, many achievements have been obtained as a result of investigations and studies made by special committees. It appears that the success of JASTPRO has been its ability to readjust its mandate over the years in response to new developments in the global trade environment. Moreover, the positive impact of the UNCEFACT Japan Committee is reportedly primarily its ability to provide reliable information to its members so that they can manage their everyday business.

Some illustrations of the latest achievements of JASTPRO are as follows:

- The Supply Chain Information Platform Study Group published a multi industries electronic data interchange specification with a guideline for Supply chain.
- A standard form for combined transport bill of lading, packaged application software for export documentation, translation of "Trade Data Elements Directory (ISO 7372)", "ISO 9735 - Application level syntax rules" and "UN/EDIFACT Message Design Rules" and "UN/EDIFACT Standard Directories".

JASTPRO's projections for future activities reflect its response to changing needs: JASTPRO sees a need for business to produce an Electronic Data Interchange standard. JASTPRO's Work has primarily stressed the rationalization of documents to date. However, now, in addition, it has carried out studies on the standardization of data elements and codes, and data exchange rules in order to lay the groundwork for a smooth shift to the ADP or EDI system. From now on, JASTPRO will try not only to solve the new problems accompanying the progress of ADP or EDI, while emphasis will also be shifted to the problems of systems and procedures in keeping with the essential purpose of the comprehensive simplification movement which has been under way over many years with due consideration to the changing international circumstances. One can easily imagine that in the future, as techniques of data exchange and processing make further strides, the importance of mutual

harmonization will increase further for the sake of overall efficiency. Therefore, the problem of procedural simplification is believed certain to focus on that aspect.⁴⁹

Moreover, its plans for the future reflect its commitment to, and the importance of, dialogue and open channels of communication: It wants more participants and a greater variety of industries/government agencies to join the UNCEFACT Japan Committee.⁵⁰

2.3. Features of Top NTFBs Worldwide From Developing Countries

2.3.1. South Korea

South Korea's NTFB is also an example of a PRO Committee. It is the National IT Industry Promotion Agency (NIPA). Its stated mandate is to reinforce "the competitiveness of the IT industry and contributes to the economic growth through the efficient support and laying the groundwork for the industrial technology promotion".⁵¹ It appears to have been founded – albeit under a different form – in 1998.

As an expansion to its existing trade facilitation initiative, the Republic of Korea established the National e-Trade Committee in 2003.

2.3.1.1. Membership

The following government departments are concerned with trade facilitation:

- The Ministry of Commerce.
- Industry & Energy and the Republic of Korea Customs Service.
- Korea International Trade Association.

Korea's National e-Trade Committee was established to expand on existing initiatives and is comprised of the following:

- Chairman: Prime Minister
- Members:
 - Ministers from – Ministry of Finance and Economy; Ministry of Justice; Ministry of Government Administration and Home Affairs; Ministry of Culture and Tourism; Ministry of Commerce, Industry and Energy; Ministry of Information and Communications; Ministry of Construction and Transportation; Ministry of Maritime Affairs; Ministry of Planning and Budget; Office of the Prime Minister; Minister for Trade (Ministry of Foreign Affairs and Trade); Commissioner of the Korean Customs Service.
 - From the private sector: the heads of the following organizations – Federation of Korean Industries; Korea Chamber of Commerce and Industry; Korea International Trade Association (KITA); Korean Federation of Small and Medium Business; Korea Trade and Investment Promotion Agency.

⁴⁹ Consulted http://www.iastpro.org/about/outline_e.html#003

⁵⁰ Consulted http://www.iastpro.org/about/outline_e.html#003

⁵¹ NIPA, *About Us*, <http://www.nipa.kr/eng/aboutUs.it>.

2.3.1.2. Institutional structure

South Korea's trade regime structure is divided into the following Ministries and networks:⁵²

- The Ministry of Commerce, Industry & Energy, which lays the foundation for trade facilitation and harmonization procedures to assist South Korea's constant growth and evolution to new trade markets.
- The Republic of Korea Customs Service, charged with all customs-related aspects of trade exchange flows.
- Korea International Trade Association, comprising Korea's entrepreneurs from the private sector.
- Korea Trade Network or Manifest Consolidation System, which was established by the Korea International Trade Association to assist the single window service.

2.3.1.3. Responsibilities

Trade facilitation with a view to sustainable growth is their main objective.

NIPA's website (<http://www.nipa.kr/eng/aboutUs.it>) suggests that its main areas of activities are as follows:

- Policy research and development support for the IT industry
- Help establish the foundation of the IT industry and cultivate its human resources
- Vitalize the distribution market for the development of the IT industry and support marketing
- Promote businesses related to the convergence and utilization of IT technology

Support international exchange, cooperation, and overseas expansion related to the IT industry.⁵³

2.3.1.4. Functions

NIPA devotes itself to reinforcing the competitiveness of the IT industry and contributes to the economic growth through the efficient support and laying the groundwork for the industrial technology promotion.

The functions of Korea's NTFB are ICT focused, such as the following:

- Lay out vision of the ICT industry development
- Establish a vision for the growth of the ICT industry
- Research on appropriate measures and outcome enhancement through ICT Policy
- Establishment of an Information Research Analysis and Service System
- Provide the customized information analysis by focusing on policy demand
- Generate the ICT statistics and improve the infrastructure
- Construct database for ICT import and export statistics and analyze the key issues monthly
- Expand contents in information services and strengthen the related services

⁵² View Ministry of Foreign Affairs, <http://www.mofa.go.kr/ENG/>

⁵³ NIPA, *About Us*, <http://www.nipa.kr/eng/aboutUs.it>. See also, *ICT Strategic Planning*, <http://www.nipa.kr/eng/itStrategicPlanning.it>.

Korea's National e-Trade Committee was formed in order to facilitate the development of an advanced electronic trade facilitation system (i.e. an electronic single window linking all relevant government agencies, service providers, and users and allowing them in order to exchange required information, clearances, and payments online).

2.3.1.5. Sources of funding

Budget is assigned by government.

2.3.1.6. Achievements

It has been acknowledged that "NIPA's principal achievement appears to be its response to changing environments: Constantly changing current trend of ICT fusion and convergence as well as the new market creation require more focused strategy for the development of ICT industry. The information on ICT supports the public sector so that the demand for customizing the governmental policy-making information and for improving business performance in the commercial sector could be met.

Korea's National e-Trade Committee appears to have been successful in elaborating upon an e-trade network and in contributing towards the establishment of the Korea Paperless Trade Center and the Korea e-Trade Facilitation Center in 2005. The e-Trade Facilitation Center comprises six working groups dealing with platform, law, finance, logistics, marketing, and global cooperation".⁵⁴

2.3.2. Singapore

2.3.2.1. Membership and Institutional Structure

International Enterprise (IE) Singapore's appears to be the most relevant government agency for trade facilitation purposes. Singapore's trade facilitation advisory committee (i.e. IE) comprises the following entities which appear to represent both private and public interests:⁵⁵

- Trade Development Board or the International Enterprise Singapore
- Customs and Excise Department
- Civil Aviation Authority of Singapore
- Singapore Federation of Chambers of Commerce and Industry
- Singapore Air Cargo Agents Association
- Singapore freight forwarders Association
- Singapore National Shipping Association
- Singapore Network Services

2.3.2.2. Responsibilities

Within IE responsibilities is to develop structures for trade facilitation at the sub-regional and national level in order to ensure their effectiveness. IE Singapore has a Trade Facilitation Scheme (TFS) that aims to *inter alia* assist with trade financing for Singapore-based companies in emerging markets.⁵⁶ Thus, International Enterprise Singapore appears to play a critical role for trade

⁵⁴ <http://www.nipa.kr/eng/itStrategicPlanning.it> consulted 13-07-15 14:45

⁵⁵ View Figure 5.3, UNCTAD, Trade Facilitation Handbook for the Greater Mekong Subregion, 2002, Members of Singapore trade facilitation advisory committee, p. 40.

promotion and facilitation. While it seeks trade expansion for firms from Singapore, it also appears to have a general interest on the simplification for trade purposes.

2.3.2.3. Functions

International Enterprise (IE) Singapore's Trade Facilitation Scheme (TFS) aims to help address market gaps in trade financing for Singapore-based companies in emerging markets.

Under this scheme, IE Singapore enters into risk sharing arrangement with the Asian Development Bank (ADB) and Swiss Re Corporate Solutions, to increase the capacity for credit guarantees to Singapore-based banks for protection against the non-payment risks of overseas issuing banks. This in turn facilitates Singapore exporters' receipt of payments for transactions with buyers from emerging markets.

2.3.2.4. Sources of funding

Funding of Singapore's trade facilitation advisory committee appears to be from government.

2.3.2.5. Achievements

Trade has always been the backbone of Singapore's economy. In addition to promoting export of goods and services, IE Singapore goal is also attracts global commodities traders to establish their global or Asian home base in Singapore.

One of IE's main achievements is a thriving trading hub with a complete ecosystem for the energy, agri-commodities and metals & minerals trading clusters.

Moreover, IE has provided assistance to local companies through different programmes. Globally Competitive Companies (GCC) has also represented an achievement because has been a critical growth engine for the next phase of Singapore's development. GCCs compete on the global stage against the very best in their industries. They contribute to Singapore's economic resilience, and develop Singaporeans companies into global business leaders, strengthening the Singapore brand. Through the Global Company Partnership (GCP) and Market Readiness Assistance (MRA), work is done with Singapore-based companies in their various stages of growth towards being globally competitive.⁵⁷

Another example of a programme where IE has supported local companies to access overseas business opportunities is called International Marketing Activities Programme (IMAP). Its mission is to assist companies that participate in iMAP with a 50% to 70% from their core expenses when attend to international fairs.⁵⁸

The rising role of emerging markets in global trade today has resulted in increased demand for trade finance among Singaporean companies. Yet, relatively lower country and credit ratings, as well as a lack of access to information for credit underwriting are some challenges that those in emerging markets face when accessing financing from banks. On a broader level, Basel III regulations are set to further impact the availability of trade finance. Another specific achievement of Singapore's NTFB

⁵⁷ See <http://www.iesingapore.gov.sg/Assistance/Market-Readiness-Assistance>

⁵⁸ See <http://www.iesingapore.gov.sg/Assistance/Market-Readiness-Assistance/Financial-Assistance/IMAP>

has been its focus ICT as a key enabler for business efficiency and trade facilitation, in spite of its scarce resources.⁵⁹

2.4. Worldwide Cases, Success Factors and Achievements from NTFBs

2.4.1. General success factors drawn from top cases

There is no golden rule on what will make a good NTFB and that the particular situation of each economy and the needs/issues at play will influence the precise form that its NTFB should take. As mentioned above in this study the only factor that has clearly been identified as linked to the success and sustainability of an NTFB is level of development.⁶⁰ The specific circumstances (political, relationship between public and private stakeholders, of a country will ultimately dictate what composition and structure the NTFB should take. Indeed, the above examples show that there is some diversity in the form that successful NTFBs take; in this regard, the Korean NTFB stands out in particular.⁶¹

Flexibility and responding to needs appears to be central to making an NTFB successful however. This apparent need for flexibility is fully consistent with the observation that there is no golden rule for a successful NTFB. If there is one common thread that reappears in each of the four NTFBs discussed above, it is that successful NTFBs are NTFBs that respond to changing needs and changing environments. Indeed, these NTFBs have institutional structures that were created to respond to specific issues and needs.

Despite the fact that there is no golden rule for what makes a successful NTFB, there are factors that have been recognized as contributing to the success of an NTFB and these factors find reflection in the NTFBs of the four countries discussed above. Thus, drawing on literature⁶² and the examples of top performing NTFBs, the following listing has been compiled, which highlights common factors present in the various successful NTFBs.

- **Public-private partnerships** are vital to the identification of issues and appropriate measures to address those issues, etc. Stakeholders that should be involved include the following and their representatives should be **appropriately qualified and have an up-to-date knowledge** of relevant issues of trade facilitation:
 - Customs authorities
 - Port authorities
 - Government officials from trade and transport ministries
 - Chambers of commerce
 - Manufacturers
 - Importers associations

⁵⁹ <http://www.iesingapore.gov.sg/Assistance/Global-Company-Partnership/Access-to-Financing/Trade-Facilitation-Scheme> consulted 13-07-15 14:15

⁶⁰ UNCTAD, *National Trade Facilitation Bodies in the World* (New York and Geneva, 2014), p. 10.

⁶¹ The fact that the specific circumstances and culture of a country dictate the form of NTFBs is well recognized. For example, UNESCAP relied on the Korean example in making this very point: i.e., UNESCAP acknowledged that trade facilitation had long been a priority in Korea and that the particular circumstance of Korea led to the National e-Trade Committee being formed in 2003 in order to facilitate the development of an advanced electronic trade facilitation system. See, UNESCAP, *Designing and Implementing Trade Facilitation in Asia and the Pacific: 2013 Update*, p. 165.

⁶² This section draws heavily from the following publication in particular because it provides valuable (albeit not country-specific) information based on first-hand experience of the factors that tend towards the success and failure of NTFBs: UNCTAD, *National Trade Facilitation Bodies in the World* (New York and Geneva, 2014).

- Exporters associations
- Freight forwarders associations
- Carriers associations
- Financial institutes
- Insurance company associations

The involvement of the private sector is widely perceived as the number one success factor for NTFBs. All of the four NTFBs examined have been structured in a manner that effectively involves the private sector. Success factors related to appropriate expertise is effective, qualitative participation and an awareness (in addition to knowledge) of trade facilitation matters.

In terms of the adequate expertise of stakeholder representatives, SWEPRO is a documented example that can be drawn upon of an NTFB that benefits from representatives with a high level of subject matter expertise and it is also an NTFB that has reported a high level of participation. Moreover, reports suggest that the success of Korea's National e-Trade Committee was linked to its employment of persons with the highest level of expertise from the private and public sector.

- **Effective coordination is key and appropriate internal division of labour expressed in a work plan** may assist in ensuring this. The establishment of subcommittees and/or subgroups allows members to focus on specific issues within their field of expertise, and the establishment of a permanent secretariat may facilitate the work the NTFB.

Coordinated work by members is also seen as a top factor in the success of an NTFB. Related factors for success that are perceived as also being relevant include the use of appropriate work plans. The Japanese and Swedish examples discussed above may be relied upon to suggest that the creation *ad hoc* committees/special task forces/working groups with mandates to address specific issues can be effective. The Korean and Japanese cases discussed above also provide examples of evident coordination between both sectors where public and private sectors are clearly represented by their main stakeholders.

- **High level political commitment and internal motivation** for the establishment/maintenance of an NTFB (i.e. domestic response to domestic needs) may be important to ensure the continued commitment to, and sustainability of, an NTFB.

Korea's NTFB is the best example of having high level political commitment where its representatives are: it's Prime Minister as chairman, relevant Ministers from the Public Sector and heads of main associations from the Private Sector. Moreover, publicly available information suggests that trade facilitation has long been a top priority for each of the four countries discussed above and that this commitment brought about the establishment of their NTFBs and the continued attention to improving the NTFBs and to ensuring that the NTFBs respond to current needs.

- **The commitment, motivation and availability of members** is important to the successful operation of an NTFB, which should allow for **regular meetings**. Related to the foregoing is the importance of **leadership, respect and trust** among stakeholders and members.

Ownership and commitment of the members towards the group/the NTFB has also been cited as an important factor for the success of NTFBs. It appears that all NTFBs discussed above have – in their own way – managed to ensure the commitment of their public and private members. The commitment of members may depend on a number of factors (e.g. for the private sector members, their ability to make meaningful contributions may impact commitment and motivation levels). Available information concerning the Swedish and Japanese NTFBs suggest that the NTFBs have

various pre-defined structures in place to ensure that channels of communication remain open and that all relevant stakeholders have a means of providing inputs.

- **Adequate, reliable funding** is required so that the NTFB can fulfill its mandate.

Funding for all of the NTFBs discussed above are from government and reports confirm that at least some of these NTFBs do not have independent budgets of their own. Thus, it appears that independent budgets are not a pre-requisite for the successful functioning of an NTFB.

- **Strong institutional foundations and a defined mandate** are key success factors even though it may necessary – and desirable – for these to evolve over time. A defined mandate may **prevent institutional overlap and overstepping, enhance legitimacy and “buy in”,** and provide **clear indications to domestic and international stakeholders** about the scope and purpose of the NTFB’s work.

3. NATIONAL TRADE FACILITATION BODIES AND SIMILAR MECHANISMS IN THE OIC MEMBERS

3.1. Introduction

Part 3 of this study examines the state-of-play of NTFBs and similar coordination mechanisms in OIC Member States. This Part has four main substantive sections.

In the first two sections (i.e. 3.2 and 3.4) the situation of OIC Members is analyzed according to whether they have established or not NTFBs or similar mechanisms. Each section is divided into three parts corresponding to each of the OIC groups, beginning with the Arab group, followed by the Asian group, and, finally, with the African group. Section 3.2 outlines which are the OIC Members that do not seem to have established yet a NTFB or similar mechanism. It highlights the problems for Members in not having established a NTFB and propounds recommendations for establishing functioning NTFBs. The next section, 3.3, mentions which are the OIC Members that have established NTFBs or similar mechanism, presenting their respective names and a timeline that shows the evolution of NTFBs in OIC Members.

The following two sections (i.e. 3.5 and 3.6) examine the OIC Members that have established an NTFB or similar mechanism and the discussion goes as to whether or not this mechanism is functioning. Each section provides numerous case summaries regarding the NTFBs or similar mechanisms that 41 OIC countries have formed. The following elements are analyzed for each country:

1. Description of the NTFB

- a. Name and acronym of the NTFB
- b. Year of establishment
- c. Membership/Number of participating agencies (public and private agencies separately)
- d. Lead agency and whether there is a permanent secretariat (number of people, role/tasks, and budget concepts)
- e. Structural organization

- f. Objectives/roles assigned by government
- g. Functions and responsibilities
- h. Sources of funding

2. Analysis

- a. Performance
- b. Obstacles for establishment and ensuring sustainability (although they have faced the following obstacles
- c. Lessons learned/success factors from country x: (i.e. meetings: frequency, permanent place, consistent follow-up documentation, etc.) and achievements

3.2. OIC Members Lacking NTFBs

Although thoughtful research and interviews were conducted regarding the existence of NTFBs or similar mechanisms in the vast majority of OIC Members, it was challenging to find whether or not all of them have NTFBs or similar mechanisms in place. For 18 OIC Members States, there was not sufficient information on the existence of an NTFB or a similar mechanism. An analysis of each OIC regional group is presented in this subsection.

3.2.1. Arab group

From the Arab Group of the OIC 7 Members from 22 appear not to have accessible sources over internet to learn, whether or not, they have NTFBs or similar mechanisms in place. This represents a 31.8% of the total amount of Members from this group making this group the one that needs to work the most in the establishment and or publication information easily available about the existence of an NTFB or similar mechanisms

- 1. Algeria
- 2. Comoros
- 3. Kuwait
- 4. Libya
- 5. Mauritania
- 6. Somalia
- 7. Tunisia

3.2.2. Asian group

From the Asian Group of the OIC 5 Members from 18 do not provide enough available sources over internet to learn whether or not they have NTFBs or similar mechanisms in place. This represents a 27.7% of the total amount of Members making this group the one that needs to work the most in the establishment and or publication information easily available about the existence of an NTFB or similar mechanisms

- 1. Brunei Darussalam
- 2. Guyana
- 3. Suriname
- 4. Turkmenistan
- 5. Uzbekistan

3.2.3. African group

From the African Group of the OIC, 6 Members from 17 seem not to have sources over internet to realize whether or not they have NTFBs or similar mechanisms in place. This represents a 33% of the total amount of Members making this group the one that needs to work the most in the establishment and or publication information easily available about the existence of an NTFB or similar mechanisms

1. Cote d'Ivoire
2. Chad
3. Gabon
4. Guinea
5. Guinea-Bissau
6. Mozambique

3.2.4. Common obstacles for establishing a NTFB

It is particularly challenging to define whether specific regional obstacles exist. The only issue that may differ from region to region is the international organization that allocates funds for regional trade facilitation projects with a view to establishing functional NTFBs. This funding has helped many OIC Members to set up and implement their NTFBs or similar mechanisms.

However, many countries come across with common obstacles when trying to establish their NTFB. Some of them are included in the list below:

- i. Lack of political priority
- ii. Lack of designation of a leading agency
- iii. No clear objectives
 - ✓ Lack of defined structure
 - ✓ Lack of clarity as to who the main stakeholders are
 - ✓ Lack of funds for a motivating start up
 - ✓ Lack of continuation on the initial allocated funds in technical assistance projects
 - ✓ No work plan
 - ✓ Ad hoc place of meetings
- iv. No permanent Secretariat
- v. Non-existent meetings

3.2.5. Proposed solutions for establishing a NTFB

When a country takes the decision to establish its own National Trade Facilitation Body, certain steps can be followed, such as the following:

- i. Coordinating Agency
- ii. Legal Framework
- iii. Work Plan
- iv. Objectives
- v. Terms of Reference

- vi. Funds
- vii. Institutionalized Meetings
- viii. Permanent Secretariat
- ix. Three Level Structure
- x. Clear structured both instances: public and private

Please note that more recommendations will be presented in the last section of this study in this regard.

3.3. OIC Members with NTFBs or similar mechanisms

Table 5 shows the OIC Members with an established NTFB or similar mechanism. Approximately, from out of 57 OIC Member States, 39 have created NTFBs that have such a coordination mechanism in place, which is equivalent to 68% of all OIC Members. Therefore, the vast majority of OIC Members are in compliance with this requirement of the WTO's TFA.

The chronological order in which NTFBs were created overtime can also be found in Figure 6. These have been organized according to each regional group within the total 32 NTFBs that or similar mechanisms that OIC countries have formed. A closer look to the OIC regional groupings can also be helpful.

Within the Arab group, there are approximately 15 NTFBs or similar mechanisms from 22 Members from this regional group. This represents an approximately 68% of the total Members in the Arab group. It is important to mention that the establishment of National Transport and Trade Facilitation Committees (NTTFCs) in most of the countries from this region⁶³ were substantially supported by ESCWA between 2003-2012.

Within the Asian group, there are 13 member countries that have put in place NTFBs or similar mechanisms from a total of 18 Members that conform this regional group. This represents an 72% from the total amount of members of this region that has established an NTFB or similar mechanism, allocating the Asian group in the highest rank of having these mechanisms in place.

Within the African group there are 11 countries that have established NTFBs or similar mechanisms from 17 Members of this regional group. Thus, this represents a 64% from the total amount of countries from the OIC African group.

⁶³ Ten member countries established NTTFCs between 2003-2012, namely, Egypt, Iraq, Jordan, Lebanon, Oman, Palestine, Saudi Arabia, the Sudan, the Syrian Arab Republic, and Yemen. See ESCWA, Trade Facilitation Initiatives in the ESCWA Region E/ESCWA/EDGD/2013/Technical Paper.3 13-0143.

Table 5: OIC Members with NTFBs

No.	OIC Member	National trade facilitation body
1.	Afghanistan	AFPRO
2.	Albania	ALBAPRO
3.	Azerbaijan	AZERPRO
4.	Bahrain	National trade facilitation committee
5.	Bangladesh	Working group on trade facilitation customs valuation National trade facilitation committee
6.	Benin	Working group on trade facilitation in Benin National committee on transport facilitation and inter-state road transit
7.	Burkina Faso	The national committee monitoring and coordinating the implementation of the WTO agreements
8.	Cameroon	Comité national de facilitation du trafic maritime international
9.	Djibouti	National Trade Facilitation Committee
10.	Egypt	Trade facilitation sub-committee
11.	Indonesia	National trade facilitation mechanism
12.	Iran	PRO Committee
13.	Iraq	National trade and transport facilitation committee
14.	Jordan	The national committee for transport and trade facilitation
15.	Kazakhstan	Inter-ministry commission for transport
16.	Kyrgyz Republic	National council for trade and transport facilitation
17.	Lebanon	National trade and transport facilitation committee
18.	Malaysia	Focus group on trading across borders
19.	Mali	National sub-commission of facilitation of trade procedures
20.	Maldives	National trade and transport facilitation committee
21.	Morocco	National commission of facilitation of trade procedures
22.	Niger	National committee on trade facilitation
23.	Nigeria	WTO negotiations on trade facilitation support group
24.	Oman	National trade and transport facilitation committee
25.	Pakistan	PAKPRO
26.	Qatar	The National Committee on Trade
27.	Palestine	National trade and transport facilitation committee
28.	Saudi Arabia	AFACT

29.	Senegal	<i>National sub-committee an trade facilitation</i>
30.	Sierra Leone	<i>National trade facilitation committee</i>
31.	Sudan	<i>National trade facilitation committee</i>
32.	Syria	<i>National trade and transport facilitation committee</i>
33.	The Gambia	<i>National Trade Facilitation Committee</i>
34.	Turkey	<i>Trade facilitation support group</i>
35.	Tajikistan	<i>Trade Facilitation Committee (forthcoming December 2015)</i>
36.	Togo	<i>Sub-committee on Trade Facilitation</i>
37.	United Arab Emirates	<i>National Transport Authority</i>
38.	Uganda	<i>National Task Force on Trade Facilitation</i>
39.	Yemen	<i>National trade and transport facilitation committee</i>

Source: Author

Figure 6 : Chronology of NTFB in OIC Members

1986	<i>Morocco National commission of facilitation of trade procedures</i>
1997	<i>Cameroon Comité national de facilitation du trafic maritime international</i>
1998	<i>Albania ALBAPRO</i>
2000	<i>Burkina Faso The national committee monitoring and coordinating the implementation of the WTO agreements</i>
2001	<i>Pakistan PAKPRO</i> <i>Qatar The National Committee on Trade</i>
2002	<i>Egypt Trade facilitation sub-committee</i>
2003	<i>Jordan The technical committees for transport and trade facilitation</i>
2004	<i>Azerbaijan AZERPRO</i> <i>Mali National commission of facilitation committee</i> <i>Saudi Arabian AFACT</i>
2005	<i>Benin Working group on trade facilitation in Benin</i> <i>Indonesia National trade sub-committee</i> <i>Jordan The general secretariat unit for transport and trade facilitation</i>
2006	<i>Afghanistan AFPRO</i> <i>Turkey WTO negotiation group on trade facilitation support</i> <i>Uganda National working trade facilitation group</i> <i>Lebanon National trade and transport facilitation of trade procedures</i>

2007	<i>Bangladesh Working group on trade facilitation customs valuation</i> <i>Kyrgyz Republic National council on trade and transport support</i> <i>Malaysia Focus group on trading across borders</i>
2008	<i>Bahrain national trade facilitation committees</i>
2009	<i>Niger National committee on trade facilitations</i> <i>Nigeria WTO negotiations on trade facilitation support group</i> <i>Senegal National sub-committee on trade facilitation</i> <i>Sudan National trade facilitation committee</i>
2011	<i>Jordan The national committee for transport and trade facilitation</i>
2013	<i>Bangladesh National trade facilitation committee</i> <i>Sierra Leone National trade facilitation committee</i>

Source: Author

3.4. OIC Member States with Not Functioning NTFBs or Similar Mechanisms

3.4.1. Afghanistan

Description

The official name of the NTFB in Afghanistan is Afghanistan Pro-Committee to Promote Efficient Trade, Transit and Transport Procedures and Methods (AFPRO). It was established in 2006 to enable the private sector to head Afghanistan's development within a competitive market-based economy in which the Government is the economic policy-maker and regulator. The NTFB ceased its activities in January 2009.

The private sector participates in AFPRO through national traders and the public sector is represented by the President's Office; The High Council of Ministers; the Secretary's Office; the Ministry of Economy and Finance; the Ministry of Mines; the Ministry of Energy and Water; the Ministry of Communication; the Ministry of Agriculture; the Ministry of Environment; and the Central Bank of Afghanistan.

The main objectives of Afghanistan's NTFB are the facilitation, regulation, and development of trade policies.

Funding comes from technical assistance and from UNCTAD and the World Bank.

Analysis

The greatest obstacles in Afghanistan are:

- High transit costs, high trade transaction costs and long truck and rail journey times;
- Lack of sufficient government commitment;

- The Afghan private sector has not been interested in participating in AFPRO activities, preferring to raise their concerns and problems through the Chamber of Commerce;
- Lack of financing commitment to establish a permanent Secretariat;
- Lack of realistic goals and results and terms of reference for AFPRO and its working groups;
- Lack of understanding of the role of AFPRO amongst stakeholders;
- AFPRO has never functioned as a training institute for its stakeholders.

The performance and main achievements of AFPRO are:

- Participated in the preparation and organization of the WTO trade facilitation seminar
- Conducted a study entitled "Trade Route Analysis: Kabul vs Bandar Abbas"

The recommendations of this case study are:

- To strengthen existing professional representative organizations and ensure regular and direct consultations with government.

The inter-ministerial task force on WTO issues can also follow up on trade facilitation issues and may set up a sub-group for trade facilitation, following the successful example of the WTO self-assessment and other WTO trade facilitation-related activities, such as the WTO questionnaires on aid for trade and trade facilitation.

3.4.2. Albania

Description

The official name of the NTFB in Albania is Albania PRO-Committee (ALBAPRO). It was established by Ministerial Decree N° 636, approved in October 1998, in order to foster cooperation and constructive debate on international trade and transportation issues. It is chaired by the President of the Chamber of Commerce and Industry, and supported by qualified managers and experts.

ALBAPRO is composed of representatives from the private and public sector, including all trade-related government agencies and any trading company endorsing its mandate and objectives.

3.4.3. Azerbaijan

Description

The official name of Azerbaijan's NTFB is the National Working Group on Transport and Trade (AZERPRO). It was established in 2004.

The public sector participates through the national working group *AzerProKomitet*, which is composed of the following entities: the National Secretary of Azerbaijan in the IPC and Transport Corridor Europe, Caucasus and Asia; the Department of Economic Cooperation and Development; the Ministry of Foreign Affairs; the Department of Economic Policy of the Ministry of Economic Development; the State Customs Committee; the Department of Transport Policy and Economics, Ministry of Transport; the Ministry of Transport; the Head of Sector of International Affairs, Ministry of Transport; the Department of Coordination and Reform, Ministry of Transport; the Chief Office of Border-Customs Control, State Customs Committee; the State Border Service; the Azerbaijan State

Rail Roads of the Ministry of Transport; Baku Commercial Sea Port MT; the Sanitary Quarantine Service, Ministry of Health; the Department of Veterinary Services, Ministry of Agriculture; the Ministry of Agriculture, Quarantine Service; the Commander (lieutenant colonel), special services; and the National Secretary of Azerbaijan.

The participation of the private sector is through the following associations: the Caspian Shipping Company MT; the Association of International Road Transport of Azerbaijan (ABAD); and the transport and forwarding company, Eltrans.

Its main objective is the promotion and development of transport and trade in Azerbaijan.

The sources of funding are not specifically mentioned and there is no allocated budget.

Analysis

The structure of AZERPRO includes 22 members from nine government agencies (National TRACECA Commission; ministries of transport, foreign affairs, economic development, health, agriculture; Customs; border control; special unit) and business sector (associations of road carriers and freight forwarders). It is headed by the Secretary of the National TRACECA Commission).

Some of the achievements of this NTFB are: the Preparation of Transit Strategy of Azerbaijan; the introduction of border and customs checkpoints in Azerbaijan based on the "Single Window and One Stop" principle; and the creation of logistics centres in the new (under construction) Baku International Sea Trade Port.

Since the establishment of AZERPRO, quarterly meetings have been held with the participation of senior experts on transport, economics, Customs, border control, agriculture, health and Directors of the projects entitled "Harmonization of Border Crossing Rules" and "Common Legal Framework for Transit Shipments".

Within the main achievement of Azerbaijan NTFB can be highlighted the: "Transit Strategy of Azerbaijan Republic", implementation of the principle of "Single Window" at the border and Customs checkpoints in Azerbaijan, series of "round tables" conduction with the interested public and private entities on the establishment of logistics centers, the results of which were presented as proposals to the Ministry of Transport.

3.4.4. Bangladesh

Description

Bangladesh has two NTFB, a Working Group on Trade Facilitation and Customs Valuation (2007); and National Trade Facilitation Committee (2013). The first group is better established while the second one is still on pilot phase. Though its groups are recent, they have been active and more information regarding them can be found.

The public participants of the both NTFBs are the following agencies; National Board of Revenue, Dhaka (Convener); Deputy Secretary, Ministry of Shipping, Dhaka; Deputy Secretary, Ministry of Civil Aviation and Tourism, Dhaka; Representative, Bangladesh Land Port Authority, Dhaka;

Representative, Chittogong Port Authority, Dhaka; Representative, Mongla Port Authority, Dhaka; Representative, Civil Aviation Authority, Dhaka; Deputy Secretary (Import-1), Ministry of Commerce, Dhaka; Director, Export Promotion Bureau, Dhaka; Representative, Imports & Exports Department, Dhaka; Representative, Bangladesh Tariff Commission, Dhaka; Deputy Director, WTO Cell, Ministry of Commerce, Dhaka; Director, WTO Cell, Ministry of Commerce, Dhaka. National Board of Revenue; Ministry of Commerce; Ministry of Shipping; Ministry of Communication; Ministry of Civil Aviation; Ministry of Foreign Affairs; Ministry of Home Affairs; Ministry of Agriculture; Ministry of Food; Ministry of Forestry and Environment; Prime Minister's Office; Cabinet Division; Internal Resources Division; External Relations Division; Department of Narcotics Control; Bangladesh Standards and Testing Institution; Bangladesh Tariff Commission; Bangladesh Foreign Trade Institute; Export Promotion Bureau; Chief Controller of Import and Export; Bangladesh Bank; Board of Investment; Directorate of Quarantine; Atomic Energy Commission; Bangladesh Council of Scientific and Industrial Research; Ministry of Industry; Copyright Office; Patent and Trademarks Office; Border Guard Bangladesh; Coast Guards; Bangladesh Police; Department of Immigration and Passport; Bangladesh Navy; Chittagong Port Authority; Bangladesh Inland Water Transport Authority; Bangladesh Computer Council; Bangladesh Land Port Authority; Bangladesh Railway; Department of Explosives.

The participation of the private sector of both NTFB are well nourished with the participation of the Metropolitan Chamber of Commerce & Industries (MCCI); Dhaka Chamber of Commerce & Industries (DCCI); Bangladesh Garments Manufacturers & Exporters Association (BGMEA); Knitwear Manufacturers & Exporters Association (BKMEA); Centre for Policy Dialogue (CPD-Research Organization); Federation of Bangladesh Chambers of Commerce & Industries (FBCCI); Chittagong Chamber of Commerce & Industry (CCCI); Bangladesh Economic Association (BEA); Bangladesh Textile Mills Association (BTMA); Business Initiative Leading Development (BUILD); Bangladesh C&F Agents Association; Dhaka/ Chittagong/ Benalope/ Mongla C&F Agents; Freight forwarders Association; Shipping Agents Association; Bangladesh Cargo Vessel Owners Association.

The Working Group is led by a senior Customs official (Member-Customs, National Board of Revenue) and sub-groups/core groups are being formed for specific functions. The National Committee will be chaired by the Chief Customs Officer from the National Board of Revenue. Committees or Sub-Committees may be formed with specific Terms of reference.

There is no permanent technical Secretariat for the WG on TF NTFC Secretariat will be set up by the National Bureau of Revenue.

The main objective of the working group is to formulate the country's position and strategy on various negotiating issues through consulting all the stakeholders and analyzing existing regime in the country.

The objective of the National Committee is to promote mutually beneficial collaboration and fruitful discussions on trade facilitation including leading the implementation of reforms to improve the trading environment'. The principal aim of this committee is to facilitate implementation of TF measures as per loan agreement between Bangladesh and Asian Development Bank under South Asia Sub-regional Economic Cooperation's initiative.

There is no exclusive budget for funding. Costs are borne by the general budget of the government.

Analysis

The crucial success factors are mainly active involvement and participation of the key stakeholders, including private sector; coordination among the stakeholders and awareness of the necessity of improved trade facilitation system both for imports and exports.

Within the main obstacles for the Working Group are the lack of activity and frequency of the meetings. Additionally, it has been reported that occasionally there is a lack of understanding of the main concepts on TF issues under current negotiations are not yet very clear to many stakeholders; capacity both in terms of human and institution is not adequate.

For the National Committee, another obstacle is the lack of active participation, ownership and proper link between plan and priorities, beside the limited human resources and vulnerability of feuds among stakeholders.

The lesson learned by the Working Group, through its actions over the years, has been in a position to accurately identify the position of Bangladesh in the area of TF and the needs and the exigencies in terms of enhancing the facilitation of its trade environment. The knowledge and experience, it has gathered, will be of crucial importance once the draft of the WTO TF negotiation is complete and the TF Agreement comes into force. As for the National Committee, active participation from all the members/stakeholders is the key.

3.4.5. Bahrain

Description

Bahrain has a National Trade Facilitation Committee that was established in 2008 by Ministerial Decree under the leadership of the Ministry of Industry and Commerce.

National Trade Facilitation Committee of Bahrain composed of all relevant stakeholders, including Customs Administration, the Ministry of Health, the Ministry of Agriculture, the Standards Authority, the Ministry of Finance, business associations, clearing agents, port and airport management authorities, and shipping agents.

The principal functions performed by the committee are the coordination of trade facilitation measures and priorities and their implementation at the national level.

Currently, there is insufficient information on the participation of the private sector, neither regarding its organization, main achievements, nor other data.

3.4.6. Kazakhstan

Description

It has been found that in Kazakhstan the dominant role is played by the national Governments. The commissions in Kazakhstan were set up in 1998. These commissions are understood to be led by the ministry for transport and with representation from other government agencies with responsibility for the regulations of cross-border transport and from logistics providers and transport services. It is

further understood that these commissions have a primary -10- focus on the policy issues associated with cross-border transport, rather than on the operational problems associated with formalities for border crossing. One of their best practices is that the authority of these commissions to take effective action is reinforced by the fact that they are chaired by persons at high levels of Government. “The commissions are chaired either by the Deputy Minister of Transport and Communications in case of Kazakhstan. The commission in Kazakhstan has organized four sessions during the period from 1998 to 2006 and discussed important issues on cross-border transport.”⁶⁴

3.4.7. Mali

Description

The official name of the NTFB of Mali is the National sub-commission on customs and trade facilitation issues was established in 2004.

The public sector participants are; Ministry of Trade, Ministry of Economy, Ministry of Foreign affairs, Ministry of Finance, Ministry of agriculture, Ministry of justice, Ministry of communication, Ministry of culture, Ministry of transport.

The private sector participants to the Committees are as follows; Chamber of Commerce and Industry, National Council of Employers, Coordination of Women’s Organizations, Civil Society, Banks and Insurances.

The main objectives are; to formulate negotiating positions of Mali and Monitoring the WTO negotiations on trade facilitation.

There is no clear the source of funding.

Analysis

The NTFB has performed access to real-time proposals from Member countries of the WTO and facilitate the mobility of members of the sub-committee.

Even if group members are willing to participate, the greatest obstacles that face the NTFB is that the group will hardly maintain without financial and material resources. Thus, technical assistance is needed.

3.4.8. Niger

Description

The official name of the NTFB in Niger is National Committee on Trade Facilitation, was established in 2009.

⁶⁴ UNESCAP (2007) Study on national coordination mechanisms for trade facilitation in the UNESCAP region p. 9

The public sector participates through the agencies working at the border, transport sector, transit, communication, insurance, etc.

The private sector participates through Civil society, including trade unions and other associations. High and representative level of participants is reported.

Vague work structure provided: Customs Inspector is the Chair of the National Committee and the Ministry of Foreign Trade is responsible for the Secretariat. No other groups mentioned.

The main objectives are not clear.

The sources of funding come from national budget and from other bodies.

Analysis

The greatest obstacle is the lack of financial resources.

The main lesson learned is the utility of creating a cooperation forum, in particular for reaching consensus among stakeholders regarding actions and initiatives in trade facilitation.

The lack of concrete results, clear organizational structure, financial resources and lack of information regarding this NTFB shows that its activity has not been extensive and effective and is therefore considered not functioning.

3.4.9. Saudi Arabia

In 2004, Saudi Arabia, through the United Nations Economic and Social Commission for Western Asia (UN-ESCWA), reported the establishment of a NTFC as "in progress". Saudi Arabia performs trade facilitation activities through the Asia Pacific Council for Trade Facilitation and Electronic Business (AFACT), along with 18 other member countries. AFACT promotes the commitment and development of trade facilitation and electronic business policies and activities throughout the Asia Pacific region.

The public agencies directly in charge of trade facilitation in Saudi Arabia are not listed and, for the private sector, only the Pan Asian e-Commerce Alliance (PAA) is mentioned. No Saudi Arabian company is listed among the members of this association.

The organization of AFACT is composed of three working committees, which has its own mandate and work programmers. The working committees are the Business Domain Committee (BDC), the Community Support Committee (CSC), and the Technology and Methodology Committee (TMC).

The working group main objectives are: (i) developing methods for facilitating trade transactions, customized to the member economies and in conformity with the standards and recommendations developed by UN/CEFACT; (ii) promoting both the use of these methods and associated best practices through channels such as government, industry, and service associations; (iii) coordinating its work with UN/CEFACT and other relevant international, regional and non-governmental organizations; and (iv) enhancing cooperation among AFACT members and promoting the objectives of its mission statement within the Asia Pacific region.

Trade facilitation activities seem to have financial resources, as the AFACT Secretariat covers all costs incurred. Specifically those that relate to performing its responsibilities as Secretariat and maintaining the AFACT website.

Besides the above, the hosting member is entitled to charge a participation fee for each delegate if it is deemed extremely necessary to host an event. The amount charged is decided in advance in consultation with the steering committee.

3.4.10. Sierra Leone

Description

The official name of the NTFB of Sierra Leone is National trade facilitation committee, was established in 2013.

It is composed of representatives from Ministry of Trade and Industry, Sierra Leone Business Forum, National Revenue Authority, Sierra Leone Ports Authority and representatives of the Clearing and Forwarding Association as well as the Sierra Leone Importers Associations.

There is not enough information about the organization and functions of the NTFB.

3.4.11. Sudan

Description

Sudan's National Trade Facilitation Body (NTFB) was set up as recently as 2009. At first, it was established as an ad hoc group, however, over time it has evolved into a permanent group.

It has been reported that both public and private sectors participate fully. The following public sector agencies are involved: the Sudan Customs Authority; the Ministry of Trade; the Ministry of Finance and National Economy; the Ministry of Foreign Affairs; the Ministry of Industry; the Ministry of Justice; the Ministry of Agriculture; the Ministry of Animal Resources; the Ministry of Transport; the Ministry of Cabinet; the Bank of Sudan; the Seaports Authority; the Civil Aviation Authority; the Sudanese Standards Authority; the Sudan Trade Point; the Ministry of Health; the Agency for Insurance and Finance of Exports; the National Center for Information; and the National Telecommunication Corporation.

Likewise, private sector participates actively, and includes the Association of Business; the Association of Chambers of Commerce; the Association of Chambers of Industry; shipping agents; and clearing agents.

Within the structure it is only mentioned the existence of a "chair. The main objective of this NTFB is to coordinate the work of border agencies with a view to facilitating trade according to international standards. This NTFB receives some financial assistance from member agencies, such as Customs, Standards, and Cleaning agents. However, funding is one of its greatest obstacles.

Regarding the output of the NTFB, a "Guide for Trade Procedures" will due to be produced and published in the future. However, no real accountable progress has been recorded.

Analysis

The main obstacle to overcome is the funding issue. The plan of Sudan is to work actively in order to execute UNCTAD plan on implementation of trade facilitation measures with assistance from the same organization and others such as the WTO, and other Annex D Organizations and Donors.

3.4.12. Tajikistan

“The Commission in Tajikistan was established in 2001. The commission is understood to be led by the Ministry for Transport and with representation from other government agencies with responsibility for the regulation of cross-borders transport and from logistics provides and transports services.

The authority of this commission to take effective actions is reinforced by the fact that they are chaired by persons at high levels of government, the commission is chaired by the Deputy Prime Minister.”⁶⁵

3.4.13. The Gambia

The NTFB of The Gambia is led by the Ministry of Trade, and although there are several press notes mentioning the establishment of an NTFB as follows: “the establishment of an NTFB in The Gambia” there is not enough information on the web with regards to this case.

3.5. OIC Members with Functioning NTFBs or similar mechanisms

3.5.1. Benin

Description

Benin has two NTFBs that work coordinated, they are the Working Group on trade facilitation in Benin and the National Committee on transport Facilitation and Inter-State Road Transit, and both were established in 2005.

The public sector participates in the NTFB through the following agencies: Directorate-General of Customs and Indirect Taxes, Directorate-General of Industry, Directorate of Quality Promotion and Packaging, Directorate of Regional Integration, Directorate of strategic Planning, Directorate of Small and Medium Enterprises, Directorate-General of National Police, Department of Livestock, Directorate-General of Road Transport, Directorate of Agriculture, Directorate-General of Foreign Trade, Ministry of Foreign Trade, National Secretariat of the Enhanced Integrate Framework, Directorate General of legislation

The private sector is represented through Confederation of Trade Unions of road haulage of Benin, Chamber of Commerce and Industry of Benin, Benin National Shippers’ Council (CNCB), Association of Freight Forwarders, Consignees and -Carriers of Benin, Benin’s shipping company, Employers Association, Port of Cottoned and Beninese center for Standardization and Quality Management.

⁶⁵ UNESCAP (2007) Study on national coordination mechanisms for trade facilitation in the UNESCAP region p. 9
http://www.unescap.org/sites/default/files/Study_on_Coordination_Mechanisms_fulltext.pdf

The directorate general of foreign trade chairs the working structure of the group, as a focal point for WTO issues, assumes the role of secretariat.

For the National Committee, the secretariat is assumed by the directorate general of road transport.

The main objective of the Working Group is aims to assist Benin in better integrating into the multilateral trading system and benefiting from international trade by trying to remove all obstacles to the movement of goods involving both imports and exports.

The main objective of the National Committee aims to remove unnecessary non-tariff barriers to facilitate the movement of goods (reducing checkpoints on the roads, problems related to the transit of goods, discriminatory practices, etc.)

The working group's operations are financed from the regular budget of the directorate general of foreign trade.

Analysis

NTFB has performed the reduction of the clearance timeframe of goods at the Cotonou Port and the decrease of incidental expenses, facilitation of transit.

The greatest obstacle for the NTFB in Benin is the lack of financial resources.

It is really important to guarantee the availability of enough material and financial resources in order to support the Group's functions.

The main lesson learned is that the Working Group was set up and really energized from the preparatory work and the national workshops on self-assessments of priority and needs on technical assistance in trade facilitation

3.5.2. Burkina Faso

Description

The official name of the NTFB of Burkina Faso is WTO negotiations on trade facilitation support group, created by Presidential Decree N° 2000-400/PRES/PM/MCIA of 13 September 2000.

The public sector participates through the following entities the Ministries responsible for trade, agriculture, health, the environment and sustainable development, transport, foreign affairs, finance, culture and animal resources, the trade support institutions: National Offices of Foreign trade, Chamber of commerce and Industry, the Burkina Faso House of Enterprise, Burkina Shipper council, Export Promotion Agency, Transit Association, Consumers Association of Burkina Faso, Exports and Imports Union, The Carrier Union, and the Professional Industrial Group.

The participation of the private sector is through the following entities: Association and professional associations, professional Association of Industrialists, importers/exporters trade union, National council of Employers of Burkina Faso, Professional Association of Banks and Financial Institutions, Services supplier and transport unions: SDV, Road Transport Union of Burkina Faso, Road Transport

Union, Truckers and Passengers Union of Burkina Faso, National Union of Freight and Passengers, Civil society with as representative of the Consumers Organization.

The NTFB is composed by three sub-committees, which deal with trade facilitation issues among other matters. The basis of these sub-committees have been enlarged in 2008, after the self-assessment of trade facilitation needs, to take into account the interests and concerns of all stakeholders in international trade.

The main objectives of the NTFB are to follow-up the progress of negotiations on trade facilitation; to identify Burkina Faso's interests in the negotiations and to formulate negotiating positions and propose measures and actions, contributing to the simplification and streamlining of procedures and formalities of trade and information flows. There is no information available regarding whether funding has been allocated.

Analysis

The NTFB has developed a work plan and timeline for implementing trade facilitation measures, and also for training officers responsible for managing trade facilitation files, in particular the focal point to enable a better management of files; and financing group's activities.

The main obstacle that this NTFB faces is the lack of own financial resources for operating the NTFB.

3.5.3. Cameroon

Description

The official name of the NTFB of Cameroon is in French: *Comité National de Facilitation du Trafic Maritime International* (Comité FAL). It was established in 1997 and reorganized in 2009.

This committee is composed by 42 members that represent public and private sectors. Private Sector chairs the FAL committee, specifically by the Inter-employers' Group of Cameroon (GICAM). It is composed of 3 vice-presidents elected by the Committee, among which 2 are from the public sector being from the private sector. This Committee has a Technical Secretariat supported by the public sector, precisely by the National Council of the Chargers of Cameroon. It works on the basis of 3 Standing committees, a Council of Validation, subcommittees and Working groups.

The main objective of the FAL committee is to ensure the follow-up and coordinate the implementation of the measures intended to facilitate and to accelerate international traffic.

The NTFB has a budget that is yearly approved, and has the objective of surveilling the Committee's functioning. This budget comes from the National Council of the Chargers of Cameroon.

Analysis

This Committee presents as main obstacles: the lack of attendance to the meetings, and the legal nature of the recommendations issued by this NTFBs. These recommendations are non-binding, and implementing them sometimes create a problem between stakeholders.

The FAL committee has learned as a lesson that through the coordination of actions foreign trade and competitiveness of its country increases.

3.5.4. Egypt

Description

Egypt has a Trade Facilitation Sub-Committee (TFSC), which was established in 2002 and reformed in 2011. The TFSC is running and functioning properly.

According to the information gathered in this investigation, there are approximately five government agencies involved in trade procedures – the Ministry of Transport, the Ministry of Justice, the Ministry of interior Affairs, the Customs Authority, the General organization for export and imports control, Veterinary Quarantine, and Agriculture Quarantine.

Private sector participation is through four agencies. The Federation of Industries, the General Federation for the Chambers of Commerce, the Egyptian Businessmen Association in Cairo, and the Egyptian Businessmen Association in Alexandria.

The TFSC is an ad hoc group that performs the functions of study proposals submitted by WTO Members, formulates the Egyptian negotiating position, follows up the implementation of WTO negotiations at the national and international level, and discusses matters related to trade facilitation with the aim of improving export and import measures. Funding comes from government budget.

Analysis

The TFSC has improved import and export measures. Its main achievement is the preparation of the Egyptian negotiating position in the WTO negotiations on trade facilitation. In addition, it follows up on the implementation of any outcomes from these negotiations. It also strives to reduce the documentation, time, and costs associated with exports and imports.

3.5.5. Kyrgyz Republic

Description

The official name of the NTFB is Kyrgyz Republic national council on trade and transport, was established on the Presidential Decree N° 464 on the State policy in the external trade sphere and measures on improvement of export-import procedure, adopted on 23 October 2007.

The participation of the public sector is through the following agencies: Ministry of the economic development and trade; Government Customs committee; Ministry of transport and communications; Presidential Investment council; Government apparatus; Ministry of justice; Ministry of finance; Ministry of Health; Ministry of agriculture, water management and industry; Governmental agency of the information resources and technology; Border guard; National institute of standards and metrology; Chamber of Commerce; Transporters Association; Freight forwarders association; Kyrgyz members of the Association of International Road Carriers; Market, industry and services Association; Mountain Association; Entrepreneurs Union; Oil traders Association and International Business

The participation of the private sector is through the Customs cargo service, Asian Development Bank to the Kyrgyz Republic and the German entity in the technical collaboration.

The main objectives are development and realization of the state policy in the external trade; increase transparency, quality and customer orientation of the state services, the implementation of the entrepreneur good faith principle and development of partnership and confidence between business actors and the state.

Analysis

The Kyrgyz Republic is actively collaborating with international organizations and their projects on trade and transport facilitation:

- ESCAP and UNECE- elaboration of recommendations on trade and transport facilitation.
- World Bank technical regulation reform support
- Asian Development Bank, Customs automation and modernization support
- German Center on collaboration, USAID on administrative barrier elimination and single window implementation in the external trade sphere.

The greatest obstacles of the NTFB in Kyrgyz Republic are the high level of transit costs, leading to increase in costs of import and export and the weak collaboration of state bodies responsible for the border control, apartness of the sanitary services and decision taking centers from the border, low material and technical equipment of the checkpoints, non-transparency and complexity of the administrative procedures.

The recommendations for this country are the optimization and reduction of the existing administrative procedures in export and import; the identification of the checkpoints, situated near the countries, producing the goods of high risks and the implementation of the Single Window mechanisms, creation of the single automated database on the relevant actors, implementation of the single administrative document on the checkpoints, as well as implementation of e-Systems of Customs declaration and clearance.

3.5.6. Nigeria

Description

The official name of the NTFB is National Committee on Trade Facilitation/ Sub-committee of the enlarged national focal point on trade matters, was established in May 14th 2009.

The public sector participates through Nigerian Customs Service; Federal Ministry of Trade and Investment; Federal Ministry of Finance; Federal Ministry of Transport; Nigeria Shippers Council; Nigeria Quarantine Service; Nigeria Export Promotion Council; Nigeria Investment Promotion Commission; Nigeria Export Import Bank; Nigeria Export Processing Zone Authority; Nigeria Immigration Service; Standard Organization of Nigeria; National Agency for Food Drugs Administration and Control; National Planning Commission; Central Bank of Nigeria; Office of the Secretary to the Government of the Federation; Federal Ministry of Works; Federal Road Safety Corps; Nigerian Ports Authority; and Federal Ministry of Petroleum Resources. 95% participation is reported.

The private sector participates through Nigeria Association of Chambers of Commerce, Industry, Mines and Agriculture; Manufacturers Association of Nigeria; Association of Nigerian Exporters; and National Association of Nigerian Traders. 95% participation is reported.

The main objective of this NTFB is to insure free flow of trade and to comply with the WTO trade facilitation agreement. It has a fixed budget from the government and issues regarding financial resources are reported.

Analysis

Nigeria NTFB possesses 15 out of the 18 elements identified by UNCTAD. The main obstacle for the well-functioning of this NTFB is funding. The main lesson learned is the relevance of consultation that led to enriched and well informed submission of proposals and recommendations.

3.5.7. Pakistan

Description

The official name of the NTFB of Pakistan is PAKPRO, it was formed after 1994 but because of the dysfunctional organization stopped activities until 2001 where previous lessons learned were applied to the new NTFB.

The public sector participation is well-nourished and active on the meetings, the membership is comprised of the following institutions: Ministry of Commerce; Ministry of Communications; Ministry of Ports and Shipping; Ministry of Finance; Ministry of Planning and Development; Ministry of Food, Agriculture and Livestock; Ministry of Industries; Central Board of Revenue; State Bank of Pakistan; Small and Medium Enterprise Development Authority; Karachi Port Trust; Port Qasim Authority; National Ship Owners; Pakistan Railways; Trade Development Authority of Pakistan; Pakistan Horticulture Development and Export Board; Civil Aviation Authority; Pakistan International Airlines.

The Private sector is active on the meetings, the following organizations are part: Multimodal Transport Operators (All Pakistan Shipping Association); Federation of Pakistan Chambers of Commerce and Industry; Pakistan Shippers's Council; Insurance Association of Pakistan; Dry Port Operators; Pakistan International Freight Forwarders Association; Customs Clearance Agents Associations; Goods Carriage Associations; Pakistan Ships Agents Association; Pakistan Bankers Association; International Chamber of Commerce, Pakistan; Karachi International Container Terminal; Qasim International Container Terminal; Pakistan International Container Terminal; Karachi Chamber of Commerce and Industry; Lahore Chamber of Commerce and Industry; Faisalabad Chamber of Commerce and Industry; Sialkot Chamber of Commerce and Industry; Sarhad Chamber of Commerce and Industry; and Chamber of Commerce and Industry, Quetta.

The NTFB has a clear structural hierarchy consisting of committees, working groups, boards of directors, executive secretaries, etc.

The main objectives of this NTFB is to review the regulation, procedures and systems pertaining to the conduct of trade and transport that impact the cost and efficiency of country's international

trade. Additionally, it aims to undertake coordination of efforts of concerned organizations in the field of facilitation of international trade and transport; as well as to organize and present training seminars and workshops to improve the capacity of domestic industry in international trade and transport procedures and knowledge of the international trading practices, to promote and support training and research by other national bodies and stakeholders. There is a budget that comes from the Export Development Fund.

Analysis

Pakistan possesses with 17 out of the 18 elements identified by UNCTAD in its Repository, accounting for 94% of applied principles for the sustainability of its NTFB. A key factor to highlight whether a NTFB is working properly or not, is their output. Though it is not included on UNCTAD's elements, it is important because it is a direct measure of how effective the NTFB has been. Pakistan NTTFC recommendations are being implemented by the government and have the following concrete operational outputs:

- Single Administrative Document for Customs clearance introduced;
- Customs clearance system computerized;
- Web Base One Custom (WeBOC) system introduced by Pakistan Customs
- Freight forwarding industry being modernized;
- Security arrangements for international transport of goods; and
- Modernization of transport legislation.
- LOCODEs for main trading locations Accession to revised Kyoto Convention, ATA Carnet Convention COTIF.
- An important obstacle is the reluctance to change as well as the frequent rotation of representatives from both public and private sector with regards to trade facilitation matters.

The lesson learned for implementing trade facilitation measures requires persistence and persuasion by dedicated professional staff of a permanent Secretariat.

The success and sustainability of NTTFC depends heavily on political will and commitment at the highest level. The support from main authorities is required, as well as full commitment and participation from lead agencies and key stakeholders. Moreover, it has been highlighted that financial resources are necessary in order to organize activities in the NTTFC. In addition to this, it is critical that members of this NTTFC understand their roles when carrying out the Trade and Transport Facilitation Project and dealing with a relatively high turnover of officials representing its various member organizations.

Another challenge is that this NTTFC needs to find a balance regarding the participation of decision makers from the Committee and of technical specialists in the working groups. While the participation of decision makers provides political commitment that drives trade and transport facilitation work forward, an adequate professional contribution of technical specialists in the working groups enables the follow-up on decisions and recommendations issued by the Committee over a long period of time.

NTTFC acts as an intermediary between local stakeholders and international organizations that promote trade and transport facilitation. By maintaining close links with these international

organizations, it has sound knowledge of relevant instruments, recommendations and standards. It is thus, capable of providing technical assistance to ministries or government agencies when needed. Arranging seminars in several Pakistani cities to familiarize stakeholders with the International Chamber of Commerce's Uniform Customs and Practice for Documentary Credits (UCP500 and the electronic supplement eUCP500) as well as International Standard Banking Practices (ISBP) is an example of NTTFC's work in streamlining financial and banking provisions relating to foreign trade transactions. In addition to facilitating the development of recommendations and arranging technical assistance, the NTTFC Secretariat has also carried out technical work on its own.⁶⁶

3.5.8. Senegal

Description

The official name of the NTFB of Senegal is National Sub-committee on trade facilitation, was established in 2009.

The sub-committee on trade facilitation is composed of agencies responsible for: trade, customs, transport, police, gendarmerie, livestock, fisheries, environment, agriculture, port airport, standardization, quality and investment that represent the public sector.

The private sector is represented by all employers' associations, trade associations and the Chamber of commerce participate in the sub-committee on trade facilitation.

The main objectives are formulate negotiating positions in the WTO negotiations on trade facilitation; review procedures and requirements related to import, export and transit and to ensure the implementation of the Agreement on Trade Facilitation resulting from the WTO negotiations. The budgetary sources come from the directorate of foreign trade from the Ministry of Economy

Analysis

The main obstacle that faces is the lack of own financial resources

3.5.9. Togo

Description

The official name of the Togo's NTFB is Sub Committee on trade facilitation.

The participation of the public sector is by the Ministries responsible for foreign trade and Justice, the agencies responsible of customs and private sector, the agencies responsible of health, safety, food inspection, quality inspection and compliance with the legislation, transport, port, and other agencies invited to participate.

The participation of the private sector is on hands of the national council of employers and the professional licensed customs union.

⁶⁶ National Trade and Transport Facilitation Committee as an Effective Mechanism for Implementing Trade Facilitation Measures in Pakistan. <http://tfig.unece.org/cases/Pakistan.pdf>

The main objectives are to regular consultations on proposals to be submitted to the Government; to define all the negotiating positions of Togo on special and differential treatment granted to Least Developed Countries and Customs matters and participate, to the extent possible, in the WTO negotiation meetings held in Geneva.

The source of funding comes from the directorate general of foreign trade.

Analysis

The main obstacles are the lack of financial resources and the mobilization of the group members.

3.5.10. Turkey

Description

The official name of the current NTFB is the National Working Group of Trade Facilitation (NWTF). It was established in 2006 as a sub-committee of WTO Coordination Council.

The sub-committee is composed of relevant public and private stakeholders. The public participants of the NWTF are the Ministry of Customs and Trade, the Ministry of Economy, the Ministry of Transportation, the Ministry of Energy and the Ministry of Agriculture. On the other hand, the private sector participants of the NWTF are the Turkish Union of Chambers (TOBB), International Transporters Union (UND), and Turkish Exporters Unions (TİM). The coordination of the NWTF is held by the Ministry of Customs and Trade.

The objective of the NWTF is the effective conduct of the WTO trade facilitation negotiations.

NWTF has no fixed budget.

Analysis

The NWTF was effective in enabling Turkey to actively participate in the trade facilitation negotiations and to sponsor textual proposals. As a result, four of the textual proposals took place in the final text of the Agreement. Turkey was also appointed as the facilitator member on freedom of transit by the Chairman of the Negotiation Group.

As mentioned above, the NWTF was primarily established as a coordination body for the negotiations of WTO Trade Facilitation Agreement. Now that the negotiations ended and the implementation of the Agreement is expected, the NWTF is no more functional. Instead of the NWTF, in accordance with the related clause of the WTO TF Agreement, a National Committee will be established after the ratification of the Agreement. After the establishment of this body the UNCTAD criteria on NWTF may be better assessed.

3.5.11. United Arab Emirates

The official website of the United Arab Emirates government⁶⁷ mentions that the country is conducting a project on Transport and Trade Facilitation (TFF) which has the main objective of creating an effective national committee to facilitate and oversee transport and trade in the United Arab Emirates. It is also mentioned that a draft committee charter will be developed and it will include objectives of the committee, roles, and responsibilities, membership, funding of the TFF scheme, and implementation.

Furthermore, in October 2010 a workshop by the Economic and Social Commission for Western Asia (ESCWA) aimed at reviewing the potential establishment and activation of a national TTF committee in the UAE. However, no website or official information is available on this committee.

The National Transport Authority (NTA) of the UAE, the Iraqi ministries of Trade and Transport, as well as the Iraqi private sector, jointly organized a training workshop on the "Establishment of National Transport and Trade Facilitation Committees in Iraq and the UAE". The workshop concluded with the agreement on the draft resolution on the establishment of the national transport and trade facilitation committee in Iraq, which was put together by UN-ESCWA.⁶⁸

⁶⁷<http://government.ae/en/web/guest/home>

⁶⁸<http://www.ecc.ae/docs/default-source/Document-Library/accelerating-growth---best-practices-in-competitiveness-strategy-edited.pdf?sfvrsn=0><http://css.escwa.org.lb/weeklynews/wnews/uploads/29e07.pdf>
http://www.nta.gov.ae/EN/index.php?option=com_content&view=article&id=318:uae-transport-and-trade-facilitation-tff-project&catid=56:news&Itemid=109
<http://www.tradeandexportme.com/2014/12/uae-minister-leads-wto-national-committee-review/>
<http://css.escwa.org.lb/weeklynews/wnews/uploads/23e10.pdf>

4. FIELD CASE STUDIES FROM OIC MEMBERS STATES

4.1. Introduction

Part 4 reflects the results of field trips to six OIC members, which for this section have been grouped in the following order: a) three member states which have NTFBs or similar coordination mechanisms that are not working properly (i.e. Lebanon, Indonesia, and Uganda), and b) three member states which have functioning NTFBs or similar coordination mechanisms that are functioning properly (i.e. Jordan, Malaysia, and Morocco).

Each case begins with an introduction followed by a description (name, year of establishment, membership, lead agency, structural organization, objectives, responsibilities, and funding), and analysis (performance, main obstacles, lessons to be learned, and achievements). It ends with conclusions and recommendations (author remarks, areas of improvement, potential); each also includes a box out with brief information.

The methodology used in this section consisted in carrying out desk search; reviewing written and visual literature; collecting information about the work, documents, and experiences of relevant case studies. Moreover, the consultant did field trips to conduct surveys from relevant stakeholders on trade facilitation of each case study. Through the field studies, the consultant provided information and responded to the following lines of research with targeted questionnaires, using a template as a guideline⁶⁹:

- What roles are given to NTFBs by governments?
- What are the organizational structures of NTFBs?
- Who provides the secretariat services for NTFBs?
- What are the success factors for properly functioning NTFBs?
- What are the main obstacles to establishing properly functioning NTFBs?
- What are the obstacles faced for ensuring the sustainability of NTFBs?
- What organizational attributes are missing for dysfunctional NTFBs?

4.2. OIC Member States With NTFBs and/or Similar Coordination Mechanisms Not Functioning Properly

4.2.1. Case from the Arab group: Lebanon (Non-WTO Member)

4.2.1.1. Introduction

This subsection presents the state of play of Lebanon's NTFB. It breaks down into its key features of this committee, its stakeholders in the public and private sectors, and its main characteristics in terms of objectives, organization, responsibilities, performance, funding, and problems faced, finally presenting some possible solutions and strengths.

⁶⁹ See appendix 1.

4.2.1.2. Description

The official name of the NTFB of Lebanon is the *National Trade and Transport Facilitation Committee* (NTTFC), and was established by Council of Ministers' decision No. 58 in October 2006. Its establishment was as a result of an ESCWA Committee on Transport initiative for ten countries of the region. This initiative had the objective of creating National Transport and Trade Facilitation Committees (NTTFC) in ten countries of the region. In this decision explains the mandate and the objectives of the NTTFC.

Six government agencies participate in the work of the committee namely: Ministry of Economy and Trade (this is the coordinating agency), Directorate General of Land and Maritime Transport, Directorate General of Civil Aviation, Ministry of Interior and Municipalities, Ministry of Telecommunications, Ministry of Public Health, and the Ministry of Agriculture; all of them work together in the government area.

Ministry of Economy and Trade: This is the coordinating agency, in charge of international agreements, internal trade, trade-related legislation, the Trade Information Centre, and monitoring the Lebanese industrial sector. The Minister is the President of this NTFB.

Directorate General of Land and Maritime Transport (a dependency of the Ministry of Public Works and Transport): Responsible for setting, implementing, and monitoring all policies related to land and maritime transport. The Director General is the Vice-president of this NTFB.

Directorate General of Civil Aviation (a dependency of the Ministry of Public Works and Transport): Responsible for setting and implementing air transport policies within the country in compliance with international policies, and for controlling air traffic within the Lebanese territory.

Ministry of Interior and Municipalities: Responsible for governorates, municipalities, federation of municipalities, and village matters, in addition to political parties and organizations.

Customs: Responsible for ensuring that all goods and persons entering and exiting Lebanon are in accordance with relevant laws and regulations.

Ministry of Telecommunications: Responsible for the construction, equipping, operation, and maintenance of all telecommunications services in Lebanon, comprising fixed and mobile telephony, all internet services, and postal services. It also determines the fees imposed on these services and ensures their proper functioning, monitors the activities of the private sector in the telecommunications field, and reaches international agreements in this sphere.

Ministry of Public Health: Responsible for addressing economic and social determinants of health through trans-sectoral policies.

Ministry of Agriculture: In charge of agro-industries, animal health and quarantines, animal production, education and extension, fisheries and aquaculture, food and nutrition, natural resources (forestry), marketing and trade, agreements, projects, plant production, and plant health and quarantines.

Figure 7: Public and Private Stakeholders in Lebanon

Public Stakeholders	Private Stakeholders
<ul style="list-style-type: none"> •Ministry of Economy and Trade •Ministry of Public works and transport <ul style="list-style-type: none"> •Directorate General of Land and Maritime Transport •Directorate General of Civil Aviation •Ministry of Interior and Municipalities •Customs •Ministry of Telecommunications •Ministry of Public Health •Ministry of Agriculture 	<ul style="list-style-type: none"> •Federation of Chambers of Commerce, Industry & Agriculture •Association of Lebanese Bankers •ACAL •International Chamber of Commerce •LAITP •Travel and Tourist Agencies. •Shippers Association

Source: Author

Participating agencies from the private sector are more involved stakeholders. There are six agencies: Federation of Chambers of Commerce, Industry & Agriculture; Association of Lebanese Bankers; Association of Insurance Companies in Lebanon (ACAL); International Chamber of Commerce, Lebanese Association of Information Technology Professionals (LAITP); and travel and tourist agencies.

Federation of Chambers of Commerce, Industry & Agriculture: This agency plans to implement a new strategic plan for commerce, advocating transparency, ethics, and values in business, diversifying FCCIAL's services, and promoting sustainable growth.

Association of Lebanese Bankers: According to the bylaws, every bank in the list of banks set up by the Banque du Liban (central bank) has the right to join the association as an active member upon request. Moreover, representative offices of foreign banks may join the association as associate members, on equal footing with member banks in rights and obligations. However, they do not have the right to vote or to be candidates for the board of directors.

Association of Insurance Companies of Lebanon (ACAL): It has established close cooperation among its members in different fields, building the profession on sound technical bases, and instituting rules and regulations designed to improve the insurance industry, safeguard public interests, and ensure the representation of its members before authorities and third parties.

International Chamber of Commerce (first committee of maritime and land transport, second of air transport): These national bodies are leading companies and business associations in their territories. National committees shape ICC policies and alert their governments to international business concerns.

Lebanese Association of Information Technology Professionals (LAITP): It offers its members networking opportunities, certification of IT professionals, accreditation of IT secondary and post-secondary programs, an IT skills exchange platform, a voice before government and community, and represents Lebanese IT professionals in local, regional, and international forums. LAITP also aims at

encouraging and facilitating ongoing professional development in information technology, as well as safeguarding community and public interests within the IT space.

The Chairman is Minister of Commerce and Trade and the Secretary General of the NTTFB is the Directorate General of Land and Maritime Transport from the Ministry of Transport. This secretariat and is responsible for the organization and coordination of meetings.⁷⁰ It is important to mention that this structure has officially changed overtime.⁷¹

The three main objectives that have been defined for the management of the NTFB's actions and decisions are to deepen integration, further strengthen trade logistics, and streamline administration.

The basic responsibilities of the committee are generated based on two visions:

- Trade facilitation, generating and monitoring national and international agreements related to trade legislation, description, and management of the Lebanese industrial sector.
- Security, ranging from operating systems, data-based security, internet security, both internal and external.

Once established, the NTTFB created thematic working groups, related to the boarders, maritime transport, air transport, TBT, etc. These working groups did diagnosis of problems with regards to trade and transporters problems.

With regards to financing, it does not have a formal budget for the operations of the TF.

4.2.1.3. Analysis

Although the NTFB from Lebanon was launched enthusiastically, however the last convening of the committee took place in 2008. From 2006 until 2008 stakeholders met regularly on a monthly basis, and sometimes even weekly. The regularity of organizing these meetings were due to political situation within the country and in the region. However there is great willingness on the part of all committee members to resume activities.^{72, 73, 74, 75, 76} Private and public sectors meet on an *ad hoc* basis for specific issues.

A major obstacle is that, there is no clarity, neither legal nor factual of which Ministry plays the role of the Permanent Secretariat of the NTTFBs. Thus, official meetings of NTFBs are not organized and gatherings between Public and Private sectors are a reactively rather than a proactively.

One priority that must be set for this committee is to publish its work plan. Without a defined work plan, the actions taken could in fact hinder each other. When setting goals, a plan is needed to monitor development and progress made.

⁷⁰ Decision 11/2015. Committee for eliminating barriers in Electronic Goods.

⁷¹ Although in 2006 the Director General of Land and Maritime Transport is appointed as the chairman, in 2007 was removed. However 2015 in Decision 11/2015 it is mentioned that he is the Chairman of the NTTFB.

⁷² Mr. Zaher Azouri. Ministry of Economy and Trade in Lebanon.

⁷³ Ms. Rafif Berro op. cit.

⁷⁴ Expert Group Meeting on Transport and Trade Facilitation in the ESCWA Region (PDF) op. cit.

⁷⁵ Mr. Fawzi Allam, op. cit.

⁷⁶ Mr. Abdel Hafeez Al Kaissi, op. cit.

Moreover, meetings must also address new issues concerning today's markets, in order to broaden the perspective of committee members. A list of products and services backed by current market trends should also be provided.⁷⁷

Main Achievements

The progress in the work of the Committee has been limited. However it can be mentioned that the creation of Trade Point Beirut, a trade promotion entity founded by the Ministry of Economy and Trade was a success. As an operational member of the World Trade Point Federation (WTPF) and the UNCTAD Trade Point Program, it offers traders numerous trading opportunities and extensive information on foreign markets.⁷⁸

4.2.1.4. Conclusions and Recommendations

Considering the factors that must be met by these institutions, as determined by the UNCTAD, it must be taken into account the importance of the following measures:

1. Meeting on a regular basis in order to reach agreements that will measure progress, growth, and situations faced by the committee.
2. Publication of a work plan; in addition to formalizing the work done by the NTFB, such a document will set clear goals to help to gain recognition for this organization.
3. Financial resources should be provided on a regular basis for the committee's activities in order to avoid problems in the future.
4. Leadership and political commitment are necessary for the development and recognition of the NTFB. Better organization among members will facilitate TF issues in order to achieve new goals at national and international levels.
5. Trust and respect among stakeholders. This will be the basis on which the NTFB can move (or not) along the right track.

In conclusion, with the establishment of a work plan, the NTFB can signal the importance of TF matters to the government. So far, committee business seems to be a priority for the current government, but by publishing the work plan, they can give more perspective to the great advantages in resuming activities and resolving problems.

To develop a good work plan, persons serving on committees, especially those who serve as leaders, need thorough preparation specializing in their area of focus.⁷⁹

Another necessity is the inclusion of necessary technologies for the development of communication among all levels of the committee. Also, the committee needs to consider the suggestion of creating a community system that can unify the interface for the TF to report situations. The intention is to include more stakeholders and improve the quality and speed of response.⁸⁰

⁷⁷ Ibid.

⁷⁸ <http://www.economy.gov.lb/index.php/subSubcatInfo/2/27>

⁷⁹ Mr. Abdel Hafeez Al Kaissi. Op. cit.

⁸⁰ Mr. Fawzi Allam, op. cit.

BOX 2. National Trade and Transport Facilitation Committee of Lebanon

The NTTFC of Lebanon was formally established under the Council of Ministers' Decision No. 58 in October 2006. Since 2008, they have held only one meeting, the work plan has not been published, and has been reported to be “on hold”.

Public sector participation involves thirteen ministries and associations.

The committee started with strong leadership that gradually diminished, almost to the point of stopping its activities.

Main tasks of the NTTFC are:

The three main objectives that have been defined for managing the actions and decisions of the NTFB are deepening integration, further strengthening trade logistics, and streamlining administration.

4.2.2. Case study from the Asian group: Indonesia

4.2.2.1. Introduction

Indonesia is a country with rapid growth in trade, member of the Association of Southeast Asian Nations (ASEAN), the World Trade Organization (WTO), and signee of the General Agreement on Tariffs and Trade (GATT).

4.2.2.2. Description

In this context, Indonesia has cross-sectorial coordination mechanisms to facilitate trade and logistics, although there is no official trade facilitation body. However, there is a similar mechanism that plays the role of its NTFB and is called the Task Force on Trade Facilitation in the WTO context⁸¹ and established in 2005.

According to the information gathered the public participants of the Committee are as follows:

- Ministry of Trade. This ministry is considered to be the main coordinator of multilateral corporations. It is responsible for interagency coordination in trade facilitation issues.
- Ministry of Finance. This ministry is in charge of all technical aspects of the TF, which serves as CEO to customs (there are three customs directorates: Directorate on Technical Customs, Customs Audit, and International Customs).
- Ministry of Coordinating Economic Affairs (KEMENKO): Responsible for incorporating climate change mitigation and adaptation into development policies. Also is in charge of developing and overseeing economic development.
- National Planning Agency (BAPPENAS): Central government institution responsible for formulating national development plans and budgets (annual, five-year, and long-term). BAPPENAS also coordinates cooperation in international development (unilateral, bilateral, and multilateral). Responsible for managing all the technical assistance projects.
- Ministry of Foreign Affairs: The government ministry responsible for foreign policy.

⁸¹Mr. Titian Ludbianto, part of the Ministry of Foreign Affairs since 2004, in charge of Trade Facilitation issues in Geneva since 2012.

- Ministry of Transportation: The government ministry responsible for the governance and regulation of transport in Indonesia. The ministry is located in Jakarta.
- Ministry of Health: The government ministry that organizes public health affairs.
- Ministry of Information and Communication: Responsible for telecommunications, broadcasting, information technology, public communication, information affairs, developing a world-class Indonesian communications and information technology sector while working toward a better future for all Indonesians.
- Ministry of Defence: Formerly the Department of Defence of the Republic of Indonesia, this government ministry is responsible for Indonesian defence affairs. This is the one of three ministries (along with the Ministry of Foreign Affairs and the Ministry of Home Affairs) explicitly mentioned in the constitution of Indonesia, which means they cannot be replaced or dissolved by the president.
- Ministry of Maritime Affairs and Fisheries: Government ministry which organizes marine affairs and fisheries affairs.
- Quarantine Service of the Ministry of Agriculture.
- National Foods and Drugs Agency (BPOM): Responsible for regulating and controlling the manufacture, importation, exportation, advertisement, distribution, sale and use of food, drugs, cosmetics, medical devices, chemicals, and packaged water.
- National Standards Agency (BSN): A government institution, not a department or a ministry, responsible for developing and promoting national standardization in Indonesia.

The private sector participates through chambers of trade and industry (KADIN), Indonesia Port Corporations (PELINDO), the Export Import Bank (EXIMBANK), and the Insurance Company and Shipping Association. Not many existing organizations are connected to the Task Force.

- Chambers of trade and industry (KADIN): This organization has the largest representation from the private sector and consequently greater influence in trade facilitation issues.
- Indonesia Port Corporations (PELINDO): State corporations responsible for the governance, regulation, maintenance, and operation of ports and harbours in Indonesia. Company numbers correspond to a given port's regional coverage; they are numbered 1 through 4 from west (Sumatra) to east (Papua).
- Export Import Bank (EXIMBANK): This organization is in charge of financing granted to foreign companies in foreign countries, foreign project financing, financing to Indonesia, joint ventures in foreign countries, structured financing (Non-LC), and buyer's credit.
- Insurance company
- Shipping association

Figure 8: Public and Private Stakeholders in Indonesia

Public Stakeholders	Private Stakeholders
<ul style="list-style-type: none"> •Ministry of Trade (Multilateral Directorate) •Ministry of Finance (Customs) •Ministry of Coordinating Economic Affairs (KEMENKO) •BAPPENAS (National Planning Agency) •Ministry of Foreign Affairs •Ministry of Transportation •Ministry of Health •Ministry of Information and Communicataions •Ministry of Defence •Ministry of Maritime Affairs and Fisheries •BPOM •BSN •National Police 	<ul style="list-style-type: none"> •KADI •PELINDO •EXIMBANK •Insurance Company •Shipping Association •Freight Forwarders Association

Source: Author

There is no lead agency; the ministry responsible for taking action on a given matter depends on the area of interest.

Regarding organization and objectives, as it has not been established as an NTFB, its structure has yet to be determined. The Task Force has not established an agenda for meetings. Members wish to organize a meeting once a week, or at least once a month. Meetings usually take place in Jakarta.

Given that the Task Force has not been established as an NTFB, it has not set objectives as such. However, the main reasons that led to its creation and subsequent development to become recognized as an NTFB could provide a basis for determining its objectives. The main reasons motivating the establishment of the TF body were to facilitate the negotiation of the WTO TFA, to promote dialogue and discussion of issues between public and private sectors; and to facilitate import and export processes, reducing the number of documents required and optimizing times.

Once a well-defined organization is established, it may determine the responsibilities that each segment will take over. In the current context, each of the different ministries is in charge of its responsibilities separately.

The current situation of Indonesia's Task Force is that it depends on its income, meaning that members pay fees. There is no government budget for the NTFB; in this situation, an NTFB needs several sources of financing in order to obtain sufficient resources for its operations.⁸² Currently, the budget depends on the members.

⁸² Mr. Achmad Sofyan, op. cit.

4.2.2.3. Analysis

As for performance, it can be said that the Task Force has not established regularity on their meetings. However, they are already putting together an official proposal for establishing an NTFB. Members wish to organize a meeting once a week, with a minimum of once a month. The meetings usually take place in Jakarta, led by the Ministry of Trade or the Ministry of Finance, depending on the subject matter.

To keep stakeholders informed of the TF body's meetings and new documents, upcoming events, and all events related to TF topics, official letters/reports, emails, and phone calls are used.

The NTFBs' meetings and topics are dealt in the official language, which in the case of Indonesia is Bahasa Indonesia.

The fact of having an official organization for TF issues is a breakthrough in the country's development; however there are obstacles that must be addressed in order to ensure the creation of an NTFB. In the case of Indonesia, the main obstacles are:

- Frequent replacement of members: This does not allow for a continuous process of improvement and decision-making as members do not have a constant participation in the organization.
- Structural hierarchy: It is necessary to establish levels of hierarchy for the entities that form part of the NTFB.
- Lack of involvement by the private sector: Due to the lack of an organization acting as a leader within the private sector, this sector has not had much involvement in TF affairs.
- Poor of knowledge about the subject of trade facilitation: This mainly applies to stakeholders that have recently become involved. The main problem is in understanding the TF agreement.^{83,84,85}

Main Achievements

The achievements of the Task Force of Indonesia are its existing strengths that will eventually facilitate the implementation of an NTFB, including the fact that it has an institution with a strong leadership, which is the Ministry of Coordinating Economic Affairs (KEMENKO).

Also, the organization is officially recognized by the government as a foundational body that combines the basic elements for creating an NTFB.

4.2.2.4. Conclusions and Recommendations

To handle situations often faced by organizations in the process of establishing an NTFB, the general recommendations are as follows:

1. To meet the factors established by the UNCTAD, which are: have well-defined objectives and a defined scope of work; have a legal framework in place; institutionalize the TF body; meet on a regular basis; establish concrete terms of reference, i.e. have a work plan; have a

⁸³ Ibid

⁸⁴ Mr. Theo Kumaat, op. cit.

⁸⁵ Mr. Eddy. Rahardjo, op. cit.

permanent secretariat; have enough financial resources; have regular involvement of the private sector, the participation of all public agencies involved in TF and the certainty that all participants have knowledge of trade facilitation including its importance; establish strong political commitment; have strong leadership by the coordinating agency, with appropriate monitoring and evaluation tools; have an efficient work structure and methodology (groups, subgroups, etc.) based on trust and respect among stakeholders, who receive technical assistance and training on a regular basis.

2. To incorporate into the structures individuals dedicated specifically to monitoring the decisions made at meetings and their clear implementation.
3. To open the topics of the meetings up to different types of issues pertaining to all sectors that are part of the TF.
4. In the flow of decisions and actions of the Task Force at the NTFB level, it is necessary for representatives of institutions to answer to someone high-ranking who can make important decisions, to thus reach agreements more quickly and ensure they are put into action.
5. Priorities of the program have to be established; the first two must be to obtain the ratification of the TF agreement, and to set up the TF body which will consist of three different primary stakeholders: public, private, and academic.⁸⁶

In addition to the above recommendations, the following steps should be taken in the particular case of Indonesia:

Open up the topics of the meetings to different types of issues pertaining to all sectors that are part of the TF. This point necessarily implies the greater involvement of the private sector. This requires contact actors who have more influence and can benefit from the agreements reached in this NTFB. It is recommended to involve the APINDO organization, which has strong leadership in the private sphere.

In the flow of decisions and actions of the Task Force at the NTFB level, it is necessary for representatives of institutions to answer to high-ranking officials who can make important decisions, to thus reach agreements more quickly and ensure they are put into action.

Priorities of the program have to be established; the first two must be to obtain the ratification of the TF agreement, and to set up the TF body which will consist of three different primary stakeholders: public, private, and academic.

In conclusion, the strengths that exist in Indonesia and that will eventually facilitate the implementation of an NTFB are that they have an institution with a strong leadership, which is the Ministry of Coordinating Economic Affairs (KEMENKO), and also, that they have an organization that is officially recognized by the government as a foundation that combines the basic elements for creating an NTFB. In this context, Indonesia has a great platform on which to build an NTFB with the required formalities.

⁸⁶ Mr. Yehndo Adi, Senior Staff in Multilateral Cooperation Sub directorate in the International Affairs Directorate Customs, in charge of Trade Facilitation Issues.

BOX 3. National Trade and Transport Facilitation Committee of Indonesia

The legal framework is a document that establishes the official recognition of the Task Force. The Task Force is part of the National Group Trade Facilitation (NGTF). It is in the process of ratification.

Main tasks of the NTTFC are:

There is no institutionalized Trade Facilitation Body, but there is a Task Force in the WTO TFA context. The main reasons that motivated the establishment of the TF body were to facilitate the negotiation of TFA, to promote dialogue and discussion of issues between public and private sectors, and to facilitate import and export processes, thus reducing the number of documents required and optimizing times.

4.2.3. Case study from the African group: Uganda

4.2.3.1 Introduction

This case study will first describe the public and private NTFB stakeholders, then focus on the general characteristics and current state of the NTFB, identifying success factors and obstacles to its creation and functioning, and finally highlighting some of the best practices and solutions encountered during the study.

4.2.3.2 Description

Although there is not an official NTFB in Uganda, there is a similar mechanism that deals with Trade Facilitation issues, which is called *National Working Group on Trade Facilitation* (NWGTF). The group was formed following the trade facilitation needs assessment done in December 2007.

In the public sector, the most relevant stakeholders are Ministry of Tourism, Trade and Industry (MTTI); Ministry of Finance Planning and Economic Development (MoFPED); Ministry of Foreign Affairs; Ministry of Information Communication and Technology (MoICT); Ministry of Works and Transport; Uganda Revenue Authority (URA); Uganda Export Promotion Board (UEPB); Uganda National Bureau of Standards (UNBS); and Uganda Investment Authority (UIA).

- Ministry of Tourism, Trade and Industry (MTTI)

The MTTI was formed through a merger of the Ministry of Tourism, Wildlife, and Antiquities, the Ministry of Cooperatives and Marketing, the Ministry of Commerce, and the Ministry of Industry and Technology. The mandate of the Ministry is summarized as follows:

"To formulate and support strategies, plans and programs that promote and ensure expansion and diversification of tourism, trade, cooperatives, environmentally sustainable industrialization, appropriate technology, conservation, and preservation of other tradable national products, to generate wealth for poverty eradication and benefit the country socially and economically."

- Ministry of Finance Planning and Economic Development (MoFPED)

The MoFPED plays a pivotal role in the coordination of development planning; mobilization of public resources; and ensuring effective accountability for the use of such resources for the benefit of all Ugandans.

- Ministry of Agriculture, Animal Industry and Fisheries

The Ministry of Agriculture, Animal Industry and Fisheries is a government ministry charged with creating an enabling environment in the agricultural sector. It is commonly known as the Ministry of Agriculture and carries out its role by enhancing crop production, improving food and nutrition security, widening export bases, and improving farmers' income.

The Ministry is the overseer of the agricultural sector where it formulates, reviews, and implements national policies, plans, strategies, regulations and standards, and enforces laws, regulations and standards along the value chain of crops, livestock, and fisheries.

- Ministry of Justice and Constitutional Affairs

The Ministry of Justice and Constitutional Affairs is a government ministry that ensures that Uganda as a country upholds the rule of law; good governance ensures due legal process for all citizens, and that residents are well taken care of.

This Ministry provides legal advice and legal services to government, its allied institutions and the general public, as well as supporting the mechanism that provides the legal framework for good governance.

- Ministry of Foreign Affairs

The Ministry of Foreign Affairs and its missions abroad implement Uganda's foreign policy through: promoting regional and international peace and security; commercial diplomacy; regional integration; implementing and reporting obligations under international treaties and conventions; mobilizing bilateral and multilateral resources for development; providing protocol and consular services to Ugandans and foreign dignitaries, as well as enhancing Uganda's image abroad through public diplomacy.

- Ministry of Information Communication and Technology (MoICT)

The Ministry of Information and Communications Technology is a newly established Ministry. It was established in June 2006 with the mandate of providing strategic and technical leadership, overall coordination, support, and advocacy on all matters of policy, laws, regulations, and strategy for the ICT sector. It also ensures sustainable, efficient, and effective development, harnessing and utilizing ICT in all spheres of life to enable the country to achieve its national development goals.

- Ministry of Works and Transport

The Ministry of Works and Transport is a government ministry responsible for this important sector which has the responsibility of planning, developing, and maintaining transport infrastructure and engineering works in the country.

This Ministry aims to have the highest possible level of an economical, efficient, and effective transport and engineering works infrastructure in the country.

- Uganda Revenue Authority (URA)

The URA is a government revenue collection agency established by the Parliament of Uganda.

The URA is responsible for enforcing, assessing, collecting, and accounting for the various taxes imposed in Uganda.

- Uganda Export Promotion Board (UEPB)

The UEPB is a public trade promotion organization established by Parliamentary Statute No. 2 of 1996. At the time of formation, it was known as the Uganda Export Promotion Council (UEPC). It is an agency that is regulated and supervised by the Ministry of Trade, Industry and Cooperatives. The fundamental role of this institution is to facilitate the development and growth of export trade in Uganda.

- Uganda National Bureau of Standards (UNBS)

The Uganda National Bureau of Standards (UNBS) is a statutory body under the Ministry of Trade, Industry and Cooperatives established by the UNBS Act Cap 327 and became operational in 1989. It is governed by the National Standards Council and headed by the Executive Director who is responsible for the day-to-day operation of the UNBS. The mission of the UNBS is to provide standards, measurements, and conformity assessment services for improved quality of life.

- Uganda Investment Authority (UIA)

The UIA is a semi-autonomous government agency operating in partnership with the private sector and government to drive national economic growth and development. The Authority was established by the Investment Code Act, Cap 92 Revised Edition 2000 Laws of Uganda.

In the private sector the most relevant stakeholders are Uganda Clearing and Forwarding Association (UCIFA), Private Sector Foundation Uganda (PSFU), Uganda National Chamber of Commerce and Industry (UNCCI), Kampala City Traders Association (KACITA), and Uganda Manufacturers Association (UMA).

- Uganda Clearing and Forwarding Association (UCIFA)

Uganda Clearing Industry and Forwarding Association (UCIFA) is the umbrella and uppermost body of all indigenous clearing and forwarding firms in Uganda with a membership of 226 companies, out of over 380 companies licensed by Uganda Revenue Authority.

It draws its membership from the entire freight forwarding fraternity and private sector particularly the sectors of: warehousing, transporters, inland container depot, import-export companies, small and medium enterprises.

- Private Sector Foundation Uganda (PSFU)

PSFU is Uganda's highest-ranking body for the private sector. It is made up of 175 business associations, corporate bodies, and the major public sector agencies that support private sector growth. Since its founding in 1995, PSFU has served as a focal point for private sector advocacy as well as capacity building, and continues to sustain a positive dialogue with government on behalf of the private sector.

- Uganda National Chamber of Commerce and Industry (UNCCI)

The UNCCI is the oldest nationwide umbrella organization for the private sector in Uganda.

UNCCI's main objective is to promote and protect the interests of the business community, particularly its members who are represented in all sectors of the economy. The various sectors include internal and external trade, industry, tourism, and, transport, services.

- Kampala City Traders Association (KACITA)

KACITA is a business support organization in Uganda, established and registered in 2001. The main aim is to bring together the business community in Uganda and mobilize it into a viable, organized, and socially sustainable marketplace.

- Uganda Manufacturers Association (UMA)

UMA is the representative trade association for the manufacturing industry in Uganda and works to promote and protect the interests of industrialists and manufacturers in Uganda. UMA offers services to promote, protect and coordinate, act as watchdog and mouthpiece, initiate discussions and exchange of information amongst members on industrial issues, and to advise government on key policies affecting industry in Uganda.

Key external partners taking part in the NTFB include the World Trade Organization (WTO), Organization for Economic Cooperation and Development (OECD), UNCTAD, UNECE, UN/DEFACT, World Customs Organization (WCO), and International Chamber of Commerce (ICC).

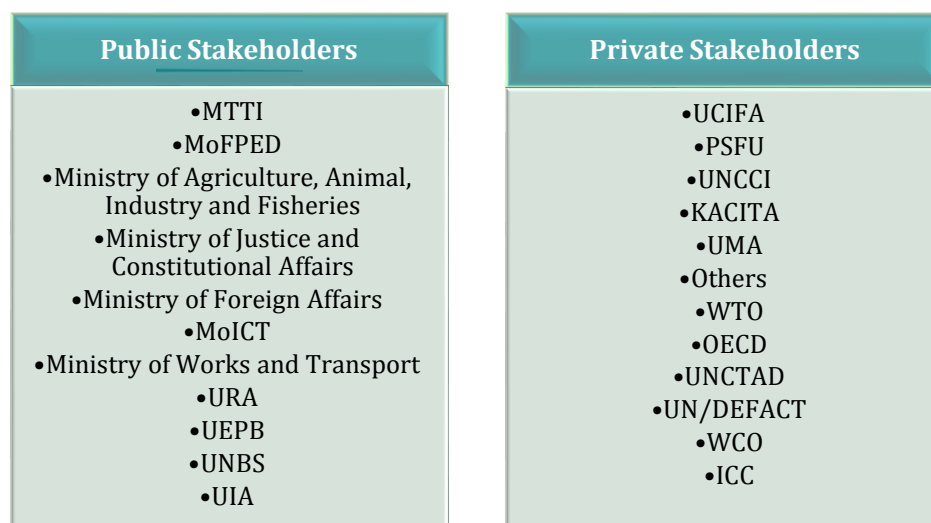
There is no permanent secretariat, but the Ministry of Trade plays this *de facto* role. For now, according to the NTFB structure as described in the terms of reference, the Ministry of Tourism, Trade and Industry is the coordinating agency.

The NTFB is made up of two co-chairs: one from the private sector (Clearing Agency, Mr. Kasim or PSFU) and another from the public sector (URA or MTI).

There are some committees and subcommittees, including three subcommittees that have been proposed but have not yet been activated: Customs URA, Transport Ministry of Works and Transport,

Technical Assistance and Capacity Building of the Ministry of Finance.⁸⁷ The main objectives are to build upon Uganda's self-assessment report regarding trade facilitation needs, provide support to Geneva-based Ugandan officials involved in WTO negotiations, advise and provide background information for negotiations on trade facilitation among the East African Community, the Common Market for Eastern and Southern Africa, and Economic Partnership Agreements.

Figure 9: Public and Private Stakeholders in Uganda



Source: Author

The main functions are to analyse barriers to expedited trade facilitation, identify gaps in Uganda's trade facilitation, analyse the types of capacity building required, and develop and monitor the Simplified Trade Regime work plan of the Common Market for Eastern and Southern Africa.

The NTFB group is expected to analyse proposals presented by different members of WTO and provide advice to Geneva negotiators. The NTFB should also follow up on bilateral negotiations in the area of trade facilitation, analyse issues related to trade facilitation at the domestic level, and advise policymakers, including the IITC.⁸⁸

Funding comes from the MTTI, but a lack of funding to cover the working group's activities has hindered its operation.

The NTFB needs resources and seed money to start to operate properly, specifically for a permanent secretariat, refreshments for meetings, research papers, transport refunds, communication etc.⁸⁹

Once the NTFB is up and running, ministries or private bodies interested in the NTFB will be willing to cooperate, but first it is necessary to garner resources to start working.⁹⁰

⁸⁷ Ms. Elizabeth Tamale, op. cit.

⁸⁸ Ibid

⁸⁹ Ibid

4.2.3.1. Analysis

The main obstacles faced by the NTFB of Uganda are: the lack of financial resources, first and foremost, as a budget is necessary for the creation of a permanent secretariat; as well as the organization of NTFB meetings⁹¹; the lack of coordination among different institutions,⁹² and the lack of commitment by members in terms of resources.⁹³

Main Achievements

The main achievements are:

- Leadership: There is a remarkable leadership and organization by the focal point of the MTTI
- Commitment: Both public and private sectors are committed and willing to encourage the activities of NTFB.⁹⁴
- Qualitative participation: Individuals attending the meetings are senior representatives of the different institutions, and have a good level of understanding of trade politics.⁹⁵
- International Trade Facilitation Expos PSFU ⁹⁶

Since 2005, PSFU has been organizing International Trade Facilitation Expos aimed at bringing together trade facilitators and service providers under one roof with the potential and actual business entities who are the users. PSFU has so far held eight such successful events.

4.2.3.2. Conclusions and Recommendations

The following solutions are proposed:

Permanent secretariat: A permanent secretariat is necessary. This could be managed by one person, who could be a consultant to the individual managing the NTB secretariat. ⁹⁷

Need for regular meetings: The NTFB needs to meet regularly. ⁹⁸

Increasing manpower: Individuals dedicated to following up on the NTFB must be involved in the process. ⁹⁹

Funding: The NTFB needs resources and seed funds for operations to begin properly, and particularly for: a permanent secretariat, refreshments for meetings, research papers, transport refunds, communication, etc. ¹⁰⁰

Location of the meetings: If meetings were to be held in Kampala, it could be easier for representatives to attend them. ¹⁰¹

⁹⁰ Ms. Elizabeth Tamale, op. cit.

⁹¹ Ms. Giorgina Nampera, op. cit.

⁹² Ms. Elizabeth Tamale, op. cit.

⁹³ Ms. Giorgina Nampera, op. cit.

⁹⁴ Emmanuel Atwine, Project Manager, NRSE-NTBs, Ministry of Trade, Industry and Cooperatives.

⁹⁵⁻¹⁰⁴ Ibid

⁹⁶ Ms. Eva Nakabonge Ekanya, Trade Policy Officer, Private Sector Foundation Uganda

⁹⁷ Ms. Elizabeth Tamale, op. cit.

⁹⁸ Ms. Giorgina Nampera, op. cit.

⁹⁹ Ms. Elizabeth Tamale, op. cit.

¹⁰⁰ Ibid

¹⁰¹ Ms. Giorgina Nampera, op. cit.

Uganda is involved in WTO negotiations on a trade facilitation support group, though it is reported to be non-functioning: “We have had only two meetings this year. It has not been officially formalized and therefore it has no funding,” UNCTAD website reports.

BOX 4. National Trade and Transport Facilitation Committee of Uganda

The official name of the national trade facilitation mechanism in Uganda is *National Working Group on Trade Facilitation (NWGTF)*.

The working group is expected to report to the Inter-institutional Trade Committee, though some bureaucratic problems have been reported.

The lack of coordination of meetings, lack of organization, and lack of financial resources indicate deficient leadership on the part of the coordinating agency

The main tasks of the NTTC are:

- To build upon Uganda’s self-assessment report on trade facilitation needs.
 - This shall include analysis of barriers to expediting trade facilitation. Members shall make suggestions, and where possible, create implementation plans on how these barriers can be removed.
 - Members shall identify gaps in Uganda’s trade facilitation and analyse the types of capacity building required, both donor-assisted capacity building and possible Ugandan-led initiatives.
- Providing Geneva-based Ugandan officials involved in the WTO negotiation advice on:
 - Uganda’s capabilities vis-à-vis WTO member states’ proposal to clarify GATT V, VIII and X,
 - Uganda’s position on whether it supports WTO member states’ proposals,
 - Development and monitoring of the Simplified Trade Regime work plan of the Common Market for Eastern and Southern Africa,
- Providing background information for negotiations between the East African Community, the Common Market for Eastern and Southern Africa, and Economic Partnership Agreements on trade facilitation

Source: Author

4.2.4. Common obstacles in the functioning of NTFBs

Some of the obstacles presented in the first phase prior to Uganda’s establishing its NTFB may still have been present once the NTFB was in place, but like the other two cases studied in this section, it doesn’t function properly. There are also further obstacles, such as the following:

- ✓ Lack of political priority at the first level
- ✓ Limited representation of first- and second-level decision makers
- ✓ Lack of coordination between governmental agencies
- ✓ Limited involvement of the private sector
- ✓ *Ad hoc* rather than institutionalized involvement of the private sector
- ✓ No consistency in meeting attendance
- ✓ Frequent rotation of the members
- ✓ Lack of follow up on the issues
- ✓ Lack of seed funds for specific concepts to establish a permanent secretariat

4.2.5. Proposed solutions for OIC Member States with NTFB and other coordination mechanisms that do not function properly

In order to have properly functioning NTFBs, OIC member states can first set up NTFBs with all the elements mentioned above. In other words: a legal framework, a work plan, concrete objectives, terms of reference, funds, an institutionalized and permanent secretariat, and a clear structure. In addition to all these elements, countries should also ensure that the following elements are present:

- ✓ Political will at the first level of government (e.g. Prime Minister or President of the country) and private sector (e.g. President of the Chamber of Commerce)
- ✓ Determined leadership of the representatives from public and private sector that will coordinate the NTFB
- ✓ Even representation of both sectors, public and private
- ✓ Further participation and the voices of other representatives such as: scholars and NGOs, which can support the NTFB in producing analyses and studies that public and/or private sector entities do not have time to generate. NGOs can participate by providing consumer perception and thereby increasing the transparency and governance of these meetings.
- ✓ Coordination among agencies and/or sectors which will lead the NTFB
- ✓ Trust among stakeholders
- ✓ Ability to reach consensus when making decisions
- ✓ Appointing two representatives
- ✓ An efficient communication system between the permanent secretariat and stakeholders. This system has the objective of lending certainty and coherence to the NTFB's activities. The secretariat can create templates for:
 - Invitations with the possibility of removing an institution's representative in the event that he or she does not attend three meetings in a row;
 - Agendas;
 - Attendance sheets;
 - Coordination letters;
 - Follow-up outlines marked according to compliance with the issues;
 - Minutes/reports of the meetings, which ideally should be signed by each of the participants.
- ✓ Decision-makers' participation: Stakeholders who attend meetings should have a seniority level that enables them to make decisions, in order to provide practical and qualitative participation in the meetings.
- ✓ A transitional strategy for stakeholders: with a timeline that provides stakeholders with sufficient time to adapt to the NTFB's new methods. This strategy may encompass: information about the NTFB, dissemination of information about its functioning and expected results among stakeholders, and implementation of the project.
- ✓ Regular attendance at meetings: This lends certainty and trust, internally and externally. Not only do stakeholders know that during a certain period each month, they will be provided a space for discussing specific problems, externally, it also spawns trust in the trading community and transmits a serious business-oriented image to users of the trading system.

4.3. OIC Member States with NTFBs and/or Similar Coordination Mechanisms That Are Functioning Properly

4.3.1. Case study from the Arab group: Jordan

4.3.1.1 Introduction

In Jordan, a National Committee for Trade and Transport Facilitation, a partnership of members from both the private and public sectors, was officially created in 2003 to tackle the challenges to international trade operations, specifically to enhance dialogue and develop a more supportive environment in the areas of trade, transport and logistics, agreements and treaties, as well as border management.

The NCTTF was established in accordance with UN Economic and Social Commission for Western Asia (ESCWA) guidelines on regional trade. The committee is entrusted with carrying out its mandate by making recommendations and proposals which will simplify procedures, organize logistics, facilitate administrative reform and law, reduce time and costs of operations, and reinforce security.

The committee aims not only to increase the level of trade between Jordan and the rest of the world but also to encourage the spread of TTF policies and procedures to all countries in the region.

4.3.1.2 Description

The National Committee for Trade and Transport Facilitation (NCTTF) was established as a legal entity by the Council of Ministers Decision N°3966, adopted on 18 February 2003; the Technical Committee for Trade and Transport Facilitation (TCTTF) was established by the Council of Ministers Decision N° 1365, adopted on 13 September 2005.

The TCTTF was formed by the Jordanian government to bring together all concerned stakeholders in the private and public sectors in order to address the problems and obstacles encountered by the trade and transport sectors. It aims to improve exporters' competitiveness and attract foreign investments to encourage economic growth.

The Jordan NCTTF has constant participation from the private sector through its participants in the National Committee: the Chairman of Jordan Chamber of Industry, and the Chairman of the Jordan Chamber of Commerce. Participants in the technical committee include: Aqaba Container Terminal (ACT), Jordan Shipping Association, Jordan Chamber of Industry, Jordan Chamber of Commerce, Forwarders Association Owners Syndicate, Trade Union of Jordanian Truck Owners, Jordan Logistics Shipping Agents Association, Jordan Exporters Association, and Nafith Logistics Services. This participation has been graded as "satisfactory" by the committee.

- Nafith Logistics Services: Provides innovative web-based software solutions and services for industry and government users in the transportation and logistics sector. It creates applications that deliver measurable results for clients, stakeholders, and business partners. NAFITH has designed and implemented the largest transportation sector e-government solution in the Middle East.
- Association of Clearing Agents

- **Syndicate of Jordanian Truck Owners:**¹⁰² Serves its members by holding courses to raise awareness, defending truck owners' interests, resolving wage-related differences and disputes between carriers and parties, including traders, importers, and their agents, seeking to achieve justice and equal opportunities, issuing leaflets on operational costs, providing aid and assistance to truck owners.
- **Chamber of Commerce:** The primary responsibility of the Jordan Chamber of Commerce is to connect Jordan's various private and public sector bodies. It represents the general interests of the business community, provides information and advice to members as well as market information and economic statistics, promotes economic development, encourages foreign investment, and facilitates international trade.
- **Chambers of Industry** (including the Jordan Chamber of Industry, Amman Chamber of Industry, Zarqa Chamber of Industry, and Irbid Chamber of Industry): These further the interests of private businesses and advocate on their behalf. The JCI also communicates and coordinates the activities of all local chambers of industry with parties inside and outside Jordan.
- **Jordanian Exporters Association (JEA):** This is a private, voluntary-membership, non-profit organization that assists Jordanian businesses in various sectors to develop international trade, especially the promotion of Jordanian exports. JEA enables Jordanian exporters to identify new opportunities to sell their goods and services in international markets.
- **Jordanian Logistics Association (JLA):** This is a non-profit organization that aims to raise the standards for the freight forwarding industry by taking part in the preparation and implementation of rules, regulations, and laws in collaboration with concerned authorities. JLA acts as a spokesperson for members of freight forwarders and provides comprehensive and updated information about the transport industry in Jordan.
- **Jordan Shipping Association:** This association is a private organization of shipping agents working toward the improvement of the port in Aqaba so that it adheres to international standards. It offers information about port regulations, port facilities, port layout, and the latest news about shipping in Aqaba.
- **Aqaba Container Terminal:** This is the main port, handling more than fifteen of the world's top shipping lines. Aqaba Development Corporation manages, operates, and markets the terminal in partnership with APM Terminals, a global port operator and part of the well-known A.P. Moller-Maersk Group. It is the major gateway for transit cargo moving to and from countries in the region, as well as for the Jordanian market.

Public participation takes place within the National Committee for Trade and Transport Facilitation, which is chaired by the Minister of Transport and consists of the following members: Minister of Industry and Trade, Minister of Planning and International Cooperation, Minister of Public Works and Housing, Minister of the Interior, Minister of Agriculture, Director-General of the General

¹⁰² Description of the Syndicate on the Guide to Civil Society Organization in Jordan <http://www.civilsociety-jo.net/en/organizations/1/employers-unions>

Customs Department, Technical Committee for Trade and Transport, Ministry of Industry and Trade, Jordan Institution for Standards and Metrology (JISM), Ministry of Planning and International Cooperation, Ministry of Finance/Customs, Ministry of Health/Jordan Food and Drug Administration, Aqaba Development Company, Ports Corporation, Civil Aviation Regulatory Commission, Jordan Maritime Authority, Aqaba Special Economic Zone Authority, and Jordan Corporation for Economic Projects Development.

Ministry of Public Works and Housing (MPWH):¹⁰³ This ministry is responsible for the development, preparation, and implementation of plans and programs for the establishment of road networks in the country, their maintenance and perpetuation, developing and implementing a comprehensive plan for traffic safety, theoretical and applied research, studies of work methods, as well as cooperating with different departments, institutions, and competent bodies on the development and implementation of legislation relating to transport and compliance with Jordanian codes of law.

- Ministry of Transport (MoT):¹⁰⁴ The responsibilities of this ministry are to develop general transportation policy and supervise its implementation in coordination and collaboration with the relevant entities. It also regulates and monitors the road freight transport sector and services, and issues permits for professional practice in all activities to individuals and companies in coordination and collaboration with competent entities. In addition, it regulates and monitors the rail freight transport sector and its services, as well as issuing necessary work permits in all activities in coordination and cooperation with the competent entities.

- Ministry of Planning and International Cooperation (MoPIC):¹⁰⁵ This ministry is in charge of the development of a flourishing national economy that is open to regional and international markets, and the promotion of good governance so that central and local government bodies become financially stable, transparent, and accountable. It also provides appropriate infrastructure and efficient facilities with high return.

- Ministry of Agriculture (MoA):¹⁰⁶ This ministry is responsible for developing natural and human resources available in the agricultural sector, and enhancing their output based on technical know-how, as well as increasing agricultural productivity, both in the animal and plant sectors, and attaining full agricultural integration, facilitating exchange of agricultural products, increasing agricultural production in order to attain food self-sufficiency, and supporting agricultural projects and processing industries.

- Ministry of Industry and Trade (MIT):¹⁰⁷ This ministry is responsible for regulating industries by type, classifying and registering them according to internal regulations, and preparing programs and studies geared toward developing the industrial sector and increasing its competitiveness. The Ministry also takes on the task of regulating and monitoring internal and external trade, and preparing studies and agreements that protect the interests of the country and its citizens. It takes upon itself the study of trade and industrial blocs and authorities, both Arab and international,

¹⁰³ Ibid

¹⁰⁴ Description of the ministry on its official website <http://www.mot.gov.jo/Pages/viewpage.aspx?pageID=50>

¹⁰⁵ Description of the ministry on its official website <http://mop.gov.jo/Pages/viewpage.aspx?pageID=196>

¹⁰⁶ Description of the ministry on its official website <http://www.moa.gov.jo/ar-jo/home.aspx>

¹⁰⁷ Description of the ministry on its official website <http://www.mit.gov.jo/EN/About%20the%20ministry/Pages/The-Ministry.aspx>

making recommendations to the Council of Ministers as to ways to deal with them, the feasibility of joining them, and showing their effect on the national economy.

- Ministry of Interior (MoI):¹⁰⁸ This ministry creates the appropriate environment for investment at all levels and strengthens cooperation between public and private sectors, follows up on the implementation of development projects and their compliance with time-specified stages, addresses the causes of stalled development projects through all legal and administrative means, with full accountability, and also prepares capital budgets for the provinces with the participation of executive and investment councils, including the preparation of capital budgets to ensure that they meet the needs of citizens, wherever they may reside.
- Land Transport Regulatory Commission: Responsible for regulating land transport services and their control, and encouraging investment in the land transport sector in compliance with economic and social development objectives.
- Public Security Directorate–Borders & Residence Department: The Public Security Directorate organizes foreign arrivals and departures to and from the territory of the Kingdom of Jordan. It also enforces laws and regulations relating to this matter while supervising border crossings (land, sea, and air), given that it is directly affiliated with Ministry of Interior regulations in term of employees, laws, regulations, and instructions applicable to public security forces, and is associated with the Assistant Director of Public Security of the Judicial Police in terms of specific regulations.
- Aqaba Development Corporation: Launched by the Aqaba Special Economic Zone Authority and the Jordanian government, the Aqaba Development Corporation (ADC) is a publicly owned enterprise that controls Aqaba’s seaport, airport, and strategic parcels of land, and is responsible for development and management rights for these assets, as well as key infrastructure and utilities. ADC is developing the Aqaba Special Economic Zone by building new infrastructure or expanding the existing one, creating business opportunities, and managing or operating its key facilities.
- Aqaba Port Corporation: This is an independent governmental body responsible for establishing, developing, maintaining, and operating port activities (receiving ships, handling and storing cargo).
- Aqaba Special Economic Zone Authority (ASEZA): This is the financially and administratively autonomous institution responsible for the management, regulation, and development of the Aqaba Special Economic Zone. ASEZA is a service-oriented organization offering one-stop assistance covering all investment needs.
- Civil Aviation Regulatory Commission: This is a financially and administratively independent body responsible for regulating all matters pertaining to civil aviation, including safety, security, economy, and environment.
- Jordan Customs Centres: These entities are responsible for promoting investment and enabling industry to be competitive in order to enhance the national economy, facilitate trade exchange between Jordan and other countries, collect revenues for the treasury, combat smuggling, protect

¹⁰⁸ Description of the ministry on its official website www.moi.gov.jo

local society and the environment from hazardous materials, and contribute to controlling commercial activities in order to prohibit illegal businesses under current regulations.

- **Jordan Enterprise Development Corporation (JEDCO):** This entity was established and mandated to support the establishment and development of enterprises to become globally competitive. The corporation includes the Commercial Centre in Dubai, the Commercial Centre in Algeria, the Commercial Centre in Khartoum Sudan, and the Commercial Centre in Erbil Iraq.
- **Jordan Food and Drug Administration (JFDA):** This is an independent public sector institution that is the sole national competent authority for ensuring drug safety and efficacy, as well as food safety and quality.
- **Jordan Maritime Authority (JMA):** This is a government agency with the sole responsibility of governing Jordan's Red Sea and other domestic ports, sea roads, and shipping.
- **Jordan Institution for Standards and Metrology (JISM):** This governmental institution is responsible for the development of and adherence to Jordanian standards. It also maintains and supervises the national system for meteorology, grants a voluntary Jordanian Quality Mark, and accredits testing and calibration laboratories.

Figure 10: Public and Private Stakeholders in Jordan

Public Stakeholders	Private Stakeholders
<ul style="list-style-type: none"> •MPWH •MoT •MoPI •MoA •MIT •MoI •Land Transport Regulatory Commission •Public Security Directorate/ Borders & Residence Department •Aqaba Development Corporation •Aqaba port Corporation •ASEZA •CARC •JCC •JFDA •JMA •JIMS 	<ul style="list-style-type: none"> •Nafith Company for Logistics Services •Association of Clearing Agents •Syndicate of Jordanian Truck Owners •Chambers of Commerce •Chambers of Industry •Jordanian Exporters Association •JLA •Jordan Shipping Association •Aqaba Container Terminal

Source: Author

The NCTTF has a Permanent Secretariat for Transport and Trade Facilitation, which was created in 2011 thanks to an EU Cooperation Program for Trade and Transport Facilitation.

The organization of TF matters in Jordan has been identified as a major requirement for the expansion of the economy, and four entities have been assigned this responsibility: National

Committee for Trade and Transport Facilitation (NCTTF), Technical Committee for Trade and Transport Facilitation (TCTTF), Ministry of Transport (MoT), and Executive Secretariat for Trade and Transport Facilitation (ESTTF).

While the ministry and executive secretariat are mainly public institutions, the national and technical committees are comprised of members from both the public and private sectors, and were created to widen the scope of discussion and better the outcome for all stakeholders.

The overall objective of the National Committee for Transport and Trade Facilitation is to contribute to Jordan's integration into the global economy by reducing trade-related costs and developing a multi-modal transport sector that maximizes efficiency and at the same time, is environmentally sustainable.

Added to this, the committee has determined other important objectives that guide their practices:¹⁰⁹

- Encourage the free movement of people and goods.
- Facilitate efficient movement of goods through established competitive regional trade corridors.
- Reduce transaction costs and time significantly by improving administrative efficiency and simplifying, standardizing, and harmonizing trade procedures.
- Enhance the transparency of laws, regulations, procedures, and forms, and share information on these and other trade issues.
- Develop sustainable, safe, user-friendly transport and trade networks.
- In the economic aspect, the committee has reported no major problems. The Ministry of Transport allocates an annual budget for its performance.

The strategy for NCTTF was initially laid out in the National Transport Strategy 2009–2011, developed by the MoT and updated in the 2012–2014 strategy. Following are the main responsibilities of the NCTTF in Jordan:

- Improve the domestic capacity for TF
- Strengthen the initiatives of the NCTFF
- Augment capacity building of Jordanian forwarders and trucking companies for TTF
- Enhance regional cooperation to support trade and ease border-crossing traffic
- Establish and consolidate regional cooperation on TTF
- View transport development and infrastructure investments in a regional perspective
- Upgrade customs services and border-crossing facilities
- Simplify customs procedures and border crossings
- Develop multimodal and intermodal transportation systems

¹⁰⁹ Objectives set out in the official website of the TTF <http://www.ttf.gov.jo/ttf/lang/en/Objectives.aspx>

- Provide public and private sector investments for establishing connections and interchange points between road and rail networks
- Pursue complementary modes of transport
- Develop equal opportunities and advantages for freight transport by rail and by road

The bulk of the grant has been directed to supporting the national budget. Remaining funds have been devoted to providing Technical Assistance (TA) to the Ministry of Transport (MoT) with the aim of addressing issues and needs associated with the restructuring and strengthening of the ministry, modernizing the transportation sector, assisting in formulating a national strategy for the transportation sector, enhancing capacity building, and establishing an Executive Secretariat to support two committees that were created to implement the TTF.

Additionally, in order to support the Jordanian government's policy on economic development and growth, the European Union (EU) has provided the TTF program with a 33-million-Euro grant. Also, the EU has designed and approved policies and procedures related to the program, with particular emphasis on efforts to remove any obstacles facing Jordanian foreign trade and improve transport systems.

4.3.1.3 Analysis

Meetings form the basis of the National Committee, and are held on a monthly basis (third week of the month) mostly at a permanent venue. Special sessions may be required by chairman of the National Committee for Transport and Trade Facilitation, who sends out an invitation and all members are required to attend. At these meetings, members discuss pressing TF issues, making recommendations and proposals on them.¹¹¹

The NCTTF from Jordan has a clear and consistent communication strategy within the stakeholders. Invitations letters are sent with the agenda. Minutes are taken during the meetings and are distributed by e-mail and official letters to all members afterwards for validation. Evaluation is done based on a comparison of key performance indicators established in the work-plan, contrasted with achievements of Technical Committee meetings and decisions made by the National Committee.

The committee delivers reports in an established order. The NCTTF generates a progress report and sends it to the NCTTF. Following its analysis, the NCTTF generates a new report which is sent to the Jordan Council of Ministers.¹¹²

Despite that, an analysis of the performance of Jordan's NTFB shows efficient operation in all aspects, though there is room for improvement in some of them.

Priorities need to be set in cooperation with stakeholders, especially in terms of trade negotiations. For example, relations with Syria and political problems are affecting trade. The committee should work actively to find solutions regarding issues that concern them.¹¹³

¹¹¹ Captain Mothamen Dalabieh, Jordan Shipping Association.

¹¹² Ibid

¹¹³ Ms. Hana Urandi, Acting Chief Executive Officer

On the issue of training for members, this is generally fact-based, so it often does not have the necessary impact. Members need to gain greater knowledge of certain subjects.¹¹⁴

Regarding meetings, there should be better monitoring of problems and situations addressed by the committee. In this way, the committee can have better flow of information.¹¹⁵ In order to improve the Work Program, specific goals have to be set through Memoranda of Understanding. With the current plan, there is a lack of clarity on the cooperation issue.¹¹⁶

Also, despite the proper development of the committee, it does not have a high media profile. Wider dissemination of its achievements and development may reach new players.¹¹⁷

Main Achievements

A Technical Assistance program was launched and included the following:

Logistics Efficiency Improvements Study of Aqaba Port to determine logistic congestion and develop practical solutions thereof based on a study of the top ten containerized goods, including two goods flowing to Aqaba through Genoa port. The study was completed in July 2013. ECHO Port Pilot Project study for the application of "Environment Management System" in Aqaba Container Terminal during 2013, through the application of an evaluation plan of environmental aspects and effects at the port level and presenting practical recommendations for procedures and arrangements required for joining environmentally friendly international ports.

Many different regional, technical, and training workshops have been held.¹¹⁸

Future Plans

Jordan is an excellent example of knowing how to make an NTFB sustainable. As any other organization, it has suffered challenges, but stakeholders have created the environment to overcome them. Undoubtedly, the human factor has played a tremendous role where all stakeholders work actively together and cooperate within themselves to find agreeable solutions to tackle their problems.

Jordan will be developing a modern, reliable freight railway network linking the nation's key cities (the national capital Amman, and major industrial cities such as Mafraq and Zarqa), the country's gateway port (the Port of Aqaba), and the largest phosphate mine (Shidiya Mine). The network will also connect with the railways of Saudi Arabia and Syria (and onward to Turkey and Europe in the future), as well as important markets in Iraq.¹¹⁹

¹¹⁴ Captain Mothamen Dalabieh, op. cit.

¹¹⁵ Ms. Hana Urandi, op. cit.

¹¹⁶ Ibid

¹¹⁷ Ibid

¹¹⁸ <http://www.mot.gov.jo/DetailsPage/DeliveredProjectEn.aspx?PID=13%22>

¹¹⁹ <http://www.mot.gov.jo/DetailsPage/FutureProjectsEn.aspx?PID=8>

4.3.1.4 Conclusions and Recommendations

This committee's main contribution has been its regional and international workshops on transport and trade facilitation, enhancing communication, cooperation and understanding between all stakeholders in the transport and trade sector at a regional level.

By adopting well-established TTF procedures, and through the cooperation of both public and private stakeholders, obstacles in such areas as customs and transport can be removed, thus boosting the competitiveness of local business, increasing the inflow of foreign investment into the country, and facilitating its integration into the global economy.

As a result, all actors—government, private business, and consumers—benefit equally:

For the government, TTF means more effective and efficient use of resources and enhanced revenue collection. In addition, it enhances the effectiveness of control methods, providing better protection against smuggling, fraud, and threats to national security. Likewise, businesses' compliance with trading regulations is improved. A safer and better regulated trading environment encourages foreign investments and augments economic development.

In order to follow up on issues, an agenda must be set to resolve problems according to a timetable and define goals to be achieved. Furthermore, any achievements (if they exist) on the specific issues discussed above should be included. Follow-up should come from the Executive Secretariat.

For targeted trainings, some specific points should be taken into account:

- a) Courses should be held according to the needs of the members of the Technical Secretariat.
- b) Courses should have a practical approach, based on real problems, as opposed to a theoretical approach.
- c) Course level should be identified according to the group's qualifications, for example, basic, intermediate, and advanced.
- d) Courses should be designed for people who work (shorter, practical, and focusing on a specific problem).
- e) Specific courses should be designed based on stakeholders' suggestions.

BOX 5. National Committee for Trade and Transport Facilitation of Jordan

The National Committee for Trade and Transport Facilitation (NCTTF) was established by a Council of Ministers Decision N° 3966, adopted on 18 February 2003; and the Technical Committee for Trade and Transport Facilitation (TCTTF) was established by a Council of Ministers Decision N° 1365, adopted on 13 September 2005.

The National Committee meets on a bimonthly basis or as necessary upon invitation sent by the Chairman of the National Committee for Transport and Trade Facilitation, in order to make recommendations and provide proposals.

The NTTFC's main tasks are:

- The creation of an appropriate platform for dialogue.
- Coordination between all stakeholders involved in international transport and trade.
- Reinforcement of cooperation and partnership between the government and the private sector in the field of transport and trade development.
- Enhance communication with neighbouring countries for coordinating and following up on efforts aimed at improving the smooth trans-border flow and influx of goods.
- This interaction improves logistic services and increases efficiency; particularly as this will lead to overcoming all obstacles facing this sector in order to create a competitive environment at the sectorial level.
- All necessary WTO activities are included in Technical Trade Facilitation Committee reports through the General Secretariat. Once the Technical Committee adopts a decision, it is taken before the National Committee. The Ministry of Trade is represented in both committees.

4.3.2. Case study from the Asian group: Malaysia

4.3.2.1. Introduction

Malaysia has always been business-friendly and willing to improve its ranking in business and international trade, encouraging direct foreign investment and facilitating business.¹²⁰

Malaysia has had remarkable results in the area of open markets compared to global averages. The business environment encourages the development of a vibrant private sector.

The name of the National Trade Facilitation Mechanism in Malaysia is the *Focus Group on Trading Across Borders (FGTAB)* of the PEMUDAH. This study highlights the role of PEMUDAH and FG TAB and will explain how these bodies have contributed to Malaysia's recent economic results.

On February 7th, 2007, the Special Task Force to Facilitate Business or PEMUDAH was established. PEMUDAH is a public-private partnership with a team comprising twenty-two highly respected individuals from both sectors, reporting directly to the Prime Minister.

It is co-chaired by the Chief Secretary to the Government of Malaysia representing the public sector, and the President of the Federation of Malaysian Manufacturers (FMM) representing the private sector.¹²¹

The mandate of PEMUDAH is to achieve a globally benchmarked, customer-centric, innovative, and proactive public service in support of a vibrant, resilient and competitive economy and society, driven by the following values:¹²²

¹²⁰ Ms. Bahria Bt. Mohd Tamil, Bumiputera Business Development Department of MITI and Former PEMUDAH Secretariat Director (2007-2013)

¹²¹ Ms. Bahria Bt. Mohd Tamil, op. cit.

- A sense of urgency;
- Proactive public/private sector collaboration;
- Facilitation, not hampering;
- No more regulation than necessary; and
- Zero tolerance for corruption.

PEMUDAH has two working groups, one on efficiency-related issues, and the other on policy issues, intended to look into the efficiency of the public delivery system and government policies impacting business respectively.³⁰

Various task forces on specific issues support these working groups,

4.3.2.2. Description

The name of the National Trade Facilitation Mechanism in Malaysia is the Focus Group on Trading Across Borders (FGTAB) of the PEMUDAH. The privatization policy introduced in 1986, the liberalization of the manufacturing sector in 1998 and 2003, as well as the progressive liberalization of the service sector have been facilitated by the reforms. The process of regulatory reform is achieved with initiatives to improve the public delivery system and reduce bureaucracy.

Both PEMUDAH and the FG TAB are run by a public-private partnership.

The public sector is represented by the main public agencies of PEMUDAH and FG TAB which are the Ministry of International Trade and Industry (MITI), Ministry of Transport, Ministry of International Trade and Industry (MITI), Malaysia Productivity Corporation (MPC), Royal Malaysian Customs Department (RMCD), Malaysian Administrative Modernization, and Management Planning Unit (MAMPU).

Ministry of International Trade and Industry (MITI)

The Ministry of International Trade and Industry (MITI) is a government ministry responsible for determining the policies and direction to achieve the goals of International Trade and Industries. MITI co-chairs the FG TAB and operated the PEMUDAH secretariat from 2007 to 2013; it will chair the future National Logistics Task Force with Customs.

Ministry of Transport

Malaysia Productivity Corporation (MPC)

MPC is the leading organization in productivity enhancement for global competitiveness and innovation. MPC's mission is to deliver high-impact services with a view to achieving performance excellence through innovation. MPC has been in charge of the secretariat of PEMUDAH since February of 2013.

¹²² www.pemudah.gov.my

Royal Malaysian Customs Department (RMCD)

The Royal Malaysian Customs Department (RMCD) is the government agency responsible for administrating the nation's indirect tax policy, border enforcement, and narcotics offences.

Malaysian Administrative Modernization and Management Planning Unit (MAMPU)

MAMPU is one of the few central agencies in Malaysia, responsible for modernizing and reforming the public sector in the areas of administrative reforms. MAMPU answers to the Prime Minister Department.

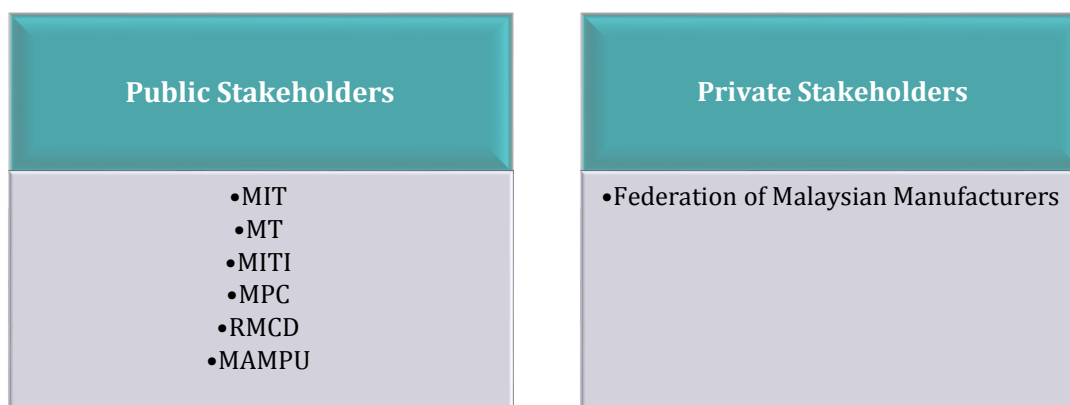
The private sector participates thorough the Federation of Malaysian Manufacturers (FMM), currently the largest private sector economic organization in Malaysia, representing over 2500 manufacturing and industrial service companies.

Federation of Malaysian Manufacturers (FMM)

The Federation of Malaysian Manufacturers (FMM) is Malaysia's premier economic organization. Since its establishment in 1968, the FMM has consistently led Malaysian manufacturers in spearheading the nation's growth and modernization.

Today, as the largest private-sector economic organization in Malaysia, representing over 2500 manufacturing and industrial service companies, the FMM is the officially recognized and acknowledged voice of the industry. FMM co-chairs PEMUDAH with the Chief Secretary to the Government.

Figure 11: Public and Private Stakeholders in Malaysia



Source: Author

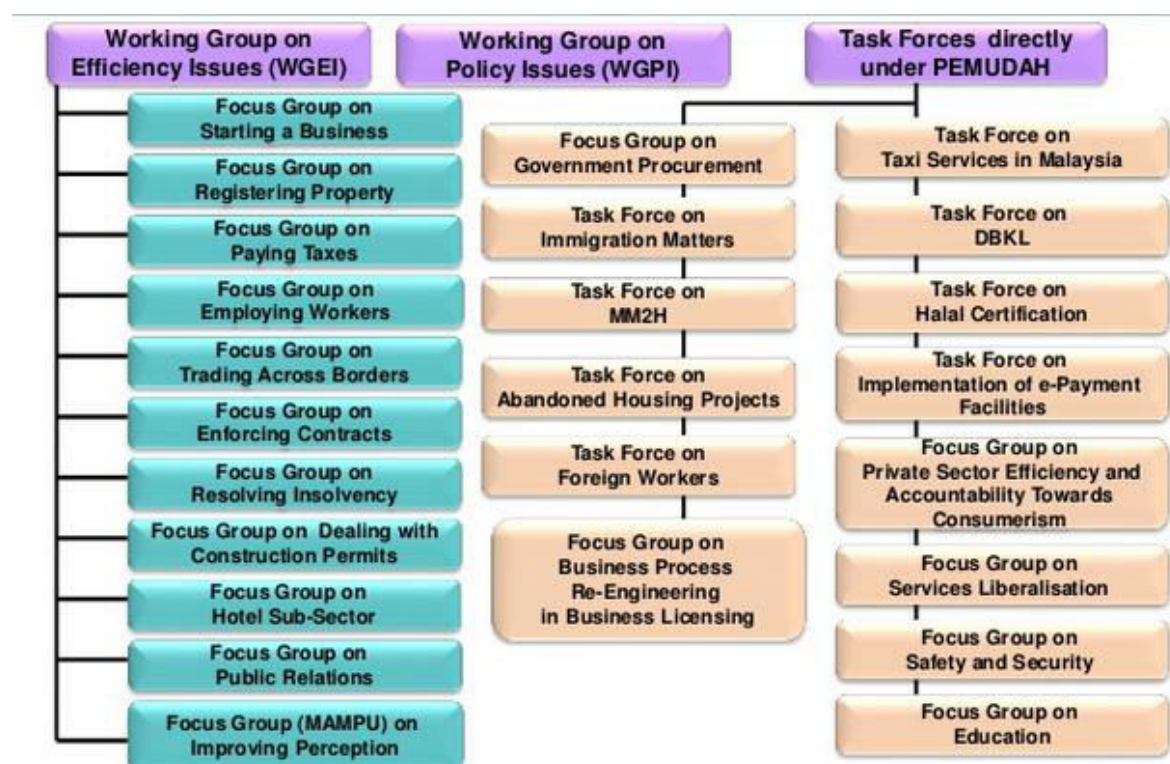
The FGTab is co-chaired by the Ministry of International Trade and Industry (MITI) and the Malaysian Productivity Corporation (MPC).¹²³ PEMUDAH leaders from both the private and public

¹²³ Ms. Bahria Bt. Mohd Tamil, op. cit.

sectors designate the chairs.^{124, 125} A permanent secretariat of three individuals has been established to provide backup support and to monitor the progress of decision implementation for the whole PEMUDAH including FG TAB.¹²⁶ This secretariat was run by MITI from 2007 until September 2013, when it was switched over to the Malaysian Productivity Corporation (MPC) in order to increase productivity.^{127,128}

The organization OF PEMUDAH is represented by the following organizational chart:

Figure 12: PEMUDAH's structure



Source: www.pemudah.gov.my

The main objective of the Focus Group on Trading Across Borders (FGTAB) is to improve Malaysia's trade environment, especially with respect to cross-border trade. FG TAB has grown while identifying areas of economy where further improvement is needed.

The missions of the FG TAB highlighted in this study are:

- Reduce the number of documents and reduce times;
- Reduce the cost of international trade;

¹²⁴ Ibid

¹²⁵ www.pemudah.gov.my

¹²⁶ Ms. Bahria Bt. Mohd Tamil, op. cit.

¹²⁷ Ibid

¹²⁸ www.pemudah.gov.my op. cit.

- Computerize all processes related to trade.¹²⁹

The main responsibilities of the Permanent Secretariat of PEMUDAH are to elaborate meeting agendas, invite members, and organize meetings.¹³¹

PEMUDAH and FGTab don't have proper funding and are currently receiving a budget from the MITI to fund the secretariat, organize meetings, and other day-to-day activities. Other income is provided by members.^{132, 133}

4.3.2.3. Analysis

In the *Doing Business 2015* report, Trading Across Borders in Malaysia was ranked eleventh out of 189 economies, with a DTF score of 89.94.¹³⁴

Some of the highlighted performances of FGTab in 2015 are:

- The development of a new Standard Operating Procedure (SOP) to improve inspection systems and to expedite the import-export process, implemented nationwide on August 1, 2014. Initiative taken by the Royal Malaysian Customs Department (RMCD).
- The Authorized Economic Operator (AEO) Program, an initiative by RMCD allowing companies which have fulfilled a set of criteria to enjoy benefits such as direct release from Customs Control for importation, exportation, and movement of goods; self-assessed declaration on import and export; periodical movement of goods, and deferred payment of duties/taxes via Electronic Fund Transfer (EFT).¹³⁵
- Customer-Centric Service Delivery (CCSD), the latest initiative by Customs, MPC, and MAMPU, aims to reduce regulatory burdens with respect to customs clearance and control and to improve customs service delivery and process capability.
- One of the outcomes of the CCSD initiative is the introduction of a selectivity program for trustworthy customs brokers and forwarding agents. This is a joint initiative between Customs and University Utara Malaysia (UUM).¹³⁶

The Trade Facilitation Working Group raised the concern that SMEs were not sufficiently aware of import and export procedures for their products. Therefore, the FGTab developed a *Guidebook on Export and Import Procedures in Malaysia*, published in 2013.

The main obstacles facing Malaysia are not receiving proposals on time; funding issues; assembling all members of the Technical Committee at the regular meetings.

¹²⁹ Ms. Suraya Wan, Senior Director of Trade Facilitation and Investment Policy Department of MITI

¹³¹ Ms. Suraya Wan, Senior Director of Trade Facilitation and Investment Policy Department of MITI

¹³² Ms. Bahria Bt. Mohd Tamil, op. cit.

¹³³ Ms. Bahria Bt. Mohd Tamil, op. cit.

¹³⁴ www.pemudah.gov.my op. cit.

¹³⁵ DOING BUSINESS IN MALAYSIA 2015 http://www.pemudah.gov.my/documents/10124/445488/DB+Booklet+2015+BI_Final-.pdf

¹³⁶ Ibid

¹³⁷ Ms. Bahria Bt. Mohd Tamil, op. cit.

Achievements

The NTFB's main achievement has been to get private and public sectors to work together at the highest hierarchy level, as in the PEMUDAH. The private sector provides perspectives of what is needed on the ground, and the public sector sets the agenda and provides knowledge of trade policy.^{137, 138}

The institutionalized meetings are successful because every member knows that there is a structure and a meeting where they can debate about issues that concern them. There is mutual respect during meetings, allowing members to discuss issues openly, listen to each other, and work together.¹³⁹

Public agencies are represented by civil servants rather than ministers, as technical representatives are more operational in the field.^{140, 141}

PEMUDAH has consistency in holding meetings at the highest level of both public and private sectors. Furthermore, its communication strategy is also, as in Jordan, remarkable. The permanent secretariat issues invitations with agendas included, minutes of meetings are kept and also validated by stakeholders afterwards.

In PEMUDAH (FGTAB) follow the traffic light approach to follow up on the issues. The Permanent Secretariat of both chairman's (from public and private sectors) assess them on which are the most important issues that haven't been reported as in compliance (red light), which need to be addressed (yellow light), and those that are already in compliance (green light).

Another best practice is that in every meeting, stakeholders are benchmarking themselves (in a written way) with the top performers of the Doing Business WB publication, in the following manner:

Benchmarking with World Bank Doing Business Indicators

FGTAB examines the Doing Business Trading across Borders indicators, such as the number of procedures, time necessary for completion, and costs associated with all procedures in order to raise awareness of international best practices. Then, members submit feedback on areas where reforms could be initiated to make the flow of trade more efficient for the betterment of Malaysia's trading environment.

"Traffic Light" Methodology: This is a methodology for monitoring the progress of each project in order to achieve the desired outcome for the past year.

The Chief Secretary to the Government of Malaysia is the person in charge. Though he may not be in attendance at every meeting, he receives and analyses six-month reports from the different focus groups.

¹³⁷ Ms. Chan Kum Siew, Director Regularity Review, MPC.

¹³⁸ YBhg. Dato' Sri Saw Choo Boon, President Federation of Malaysian Manufacturers, Co-chairman PEMUDAH

¹³⁹ Ms. Chan Kum Siew, op. cit.

¹⁴⁰ Ms. Bahria Bt. Mohd Tamil, op. cit.

¹⁴¹ Ms. Chan Kum Siew, op. cit.

Permanent members meet the second week of each month, and co-opted members with special knowledge are invited depending of the subject matter of the meetings.

The PEMUDAH website is an information platform that provides all information relating to PEMUDAH and the FGTab. It is also a platform that anyone can use to make complaints or report on trade issues.

The website provides all information about PEMUDAH and its resources: a detailed profile, news and events, online services, and gallery.

It also features a business section with resources such as:

- A list of improvements for each year since PEMUDAH's creation
- Yearly business reports, "Doing Business in Malaysia"
- Archives
- Idea bank

Working language: FGTab meetings are held in English. Most of the website is available in both Malay and English and thus accessible to locals and to the world. However, most reports are only available in Malay on the website, but in English in published versions.

One of the challenges for stakeholders is to take ownership of the issues: the private sector sometimes gets the sense that government officials act more like rulers than facilitators.

Challenges have been identified as follows. Lack of coordination between stakeholders that do not belong to the hierarchies. Sometimes, the same issue is dealt on multiple occasions, affecting efficiency because are not implemented and come up in different fora.

4.3.2.4. Conclusions, Future Plans and Recommendations

Malaysia is very responsive and constantly promotes business and trade facilitation. To that end, they practice benchmarking according to the WTO Doing Business Indicators, in order to go a step further in trade facilitation. Some of the future plans are:

Malaysia has published a Logistics and Trade Facilitation Master Plan (2015–2020), outlining strategic steps for optimizing the sector's contribution to the national economy. To monitor and coordinate the implementation, a National Logistics Task Force will be established under the supervision of the Ministry of Transport and lead the development of the logistics industry and trade facilitation.

Stakeholders are considering the possibility of including a committee that unites trade and logistics in their master plan. It will be critical to keep up the good functioning if stakeholders follow their Terms of Reference, which are the following:

- To take stock of provisions identified under TFA
- To identify issues and areas of concern in meeting Malaysia's obligation under the agreement and the deadline set to implement the provisions of the agreement
- To formulate a work program and action plan to implement the agreement
- To coordinate with implementing agencies in the implementation of the agreement

- To monitor the implementation of the action plan

BOX 6. National Trade and Transport Facilitation Committee of Malaysia

Malaysia has always been business friendly and willing to improve its ranking in business and international trade, encouraging direct foreign investment and facilitating business. Examining the role of PEMUDAH and FG TAB will explain how these bodies have contributed to recent economic results in Malaysia.

The NTTFC's main tasks are:

- To review the status of the public services delivery system in terms of processes, procedures, legislation, and human resources, and to propose new policies for improvements;
- To benchmark best practices in order to simplify how business is done;
- To enhance collaboration among public and private sector agencies in order to improve Malaysia's competitiveness;
- To monitor the implementation of policies, strategies, and procedures that would improve the efficiency and effectiveness of the public and private sector delivery system;
- To take appropriate action to address issues in line with the national philosophy of Malaysia: People First, Performance Now

Source: Author

4.3.3. Case study from the OIC Arab group: Morocco

4.3.3.1. Introduction

The official name of the national Trade Facilitation Mechanism in Morocco is *National Commission for Facilitation of Trade Procedures* (NCFTP).¹⁴²

In the 1970s, Morocco suffered a crisis, as did many other developing countries. That's when institutions such as the International Monetary Fund, the World Bank, and the U.S. Treasury Department promoted a reform package known as the Washington Consensus. The Washington Consensus included policies in such areas as macroeconomic stabilization, economic opening for trade and investment, and the expansion of market forces within the domestic economy.¹⁴³

Morocco needed to develop a structure promoting trade facilitation, and the NCFTP was established for this purpose by the Prime Minister's Circular n° 1/1149 of 21 July 1986.¹⁴⁴

The findings about Morocco lay down the following points: it is an OIC member state with an NTFB and other coordination mechanisms that function properly; stakeholders in Morocco come from both the private and the public sector; objectives, organization, responsibilities, performance, current funding, success factors, challenges being faced, and best practices.

¹⁴² Said Maghraoui Hassany, Director of Foreign Trade Policy.

¹⁴³ Ibid

¹⁴⁴ Ibid

4.3.3.2. Description

In order to ensure a clear and transparent framework for investment to the benefit of national and international operators, the National Committee of Business Environment was created in December 2009. This high-level body is chaired by the Prime Minister. It is made up of representatives from the public and private sectors, and aims to identify and implement measures to enhance Morocco's appeal.^{145, 146} The main government agencies involved in the NTFB are Ministry of Foreign Affairs and Cooperation (MAEC); Ministry of Industry, Trade, Investment and the Digital Economy (MCINET); Customs and Indirect Taxes Agency; Ministry of Equipment and Transport; National Agency of Logistics Development (AMDL); and Agence Nationale des Ports (ANP).

Ministry of Foreign Affairs and Cooperation (MAEC)

The Ministry of Foreign Affairs and Cooperation is the ministerial department of the Moroccan government responsible for the implementation of Morocco's foreign policy. This is the ministry in charge of the TF group's coordination and communication.

Ministry of Industry, Trade, Investment and the Digital Economy (MCINET)

The Ministry of Industry, Trade, Investment and the Digital Economy is responsible for the design and implementation of government policy in the field of industry, trade, and new technologies, with regard to the powers assigned to other departments via laws and regulations.

Customs and Indirect Taxes Agency

Traditionally responsible for collecting customs duties and taxes, fighting against illicit trafficking, and controlling goods and people across borders, Customs is now entrusted with new tasks dealing with high-level economic and security issues.

Ministry of Equipment and Transport

As part of the creation of an integrated policy for the development of different modes of transport, the Ministry of Equipment and Transport has made significant progress in the expansion of transport infrastructure: roads, highways, railways, airports, and ports. It also made a breakthrough with reforms that liberalize transportation, introducing competition in the various transport modes and improving the quality of service, in addition to fighting economic annuity.

National Agency of Logistics Development (AMDL)

AMDL was created to implement government policies designed to offer incentives to operators in the field of logistics activities, encourage their cooperation with relevant public authorities in the implementation of training plans in this area, and support performance monitoring and efficiency of logistics services. ADML is also invested in the task of making proposals to the government regarding

¹⁴⁵ Lhoussaine WAHIB, Technical Advisor to the head of government, National Committee of Business Environment (CNEA)

¹⁴⁶ Thami Maaroufi, Technical Advisor to the head of government, National Committee of Business Environment (CNEA)

laws and regulations that will help develop domestic supply in terms of logistics activities and organization of the profession of logistics operator.

Agence Nationale des Ports (ANP)

The National Ports Agency (ANP) is the authoritative and regulatory body of the new Moroccan port system. As a strong player within the Moroccan port landscape, the agency unites the entire port community around common goals and works to create a competitive port environment. Other relevant public agencies include Standards & Metrology Organization, Ministry of Planning & International Cooperation, Ministry of Public Work and Housing, Ministry of the Interior, Ministry of Agriculture, Moroccan Food and Drug Administration, Association Nationale des Transporteurs, Marsa Maroc, Freight Forwarder Association, Civil Aviation Regulatory Commission, Morocco Maritime Authority, and Special Economic Zone Authority. The main private agencies involved in the NTFB are Chamber of Industry and Services, French Chamber of Trade and Industry (CFCIM), Moroccan Exporters Association (ASMEX), Professional Association of Shipping Agents & Shipbrokers of Morocco (APRAM), Association of Producers and Exporters of Fruits and Vegetables in Morocco, Professional Association of Moroccan Maritime Agents, Consignees and Chartering Ship Brokers, Association of Clearing Agents, Syndicate of Trucks Owners, Logistics Association, Sea Port Container Terminal, and National Committee of Business Environment (CNEA).

Chamber of Industry and Services

Body responsible for representing the interests of commercial, industrial, and service companies in their districts and providing them certain services.

French Chamber of Trade and Industry (CFCIM)

Private association working to promote economic relations between France and Morocco, encourage the establishment of French companies in the Kingdom, and develop the international potential of Moroccan companies.

Moroccan Exporters Association (ASMEX)

ASMEX's mission is to represent and promote the function and role of Moroccan exporters working to defend their interests, expand their markets, assist them in developing skills, and promote investment and multifaceted partnership with foreign operators.

Professional Association of Shipping Agents & Shipbrokers of Morocco (APRAM)

APRAM is a network of partners with a mutual desire to contribute to the development of this profession and industry.

- Association of Producers and Exporters of Fruits and Vegetables in Morocco
- Professional Association of Moroccan Maritime Agents, Consignees and Chartering Ship Brokers
- Association of Clearing Agents
- Syndicate of Truck Owners
- Logistics Association

- Sea Port Container Terminal
- National Committee for Business Environment (CNEA)

In order to ensure a clear and transparent framework for investment for the benefit of national and international operators, the National Committee for Business Environment was created in December 2009. This high-level body is chaired by the Prime Minister and is composed of representatives of public and private sectors aiming to identify and implement measures to enhance Morocco's appeal.^{147, 148}

The Ministry of Foreign Affairs and Cooperation is the ministerial department of the Moroccan government responsible for the implementation of Morocco's foreign policy. It is responsible for the coordination and communication of the NTFB.

The Foreign Trade Ministry coordinates the NCFTP and organizes the meetings. The Minister of Foreign Trade presides over the NCFTP, which also has a four-person permanent secretariat. The commission is composed of a steering committee and a monitoring committee. The following figure shows the organization of the Foreign Trade Ministry:

Figure 13: Public and Private Stakeholders in Morocco

Public Stakeholders	Private Stakeholders
<ul style="list-style-type: none"> •Main Agencies •MAEC •MCINET •CITA •MET •AMDL •ANP •Other Agencies •Standards & Metrology Organization •Ministry of Planning & International Corporation •Ministry of Public Work and Housing •Ministry of Interior •Ministry of Agriculture •Moroccan Food and Drugs Administration •Association nationale de transporteurs •Marsa Maroc •Freight forwarder association •Civil Aviation Regulatory Commission •Morocco Maritime Authority •Special Economic Zone Authority 	<ul style="list-style-type: none"> •CFCIM •ASMEX •APRAM •APEFVM •Professional Association of Moroccan Maritime Agents, Consignees and Chartering Ship Brokers •ACA •STO •Logistics Association •Sea Port Container Terminal •CNEA

¹⁴⁷ Lhoussaine WAHIB, Technical Advisor to the head of government, National Committee of Business Environment (CNEA)

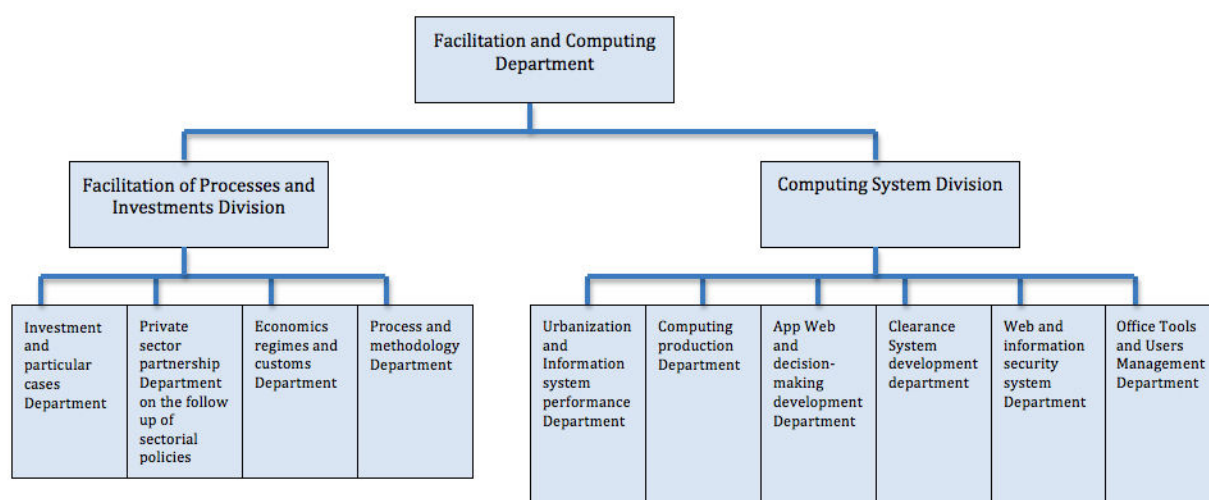
¹⁴⁸ Thami Maaroufi, Technical Advisor to the head of government, National Committee of Business Environment (CNEA)

Source: Author

The main objectives when the NCFTP was created were:

- To reduce the time of import and export operations, particularly at ports and customs clearance;
- To reform documents through the adoption of a national series of documents aligned with the United Nations template;
- To promote electronic data interchange (EDI) specific to foreign trade at both a national and an international level;
- To introduce procedures involving ex-post control;
- To simplify and standardize the information that operators must provide in material customs clearance procedures;
- To provide operators with a practical guide on international business procedures;
- To define remedies and establish procedures for arbitration and dispute settlement between operators and relevant administrative departments.

Figure 14: Foreign Trade Ministry Organization



Source: Author

The NCFTP is responsible for the implementation of the measures established in the Bali agreement (90% of the measures are already Category A). NCFTP's main objective for 2016 is to ensure the optimal functioning of PortNet, the single window for all trade operations.¹⁴⁹

¹⁴⁹ Said Maghraoui Hassany, op. cit.

³⁷ Lhoussaine WAHIB, Technical Advisor to the head of government, National Committee of Business Environment (CNEA).

³⁸ Thami Maaroufi, Technical Advisor to the head of government, National Committee of Business Environment (CNEA).

The NCFTP is also tasked with simplifying and rationalizing customs, port, and banking procedures relating to import and export operations.

The NCFTP receives funding from the Foreign Trade Ministry. There are enough financial resources and no need to request another budget at this time.¹⁵⁰

4.3.3.3. Analysis

At first, the commission's activities entailed an inventory of existing documents and procedures, with an expert providing technical assistance. Experts from SIMPO (France) and SITPRO (UK) participated in the effort at simplification.¹⁵¹

In 2006, the committee elaborated the National Plan for Procedures Facilitation, pointing out fourteen priority projects for the implementation of trade facilitation.¹⁵²

One of the main obstacles facing the Moroccan NTFB is its slow response to the changing environment as highlighted in this Study.^{153, 154, 155} There are different levels of commitment from the members according to the subject of the meeting, which sometime causes decision-making problems.

The main achievements of Morocco's NTFB have been the commitment of all its members to supporting the implementation of the trade facilitation process; communication before and after every meeting, with an invitation sent to all stakeholders containing the meeting's agenda, followed by a report of decisions made and next steps;¹⁴⁵ strong leadership from the Foreign Trade Ministry and the CNEA; a mechanism for final decision-making when no collective compromise can be reached among stakeholders;^{156, 157} and qualitative participation, with people attending meetings on an ad hoc basis, according to each meeting's agenda and purpose.^{158 159}

The Government of Morocco stressed the importance of trade facilitation programs that reflect the its commitment to further deepening economic and sector-based reforms, while placing greater emphasis on strengthening the competitiveness of the Moroccan economy as a whole.

4.3.3.4. Conclusions and Recommendations

Morocco performs better than the average of MENA countries in the areas of information availability, involvement of the trade community, appeal procedures, fees and charges, automation, and governance and impartiality, according to OECD trade facilitation indicators. Morocco's weakest performance is in the area of internal border agency cooperation.¹⁶⁰

Transparency: Once a ministry has drafted a new law or regulation, it has to be sent to the general secretariat which is in charge of publishing it in the Official Gazette. A waiting period of one or two

¹⁵⁰ Said Maghraoui Hassany, op. cit.

¹⁵¹ Ibid

¹⁵² Mrs. Zdaic, Chief of the Information System Department, Custom and Indirect Taxes Agency

¹⁵³ Said Maghraoui Hassany, op. cit.

¹⁵⁴ Thami Maaroufi, op. cit.

¹⁵⁵ Mrs. Zdaic, cit. op

¹⁵⁶ Thami Maaroufi, op. cit.

¹⁵⁷ Mrs. Zdaic, op. cit.

¹⁵⁸ Thami Maaroufi, op. cit.

¹⁵⁹ Mrs. Zdaic, op. cit.

¹⁶⁰ OECD Trade Facilitation Indicators – Morocco http://www.oecd.org/tad/facilitation/Morocco_OECD-Trade-Facilitation-Indicators.pdf

months is set to allow the public to submit commentaries and observations. Commentaries are analysed by the Ministry before submitting the new law for approval.¹⁶¹

Internal initiative: There is a strong commitment from all stakeholders to facilitate trade and exportation, and awareness of the fact that trade facilitation will promote Morocco's economic growth. Morocco has implemented numerous projects on its own initiative, even though it already complies with 90% of the measures outlined in the Bali agreement.^{162,163,164}

Arbitration: If needed, the CNEA, headed by the Prime Minister, may intervene or arbitrate in the NCFTP decision process, in order to address problems of decision-making and slowness.

BOX 7 . National Trade and Transport Facilitation Committee of Morocco

The legal framework was established by the Prime Minister's Circular n° 1/1149 of 21 July 1986.

The TF body is not institutionalized at this time. Some agencies support the institutionalization of the TF body whereas others believe that flexibility is one of the body's success factors.

The NTTFC's main tasks are:

- To simplify and rationalize customs, port, and banking procedures relating to import and export operations.
- To implement the measures established in the Bali Agreement.

Source: Author

4.3.4. Common obstacles to the functioning of NTFBs

In fact, very few obstacles were mentioned, though a few individual cases were raised. For example:

- Issuing reports in both English and the local language
- Updating the webpage
- Involving the private sector in all the activities, including those abroad such as field trips to gain experience regarding best practices of other countries
- Due to the importance that the chairman plays in Technical meetings, appointing the chairman by non-democratic means is a challenge.
- Deficiency in implementation of some of the decisions taken within the NTFB
- Poor coordination between government agencies to prioritize issues in the agenda

4.3.5. Proposed solutions for functioning NTFBs

The following elements could be useful for countries with functioning NTFBs in order to strengthen the sustainability of this mechanism:

¹⁶¹ Said Maghraoui Hassany, op. cit.

¹⁶² Said Maghraoui Hassany, op. cit.

¹⁶³ Zouhair Chorfi, Director General, Customs and Indirect Taxes Agency

¹⁶⁴ Ahmed Jaid, Chief of the Facilitation of Process and Investment Department, Custom and Indirect Taxes Agency

- Establishment of an official webpage
- Creating technological tools providing access to the focal points of the stakeholders, in order for them to solve problems *in situ* without the need of attending to a meeting
- Incorporate surveillance and compliance mechanisms for particular decisions
- Creating a mechanism that sanctions stakeholder that doesn't comply with the decision taken within the NTFB
- Development of reports with achievements and goals
- Including alternative dispute settlement means without the possibility of blocking the establishment of a third authority for decisions that are highly important
- Involvement of the private sector in every field of activity

4.4. Conclusions and Recommendations for OIC Members

4.4.1. Conclusions

It is useful to recall at the outset that there is no golden rule with respect to what makes an NTFB “good” or “bad”. NTFBs are “good” when they function well and well-functioning NTFBs come in different forms.

Indicators can provide some insight as to which countries have well-functioning NTFBs but they are not determinative. That is to say, there is a relationship between countries that are perceived to have well-functioning NTFBs and countries that top the World Bank's *Doing Business* index for trade facilitation, as mentioned elsewhere in this study. In general (although not always), countries highly ranked for the ease of trading across borders have NTFBs that function well.

If there is one constant across NTFBs, it is that there are no fixed, precise rules as to makes an NTFB work and that flexibility is of paramount importance in order to ensure that NTFBs can respond to actual needs as they arise/change and thus to render NTFBs sustainable in the long run. Moreover, there is not a specific type of NTFB structure that can guarantee that an NTFB will function well and provide effective coordination mechanism – NTFBs must be structured in accordance with the needs and culture of the of the country at issue.

Despite the fact that there is no golden rule, the field studies provided an indication of the array of factors required for an NTFB to function properly. Some factors can be more easily addressed than others. For example, once they appreciate the importance that NTFBs play in coordinating and prioritizing international trade, internal organization within the main stakeholders on trade facilitation can be achieved. However, other factors influencing the degree to which an NTFB will function effectively are more difficult to address: For example, the principal issue that may disturb the functioning of a NTFB is political instability in the country itself or in its neighbouring countries.

However, there are certain elements that countries have included in their NTFBs, and as a result they have functioned well and in a sustainable manner. These success factors are the following:

- ✓ **Political commitment at a high level from public and private sectors**
 - NTFBs can only work if the hierarchies of the public and private sectors prioritise this topic in their agendas and issue instructions accordingly.

- Participation of hierarchies (or sending a permanent representative) from the public and private sectors in the NTFB is also crucial in order to validate decisions and contribute to the NTFB's sustainability.
- ✓ **Including the appropriate membership/attendees**
 - Including a balanced representation from the public and private sectors is fundamental.
 - Level of seniority matters in these meetings: including decision-makers from public and private sectors will simplify the decision-making process.
 - The inclusion of other participants in the meetings, such as observers, will legitimise meetings, improve governance, provide assistance, and greatly enrich technical discussions. Observers may come from academia or NGOs, or be technical experts in trade facilitation subjects.
- ✓ **Start-up funds**
 - Start-up funds are particularly necessary for concepts such as salaries of the people that will work in the secretariat. This is in the event that these professionals are not staff members of the coordinating agency.
- ✓ **Strong institutional framework**
 - Including two or more institutional instances from the highest political level down to the most technical one.
 - Designating a coordinating agency (e.g. Ministry of Trade, Transport, Customs, etc.).
 - Having a permanent secretariat.
- ✓ **Legal framework**
 - Through a decree or regulation that gives legal personality to the NTFB.
 - With an organizational chart.
 - Setting clear functions of each instance of the NTFB, stakeholders, and permanent secretariat.
 - A specific mandate.
 - Concrete objectives.
 - Within a framework of a national strategic work plan.
 - Including a decision-making process. Up to now, most decisions are made on a consensus basis. However, one of the main challenges that already "properly functioning NTFBs" face is the implementation of decisions within the NTFB.
- ✓ **Consistency in holding meetings**
 - Establishing a constant place for holding the meetings.
 - Setting a permanent date in order to maintain NTFB meeting frequency (e.g. third week of every other month).
 - Consistency of representatives at meetings.
 - Active participation of stakeholders.
- ✓ **Regular communication strategy**
 - Invitations that include the meeting's agenda.

- Allowing stakeholders a tolerance period for including items in the agenda.
- Keeping minutes of the meetings.
- Stakeholders' approval of the minutes.
- Setting up a follow-up strategy for implementing issues.
- Developing a web page
- Issuing publications (annual reports, directories, newsletters, manuals, best practices, etc.)

This study has found that the success factors mentioned above can be clustered into two interdependent bases of an NTFB, namely, the organizational and the institutional.

The **organizational basis** will contain those factors that aim to constitute an efficient division of labour and work specialization. Thus, from the abovementioned elements, the NTFB's "organizational factors" may be: political commitment from hierarchies of public and private sectors, a legal framework, the appropriate membership and attendees, as well as start-up funds.

The **institutional basis** encloses those factors that provide certainty in the human content of NTFBs. These create standardised patterns of behaviour within a community, facilitating adaptation and interaction among stakeholders. Institutional factors create routines which will produce automated responses, and will permit stakeholders to develop common knowledge and practices. Therefore, from the above mentioned "success factors" the NTFB's institutional factors may be the case of: strong legal and institutional framework, consistency in holding meetings, and regular communication strategies.

As intimated previously, different countries are at different stages when it comes to trade facilitation and NTFBs. Institutions experiment constant changes based on human interest. These changes are gradual but ongoing. Indeed, NTFBs are evolving bodies that may not function properly for a period of time but may become functional at some point. Three main phases in the evolving process that is the lifecycle of an NTFB have been identified. The first phase is establishment of an NTFB. The second phase is having an NTFB that is functional. The third phase is making an NTFB sustainable over time.

The challenge for OIC member states is to understand what phase they are in with regard to establishing a functioning NTFB, and to take the organizational and institutional steps suggested in this study in order achieve the ultimate goal. In the following subsection there are specific recommendations in this regard.

4.4.2. Recommendations

The following recommendations are targeted at these different stages, with the aim of reaching the third stage of course. The various recommendations pertaining to the three different following stages can be followed in the order outlined below

4.4.2.1. The first phase: In order to establish an NTFB, these elements are recommended

When a country takes the decision to establish its own National Trade Facilitation Body, certain steps can be followed, such as the following:

- ✓ Identification of a Coordination Agency

The Coordinating Agency and person in charge of this coordination agency should have strong leadership qualities as perceived by the principal stakeholders. This lead agency should raise awareness among stakeholders on the establishment of the NTFB and such an awareness campaign would also provide an opportunity to obtain information from stakeholders on the national needs and culture (feeding into the form that the NTFB will take).

Different entities can be the coordination agency. Circumstances will dictate what entity may best play this role. For example, a country's Ministry of Trade is often the coordinating agency but it need not be – for example, the secretariat of the NTFB itself may be the coordinating agency. Factors that may influence the choice of entity include:

- The anticipated focus and scope of the trade facilitation efforts/the NTFB.
- The agency's commitment to trade facilitation and competitiveness.
- The capacity of the agency to coordinate and communicate with the other relevant agencies and the private sector.
- The capacity of the agency to mobilize the necessary level of political support.

✓ Identification of the objectives of the NTFB

Identifying the objectives of the NTFB is critical because they define the work of the NTFB and the ensuing results to be achieved. By definition, NTFBs act as open forums to promote trade facilitation. The specific objectives/purposes of an NTFB will depend on the national circumstances and culture but will likely include some of the following for example:¹⁶⁵

- Facilitation inter-agency coordination.
- Provision of directives on major trade facilitation issues.
- Championing of national strategic trade priorities.
- Development of new national policies.
- Promotion of existing trade facilitation solutions and assistance in their implementation.
- Participation in the creation and maintenance of trade facilitation measures internationally.
- Contribution to the work of established international organizations such as UN working parties, WCO committees, and other recognized international bodies.

Annex 1 of UNCEFACT's 2015 instalment on NTFBs provides for a draft terms of reference for NTFBs, which includes draft purposes and objectives of NTFBs, including objectives related to facilitation, regulatory, development, outreach and capacity building, and negotiations.¹⁶⁶

✓ Structure

The definition of a clear structure addressing *inter alia* the participation of the public and private sectors. An NTFB's structure is inter-related to other elements, including the profile of stakeholders; funding; terms of reference; and work plan.

¹⁶⁵ See, e.g., UN/CEFACT (2015), *National Trade Facilitation Bodies: Final Draft for Public Review Recommendation No. 4*, p. 7.

¹⁶⁶ Ibid., pp. 15 – 16.

As noted by UNCEFACT, NTFBs can be organized/structured on three levels: strategic (e.g., how policy directions and priorities will be determined); operational (e.g., activities to be undertaken); and technical (e.g., who will provide technical expertise).¹⁶⁷ It is helpful to bear these three distinct pillars in mind when considering the full realm of issues to be addressed in defining an NTFB's structure.

✓ Seniority of stakeholders/members

It is fundamental to identify the appropriate stakeholders from the private and public sectors. Representation of stakeholders should be representative – i.e., all stakeholders with an interest in trade facilitation should be represented (e.g., all industry sectors should be represented, as well as all types and size of businesses, and institutions taking part in international trade). Perhaps the most critical aspect to ensure is that stakeholder representatives are sufficiently senior in terms of their knowledge, expertise and competence.¹⁶⁸

✓ Funds

Lack of funding is a challenge that can prevent the establishment an NTFB as well as an NTFB's continued/long-term operation (and thus this recommendation also straddles "phase two", addressed below).

Funding would need to cover the NTFB's budget (e.g. staff and the NTFB's activities¹⁶⁹) and thus the level of funding will depend on the structure of the NTFB in order to ensure the optimum functioning of the NTFB. Funding should be sustainable. In this regard, establishing the NTFB as a legal entity can assist in ensuring appropriate funding arrangements.¹⁷⁰

A source and structure for funding needs to be decided and the lack of financial resources (particularly felt by developing countries) may result in a need for innovative solutions.

Various options exist for the funding of NTFBs including the following options, among others:

- Financial contributions from private sector organisations.
- Government funding, from its own budget.
- Public-private partnership funding.
- 'In kind' funding, e.g. in the form of office space and maintenance, and office equipment.
- The supplementation of core funding by additional, *ad hoc* funding for specific trade facilitation studies. For example, this additional, *ad hoc* funding could be sourced from trade and industry sectors that would directly benefit from the studies.

Finally, it is recommended that accounts be open and available to all relevant entities for audit purposes.

✓ Terms of reference

¹⁶⁷ Ibid., p. 8.

¹⁶⁸ See, e.g., *ibid.*, pp. 7 – 8 which includes *inter alia* a non-exhaustive list of public and private actors that may be members of NTFBs.

¹⁶⁹ For a breakdown of items that may be included in a budget – from initial capital expenditure to operating costs – see *ibid.*, pp. 16 – 17.

¹⁷⁰ See *ibid.*, p. 13.

In order to clearly set out what the NTFB will do and how it will do it on a sustainable basis, terms of reference should be defined in a comprehensive and inclusive way so as to ensure trust within the group of stakeholders/members. Terms of reference should be agreed by all stakeholders, reflect their common understanding, and be drafted in a way that achieves a balance between the precision and concreteness required for the operation of an NTFB and flexibility that an NTFB requires. Ideally, the terms of reference should include provisions on objectives, purposes, activities, structure, etc.

✓ Work Plan

Having a defined plan for how work will be undertaken and results achieved is important for the working structure of the NTFB. The work plan should be appropriate; i.e., it is important that the work plan reflect the actual needs of all stakeholders including the private sector stakeholders.

✓ Having a permanent location for holding its meetings

Regular meetings are crucial for NTFBs to function successfully. While meetings may take various forms (e.g. focus group, brainstorming meetings, etc.), a permanent location for the regular meetings of the NTFB's members is important for providing certainty to the members and avoid costs of holding meetings at external places (i.e. such as hotels, conference lodgings, etc). Like many other elements, this will have budgetary implications.

✓ Permanent Secretariat

In order to ensure the functioning of an NTFB, the NTFB needs appropriate members and strategic direction/a board (both discussed previously). For operational purposes, an NTFB also requires a secretariat that will carry out the day-to-day running of the NTFB (including possibly an executive secretary/manager).

Best practice suggests that this secretariat should be permanent and that attention should be paid to ensuring that it receives appropriate funding and has sufficient human resources.¹⁷¹

✓ Frequency of Meetings

Frequency of meetings will need to be established and should reflect the NTFB's structure and the commitment/needs of the members. For example, technical committees will meet at least four times a year to solve major issues.

The regularity and frequency of meetings is also an issue that straddles phase two and, as such, is discussed in more detail below.

✓ Legal Framework

Deciding whether the NTFB will be established by decree or another instrument will formalize its terms of reference and provide legal value to all the above-mentioned elements. This formalization, or institutionalization, can also act as a useful signal as to the commitment of the political groupings to the functioning of the NTFB and thus encourage participation and *ex ante* prevent conflicts of interest.

¹⁷¹ UNCTAD, *National Trade Facilitation Bodies in the World* (New York and Geneva, 2014), p. 37.

4.4.2.2. The second phase: In order to have an NTFB that is functional, these elements are recommended

- ✓ Political will at a high level of government and the will of the private sector

Institutionalization and legal backing for a body is important but the sustainability/successful functioning of an NTFB will depend on strong levels of motivation and commitment on behalf of high level government officials and the private sector. It is also worth recalling that the institutionalization of NTFBs (i.e., providing legal backing/framework) is not necessarily totally removed from ensuring political commitment in particular – i.e., making the NTFB “official” can assist in ensuring continued political commitment to it.

- ✓ Determined leadership of the representatives from public and private sector

Leadership by representatives of both the public and private sector is a crucial element for effective participation and the maintenance of strong levels of commitment to the NTFB. This concept of leadership is somewhat distinct from levels of motivation/will/commitment (discussed above) and is related to issues such as technical competency, expertise, legitimacy, etc.

- ✓ Even representation of both sectors, public and private

A fundamental aspect of NTFBs is that they should allow for the balanced participation of representatives from the public and private sectors. The structure of the NTFB and its operational design should ensure that public and private representation and participation remains balanced. A balanced membership¹⁷² is a first step towards ensuring balanced participation. As mentioned elsewhere in this paper, this balance ensures that NTFBs can effectively fulfil their role – e.g., in terms of identifying issues and viable solutions to those issues (both of which require balanced consultations and input from the public and private sectors).

- ✓ Further participation/voice of other representatives such as: Academia and NGOs

Entities not strictly representing public or private sector actors – but with separate mandates – may be full members of NTFBs. Moreover, participation in NTFBs need not be limited to full members.

Drawing on the particular area of expertise of this broader group can be useful. For example, especially when it comes to technical issues being considered by an NTFB (i.e. security, IT, engineering, etc.), these entities (perhaps with observer status) and/or persons can be part of an *ad hoc* working group can make useful contributions by drawing on their expertise on such specific issues.

- ✓ Coordination between agencies and/or sectors that will lead the NTFB

Domestic coordination is particularly important to ensure that NTFBs can effectively fulfil their mandates and discharge their functions. Without appropriate coordination, issues may not be

¹⁷² UNESCAP, *Designing and Implementing Trade Facilitation in Asia and the Pacific: 2013 Update*, Table 3.2.

correctly identified and solutions/reforms proposed may not be viable – in sum, an NTFB without appropriate coordination cannot properly function. As mentioned elsewhere, this is why domestic coordination has been identified as key for implementation of the WTO's Trade Facilitation Agreement.

✓ Trust between stakeholders

Trust is essential for the effective functioning of NTFBs because, where trust is absent stakeholders will not find solutions nor commit to the agreements reached throughout the meetings. In some respects, trust among the stakeholders opens channels of communications and enhances chances of implementing the agreements found within the NTFB. This implies that the existence of certain conditions – e.g. regular follow up on meetings and other inputs; compliance with terms of reference; etc.

✓ Ability to find consensus when taking decisions

Where possible, it is ideal to reach consensus between all stakeholders in order to enable the implementation of trade facilitation solutions. NTFBs must play a role in building this consensus by opening channels of communication and by providing a forum for inputs from all relevant stakeholders.

✓ Two representatives per stakeholder for attending meetings

Each stakeholder can appoint two people/focal points for attending the meetings. This measure prevents lack of participation to the meetings. Moreover, it guarantees the continuation of the issues in the event of the rotation of personnel.

✓ An effective communication system

Effective communication systems are essential to keep all stakeholders informed of *inter alia* the NTFB's meetings; its work and progress made; new documents (produced by the NTFB or another source); upcoming events; and best practices. Thus, effective communication systems impact the degree of participation and commitment as well as the perceived legitimacy and transparency of the NTFB's work.

Different NTFBs employ different means of achieving this – e.g., many rely on their website, newsletters, mailing lists, and provision of seminars.

✓ Decision makers' participation

Who the decision makers are precisely will depend on the structure of the particular NTFB. Participation of decision makers is obviously important because it impacts *inter alia* the quality of the NTFB's work, its legitimacy, and the level of commitment/participation by stakeholders. For example, in order for private sector stakeholders to be engaged and participate, the NTFB's decision makers must be perceived as committed and participating.¹⁷³

¹⁷³ It is broadly recognised that the public sector should employ the necessary techniques to encourage and promote participation of the private sector in NTFBs.

- ✓ Regular frequency in the meetings

The regularity and frequency of meetings has been proven to impact the sustainability of an NTFB. Establishing fixed dates/times for meetings promotes the participation of members because they can plan in advance their attendance/participation. The promotion of participation also has a positive impact on the motivation levels among members. Moreover, frequent/regular meetings are very important in terms of allowing for the monitoring and follow up of the NTFB's activities.

4.4.2.3. The third phase: in order to have a sustainable NTFB, these elements are recommended

- ✓ Follow up reports with goals achieved (traffic light approach)

In addition to the surveillance and monitoring mechanism, the NTFB staff should also have the opportunity to regularly report on its work and the operational functioning of the NTFB. This would provide an opportunity to highlight what is and is not working, what has been achieved and what challenges have been faced, as well as proposals for steps to improve the functioning of the NTFB and to take corrective actions so that obstacles to the implementation of decisions and policies can be overcome.

- ✓ Surveillance and Compliance Mechanism of agreements reached in NTFBs meetings

In order to ensure that an NTFB is sustainable and well-functioning over time, it is essential to present concrete results and/or to monitor the results that it achieve. These types of mechanisms are distinct from the follow up conducted through regular meetings. While such surveillance and compliance mechanisms are not often used in a systemic way, they are perceived as highly valuable to give life to evaluation and monitoring techniques developed in response to the adapted to the needs of trade facilitation bodies.

- ✓ Implementation of agreements reached in the NTFBs meetings through alternative dispute settlement mechanisms

Incorporating alternative means of dispute settlement such as: negotiation, mediation, good offices or even, arbitration, provides certainty to the stakeholders that the agreements taken in the NTFB that haven't been implemented, they will be overtime.

- ✓ Development of a webpage

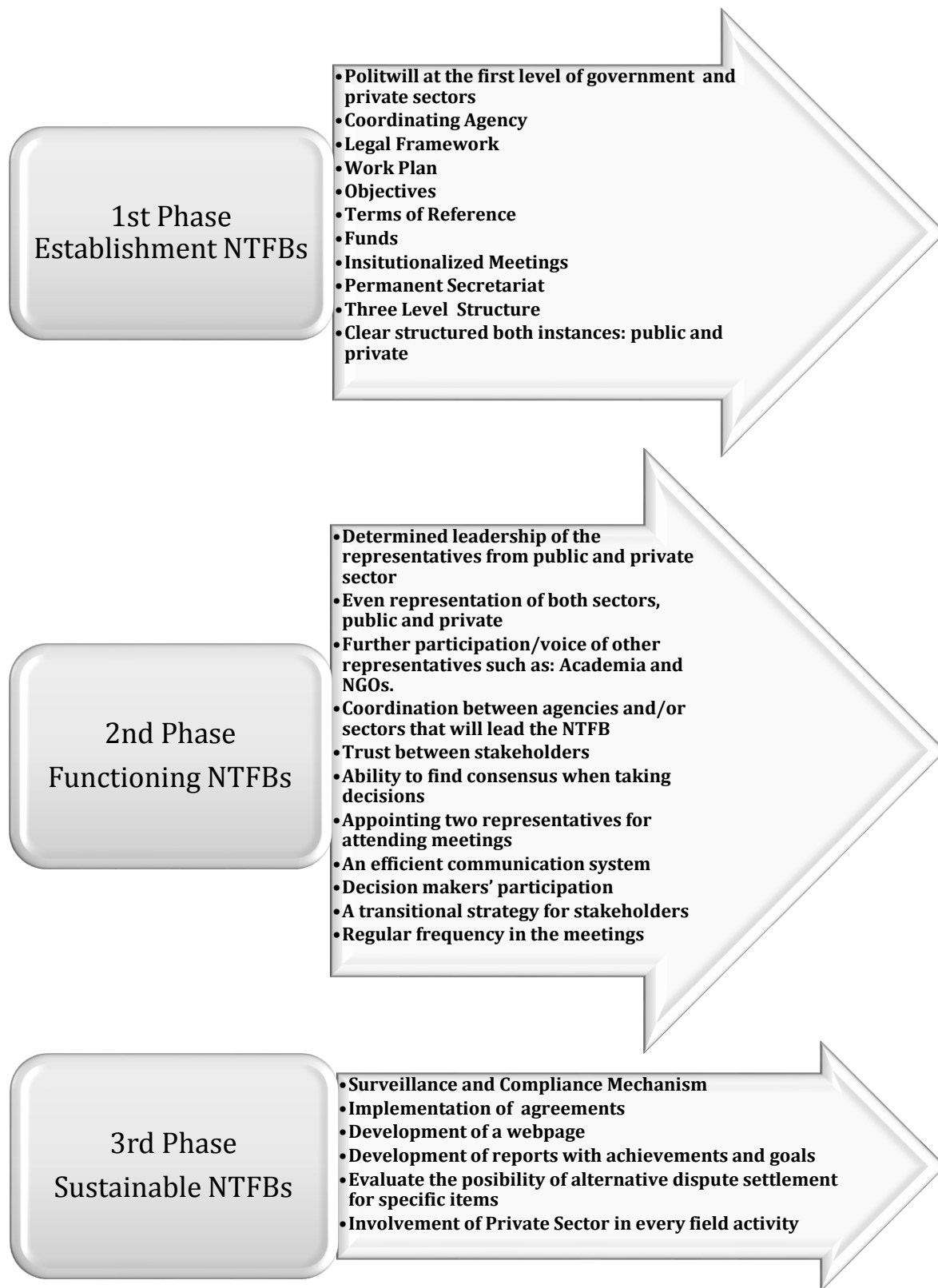
Webpages are particularly important to raise awareness about work being done by NTFBs and to keep stakeholders (including the general public) informed. Webpages can strengthen the NTFB's role as a platform for dialogue with the private sector, as well as its role for coordination.

High levels of computer illiteracy among trade facilitation body members in the poorest countries, and/or the lack of internet access in many agencies, can be major challenges in this regard and should be taken into account depending on the circumstances (e.g., by allocating additional training and resources). This is why is only recommended at the third stage because requires financial resources, and time.

- ✓ Involvement of Private Sector in every field activity

Ensuring the continued involvement of the private sector in all appropriate fields of activity is crucial to ensure the sustainability and relevance of the NTFB. The public sector must maintain conditions that are conducive to continued private sector involvement and engagement. NTFBs must be able to flexibly respond to the changing needs of the private sector in order for private sector actors' commitment to be assured and to retain their relevance.

Diagram 1: Phases of a well-functioning NTFB (Source: Author)



Bibliography

- AFACT. (2004). *By Laws of AFACT*. Récupéré sur Article 5:
http://www.jastpro.org/un/afact_bylaw.html
- AFACT. (s.d.). *About*. Récupéré sur <http://www.afact.org/2012/wordpress/about-afact/>
- Butterly, T. (s.d.). Historical Perspective on National Trade Facilitation Bodies. UNECE. Récupéré sur
https://www.wto.org/english/tratop_e/tradfa_e/documents09_e/unece_april09_e.pdf
- CARANA Corp. (s.d.). *Nigeria Expanded Trade and Transport*. Récupéré sur
<http://www.carana.com/projects/subsaharanafrika/824-nigeria-expanded-trade-and-transport-nextt>
- CAREC. (2009, May 26). Workshop on National and Regional Joint Trade & Transport Facilitation Committees. Récupéré sur <http://www.carecprogram.org/uploads/events/2009/NJCs-Workshop/NJC-Workshop-Findings-Practices-Recommendations.pdf>
- Central Intelligence agency. (2015). *The world factbook*. Récupéré sur
<https://www.cia.gov/library/publications/the-world-factbook/geos/ks.html>
- Comité National de FAcilitation du Trafic Maritime international. (s.d.). *Comité National de FAcilitation du Trafic Maritime international*. Récupéré sur
https://www.cncc.cm/en/comite_fal/presentation.htm
- Drzenienk Hanuouz, M., Geiger , T., & Doherty, S. (2014). The Global Enabling Trade Report. World Economic Forum. Récupéré sur
http://www3.weforum.org/docs/WEF_GlobalEnablingTrade_Report_2014.pdf
- DTIS for the Integrate. (2008). Niger: Modernizing Trade during a Mining Boom. Récupéré sur
http://enhancedif.org/pt/system/files/uploads/niger_edic20final20report2006-09_eng.pdf
- Enhanced Integrated Framework. (2013). Niger annual progress report. Récupéré sur
http://enhancedif.org/en/system/files/uploads/niger_apr2013.pdf
- ESCWA. (2010, june 13). *ESCWA News*. Récupéré sur ESCWA Discusses draft project on trade and Transport Facilitation in United Arab Emirates:
<http://css.escwa.org.lb/weeklynews/wnews/uploads/23e10.pdf>
- Federal Ministry of Industry, Trade & Investment. (s.d.). *Nigeria is committed to WTO, multilateral trading systems*. Récupéré sur <http://www.fmti.gov.ng/about-nigeria/economy/192-nigeria-is-commited-to-wto.html>
- Federal Transport Authority Land & Maritime. (s.d.). Récupéré sur <http://fta.gov.ae/ar/>
- Gambia Chamber of Commerce and Industry. (s.d.). Presentation on the Inter-State road Transit Scheme in the Gambia. Récupéré sur
http://unctad.org/meetings/en/Presentation/aldc2014_17_gcci_gambia_en.pdf

- Global Federation of Competitiveness Councils. (s.d.). United Arab Emirates. Récupéré sur <http://www.ecc.ae/docs/default-source/Document-Library/accelerating-growth---best-practices-in-competitiveness-strategy-edited.pdf?sfvrsn=0>
- JASTPRO. (2004). *JASTPRO and its role*. Récupéré sur http://www.jastpro.org/about/outline_e.html
- Jordan's NTFB. (s.d.). TTF National Committee. Récupéré sur <http://tfig.unece.org/cases/Jordan.pdf>
- Khaleeji Times. (2015, february 1). Cabinet urges boosting national efforts to facilitate international trade. Récupéré sur <http://www.khaleejtimes.com/article/20150201/ARTICLE/302019967/1010>
- Lebanon's Ministry of Economy and Trade. (2010). Expert Group meeting on transport and trade facilitation in the ESCWA region Lebanon Status Report. Beinnunt, Lebanon.
- Logistique conseil. (s.d.). *Le comite de facilitation du transport maritime international (FAL)*. Récupéré sur <http://www.logistiqueconseil.org/Articles/Transport-maritime/Comite-fal.htm>
- McLinden, G., Fanta, E., Widdowson, D., & Doyle, T. (2011). *Border Management Modernization*. Washington D.C: The World Bank. Récupéré sur <https://openknowledge.worldbank.org/bitstream/handle/10986/2544/588450PUB0Bord101public10BOX353816B.pdf?sequence=1>
- Ministry inaugurates task force for trade facilitation, includes the TOR. (2010, june| 02). *Vanguard Newspaper*. Récupéré sur <http://www.vanguardngr.com/2010/06/minister-inaugurates-task-force-for-trade-facilitation/>
- National Trade & Transport Facilitation Committee. (s.d.). Récupéré sur Import/Export: <http://www.nttfc.org/>
- Newspaper. (s.d.). Récupéré sur <http://observer.gm/africa/gambia/article/ps-barry-on-trade-facilitation-agreement>
- Nguene Nteppe, J. (2014). *L'Importance des comites nationaux de facilitation, cas du comite FAL*. Récupéré sur http://www.jcabrazza.org/doc/Expose_COMITE_FAL_Experience_CAMEROUN.pdf
- OECD. (2005). The Cost and Benefits of Trade Facilitation. *Policy Brave*, 1-8.
- OECD. (2011). Aid for trade: Case story, Nigeria. Récupéré sur <http://www.oecd.org/aidfortrade/47697734.pdf>
- Pakistan NTFB. (2012). Pakistan's National Trade Facilitation Strategy. Récupéré sur <http://www.nttfc.org/reports/Pakistan%20TF%20Strategy%20Rev%202012%20v3.1.pdf>
- SWEPRO. (2015). General aspects of trade facilitation. Récupéré sur <http://www.kommers.se/SWEPRO/In-English/What-is-trade-facilitation/>
- SWEPRO. (2015, July 10). *Swedish Trade Procedure Council*. Récupéré sur <http://www.kommers.se/SWEPRO/In-English/What-is-trade-facilitation/>

- The World Bank. (2001). Caucasus Trade Facilitaion Workshop Promotion Private Investment in Transport and Telecommunications in Armenia, Azerbaijan and Gorgia. Récupéré sur <http://web.worldbank.org/archive/website01023/WEB/IMAGES/FINALREP.PDF>
- The World Bank. (2006). Implementation Complementation and Results Report. Récupéré sur http://www-wds.worldbank.org/external/default/WDSPContentServer/WDSP/IB/2007/02/06/000090341_20070206094858/Rendered/PDF/ICR000002.pdf
- Trade and Export Middle East*. (2014, December 09). Récupéré sur UEA Minister leads WTO National Committee review: <http://www.tradeandexportme.com/2014/12/uae-minister-leads-wto-national-committee-review/>
- Trade Facilitation Implementation Guide. (s.d.). *National Trade and Transport Facilitation Committees as an Effective Mechanism for Implementing Trade FACilitation Measures in Pakistan*. Récupéré sur <http://tfig.unece.org/cases/Pakistan.pdf>
- Trade Facilitation Implementation Guide. (s.d.). Customs Modernization in Jordan. Récupéré sur <http://tfig.unece.org/cases/Jordan.pdf>
- UN/CEFACT. (2015, April 30). National Trade Facilitation Bodies. *Final Draft for Public Review Recommendation No. 4*. Geneva.
- UN/CEFACT. (2001). Recommendation No. 4. GENEVA.
- UNECE Recommendation No. 4. (2001). *National Trade Facilitation Bodies (ECED/TRADE/242)*. GENEVA. Récupéré sur http://www.unece.org/cefact/recommendations/rec04/rec04_ecetrd242e.pdf
- UNCTAD. (2005). Trade Facilitation Handbook Part I National Facilitation Bodies: Lessons from Experience. Genva. Récupéré sur http://unctad.org/en/docs/sdtetlb20051_en.pdf
- UNCTAD. (2006). *The UNCTAD Trade Facilitation Handbook*.
- UNCTAD. (2006). *Trade Facilitation Bodies Around the World*. Geneva: United Nations.
- UNCTAD. (2013). General Information on National TRade Facilitation Bodies. Récupéré sur http://unctad.org/en/DTL/TLB/Pages/TF/Committees/NTFB_background.aspx
- UNCTAD. (2013). The new frontier of competitiveness in developing countries. Récupéré sur http://unctad.org/en/PublicationsLibrary/dtltlb2013d2_en.pdf
- UNCTAD. (s.d.). *Trade Facilitation Body: The case of Uganda*. Récupéré sur <http://unctad.org/en/DTL/TLB/Pages/TF/Committees/detail.aspx?country=Uganda>
- UNECE. (2000). Creating an efficient enviroment for trade and transport. Geneva. Récupéré sur http://www.unece.org/fileadmin/DAM/cefact/recommendations/rec04/rec04_ecetr256e.pdf
- UNECE. (2006). *TRADE FACILITATION HANDBOOK PART I National Facilitation Bodies: Lessons from Experience*. NEW YORK AND GENEVA.

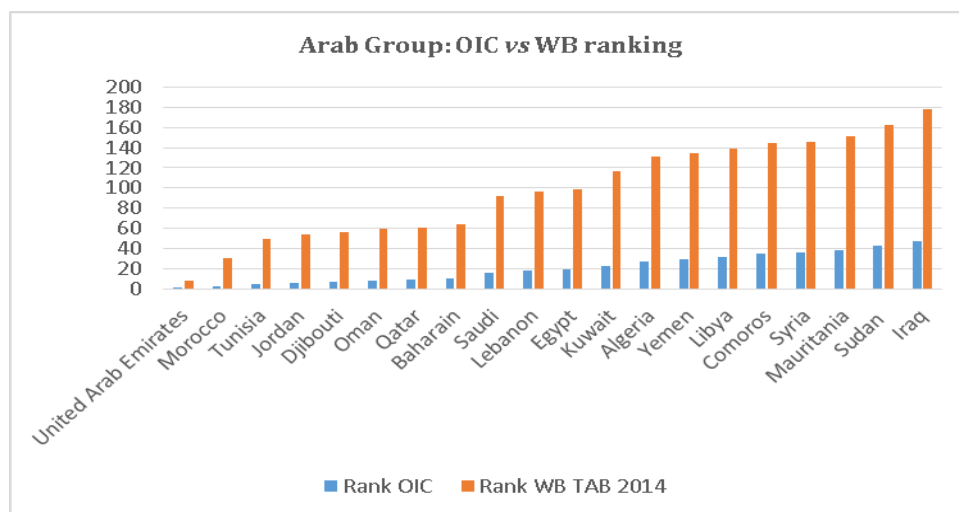
- UNECE. (2011). Report on Road and Rail Facilitation and Cross Border Pilot Projects. The World Bank. Récupéré sur <https://openknowledge.worldbank.org/bitstream/handle/10986/12509/686780ESW0P1130eort0July013002011r.pdf?sequence=1>
- UNECE. (2012). *The United Nations Centre for Trade Facilitation and Electronic Business*.
- UNECE. (2014). Joint UNECE-BSEC Regional Seminar on Trade Facilitation and Single Window. Récupéré sur <http://www.bsec-organization.org/aoc/TradeEconomic/Reports/Summary%20Proceedings%20Joint%20UNECE-BSEC%20Trade%20Seminar%202%20Rev%20TC.pdf>
- UNECE. (2014). *National Trade Facilitation Bodies in the World*. NEW YORK AND GENEVA.
- UNECE. (2014, December 5). Report of the Rapporteur for Asia and the Pacific. Récupéré sur http://www.unece.org/fileadmin/DAM/cefact/cf_plenary/plenary15/ECE_TRADE_C_CEFAC_T_2015_5E_Asia.pdf
- UNECE. (2015). Information. Récupéré sur <http://www.unece.org/unece/search?q=trade+facilitation&op=Search>
- UNECE. (2001, October). National Trade Facilitation Bodies. Geneva. Récupéré sur http://www.unece.org/fileadmin/DAM/cefact/recommendations/rec04/rec04_ecetrd242e.pdf
- UNESCAP. (2006). *Trade Facilitation in Selected Landlocked countries in Asia*. Bangkok: UNESCAP. Récupéré sur https://books.google.com.mx/books?id=j6HyjQT032sC&pg=PA79&lpg=PA79&dq=azerpro+azerbaijan&source=bl&ots=vfM-MHd8Np&sig=_pk45w_SXY0tFMMnfp7zUXyyai4&hl=es&sa=X&ei=XLa2VITVHsaqyASP84KoAQ&ved=0CC0Q6AEwAg#v=onepage&q=azerpro%20azerbaijan&f=false
- UNESCAP. (2007). Study on National Coordination Mechanisms for Trade and Transport Facilitation in the UNESCAP Region. Récupéré sur http://www.unescap.org/sites/default/files/Study_on_Coordination_Mechanisms_fulltext.pdf
- UNESCAP. (2007, December 27). UNESCAP. *Study on National Coordination Mechanisms for trade and Transport Facilitation in the UNESCAP Region*. Consulté le July 15, 2015, sur <http://www.unescap.org/resources/study-national-coordination-mechanisms-trade-and-transport-facilitation-unescap-region>
- UNESCAP. (2013). Designing and Implementing Trade Facilitation in Asian and The Pacific. Récupéré sur http://www.aric.adb.org/pdf/Trade_Facilitation_Reference_Book.pdf
- UNESCAP. (2014, September 24). Asia Pacific Trade Facilitation Forum 2014. Bangkok, Thailand. Récupéré sur <http://unnex.unescap.org/tfforum14-s5-rubiato.pdf>
- UNESCAP. (2014). Trade Facilitation in the Asia-Pacific Region: a Bright outlook. Récupéré sur http://www.unescap.org/sites/default/files/Chapter%204-Trade%20facilitation_0.pdf

- UNESCAP. (s.d.). Guidelines on Establishing and Strengthening National Coordination Mechanisms For Trade and Transport Facilitation in the ESCAP Region. Récupéré sur http://www.unescap.org/sites/default/files/0%20-%20Full%20Report_12.pdf
- UNESCWA. (2004, April 29). ESCWA Expirience with Trade Facilitation. Récupéré sur <http://www.escwa.un.org/wsis/meetings/apr04/docs/Safwat.pdf>
- UNESCWA. (2007, November 12). Technical suport to the National Transport Authorithy in United Arab Emirates. 2007. Récupéré sur <http://css.escwa.org.lb/weeklynews/wnews/uploads/29e07.pdf>
- Union for the Mediterranean. (2013). Region Transport action pln for the Mediterranean region. Récupéré sur http://ec.europa.eu/transport/themes/international/doc/euromed/evaluation-report_en.pdf
- United Nations, C. f. (2015). *National Trade Facilitation Bodies, Final Draft for Public Review Recommendation No.4*. Geneva: United Nations.
- WEF Global Enabling trade Index. (2014).
- World Bank. (2010). Regional Cross Border Trade Facilitation and Infrastructure Study for Amshereq Countries. Beinut, Lebanon. Récupéré sur <http://css.escwa.org.lb/edgd/1474/Lebanon.pdf>
- World Bank. (2015). Doing Business 2015 Going Beyond Efficiency. Récupéré sur <http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB15-Full-Report.pdf>
- WTO. (1996). Singapore Ministerial Declaration. Récupéré sur https://www.wto.org/english/thewto_e/minist_e/min96_e/wtodec_e.htm
- WTO. (2003). *TRADE FACILITATION* .
- WTO. (2005). Techical assistance and support for capacity building. Récupéré sur http://trade.ec.europa.eu/doclib/docs/2005/may/tradoc_123447.pdf
- WTO. (2013). Récupéré sur WTO Trade Facilitation Agreement Timeline: https://www.wto.org/english/thewto_e/mc9_e/brief_tradfa_e.htm
- WTO. (2015). *Trade Facilitation Background*. Récupéré sur https://www.wto.org/english/tratop_e/tradfa_e/tradfa_intro_e.htm

ANNEXES:

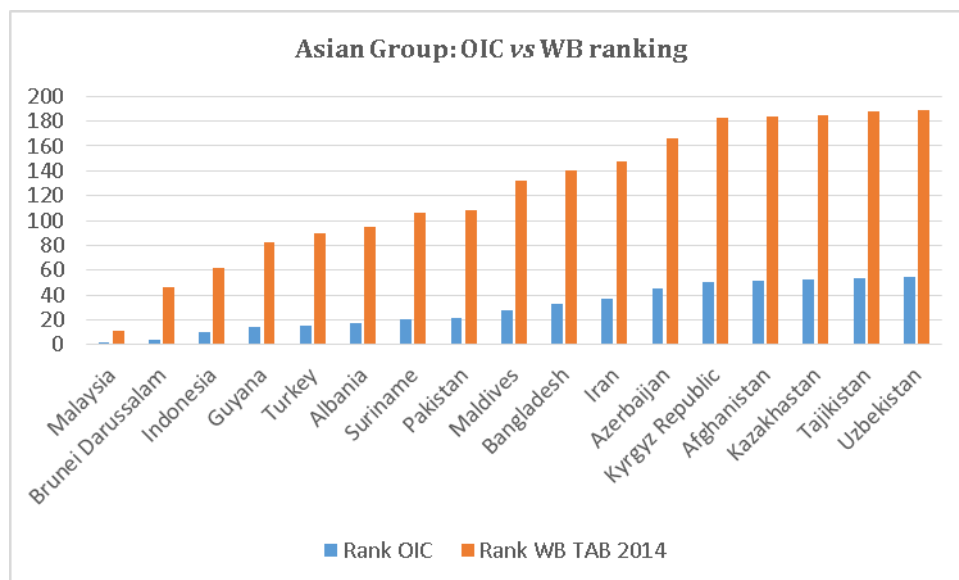
Annex A: FIGURES RANKINGS REGIONAL GROUPS OIC MEMBERS IN WB AND WITHIN OIC

Figure 35: Arab Group OIC vs WB ranking



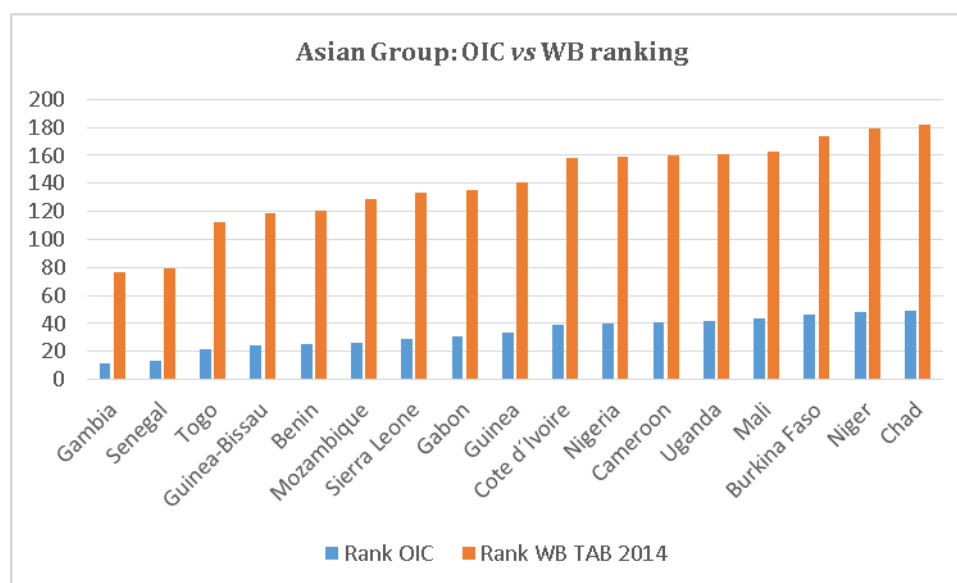
Source: World Bank

Figure 46: Asian Group OIC vs WB ranking



Source: World Bank

Figure 57: African Group OIC vs WB ranking



Source: World Bank

ANNEX B: CRITERIA FOR SELECTING 6 FIELD CASE STUDIES

Table 6: Ranking of OIC Members

OIC total Group	WB TAB Ranking 2007	WB TAB Ranking 2015	Up or Down Graded after 8 years	OIC Rank ing 2015	Exports				Imports			
					Documents		Time		Documents		Time	
					2006	2015	2006	2015	2006	2015	2006	2015
Malaysia	46	11	+35	2	6	4	20	11	12	4	22	8
Morocco	77	31	+46	3	7	4	31	10	11	6	33	14
Jordan	78	54	+24	6	7	5	28	12	12	7	28	15
Indonesia	60	62	-2	10	7	4	25	17	10	8	30	26
Lebanon	82	97	-15	18	6	4	22	22	12	7	34	30
Uganda	160	161	-1	42	13	7	58	28	17	10	73	31

Source: Author bases on World Bank data

Table 7: Executive table of Lebanon's NTFB factors

UNCTAD factors	Lebanon's situation	Status
Well-defined objectives	3 clearly defined objectives	✓
A defined scope of work	Defined scope of work	✓
A legal framework	Formally established under the Council of Ministers' Decision No. 58 in October 2006	✓
Institutionalizing	Established under the Council of Ministers' Decision No. 58 in October 2006	✓

UNCTAD factors	Lebanon's situation	Status
<i>the TF body</i>		
<i>Meeting on a regular basis</i>	<i>Only met once since 2008</i>	X
<i>Concrete terms of reference / a work plan</i>	<i>Work plan is not published and has been reported to be "on hold"</i>	X
<i>A permanent secretariat</i>	<i>The DG for Land and Maritime Transport acts as the Secretariat to the NCFTT</i>	✓
<i>Enough financial resources</i>	<i>Financial support has not been secured</i>	X
<i>Regular participation of the private sector</i>	<i>Lack of meetings</i>	
<i>Participation of all public agencies involved in TF</i>	<i>DG for Land and Maritime Transport, Ministry of Interior, Ministry of Industry, Ministry of Communications, Ministry of Public Health, Ministry of Finance represented by the Higher Council for Customs, Union of the Chambers of Commerce, Industry and Agriculture, Association of Lebanese Industrialists, Association of Lebanese Banks, Union of Insurance Companies, Committee of Land and Maritime, Transport, International Commercial Chamber (ICC), Representative of IT Association, Syndicate of Travel Agencies. Lack of participation has been reported.</i>	✓ Could improve
<i>Participants having knowledge on trade facilitation</i>	<i>Memoranda of Understanding designed to improve trade facilitation and assist transit traffic have been signed between Lebanon and both Syria and Jordan.</i>	✓
<i>Awareness of the importance of trade facilitation among stakeholders</i>	<i>Customs brokers do little to facilitate trade, on the contrary their employers, i.e. freight forwarders, appear to be well-organized and in possession of FIATA certificates</i>	✓ Could improve
<i>Strong political commitment</i>	<i>Though the NTFC started off with strong commitment, it failed to sustain and stopped its activities, not holding meetings after 2008.</i>	X
<i>Strong leadership by the coordinating agency</i>	<i>The committee started off with a strong leadership that gradually decreased to practically stopping its activities.</i>	X
<i>Appropriate monitoring and evaluating tools</i>	<i>Reporting is made to the Ministry of Economy, but no specifics are given.</i>	✓ Could improve

UNCTAD factors	Lebanon's situation	Status
Trust and respect among stakeholders	<i>There is a lack of clarity with regards to the coordinating agency and no further meetings have been organized</i>	X
An efficient work structure and methodology (groups, subgroups, etc.)	<i>Presidency of the NCFTT was given to the Ministry of Economy and Trade as per ESCWA's recommendation, 3 Vice-Presidents, Four Sub-Committees were established including: Land Border Crossings, Multi-Modal, Airports and Beirut Port.</i>	✓
Technical assistance and training for the members of the TF bodies	<i>ESCWA, World Bank and UNCTAD have provided assistance.</i>	✓

Source: Author based on UNCTAD Repository 2015 and field surveys

Table 8: Executive table of Indonesia's NTFB factors

UNCTAD factors	Indonesia's situation
Well-defined objectives	<i>Objectives have not defined.</i>
A defined scope of work	<i>There is no defined scope of work.</i>
A legal framework	<i>There is a document that establishes the official recognition of the Task Force. -The Task Force is part of the National Group Trade Facilitation (NGTF). - In process of ratification.</i>
Institutionalizing the TF body	<i>There is no TF body.</i>
Meeting on a regular basis	<i>There are no meetings on a regular schedule, but there are plans to have a weekly or monthly meetings.</i>
Concrete terms of reference / a work plan	<i>They have not established a work plan</i>
A permanent secretariat	<i>There is no permanent secretariat.</i>
Sufficient financial resources	<i>Financial support has not been secured.</i>
Regular participation	<i>Lack of participation has been reported.</i>

UNCTAD factors	Indonesia's situation
of the private sector	
Participation of all public agencies involved in TF	Ministry of Trade, Ministry of Finance, Ministry of Coordinating Economic Affairs, National Planning Agency (BAPANAS), Ministry of Foreign Affairs, Ministry of Transport, Ministry of Health, Ministry of Information and Communication, Ministry of Defence, Ministry of Fisheries and Oceans. Quarantine from Ministry of Agriculture, National Foods and Drugs Agency (BPOM), National Standards Agency (BSM), National Police. Lack of participation has been reported.
Participants having knowledge on trade facilitation	There are some problems, mainly with more recent members, regarding their understanding of the role and importance of the TR agreement.
Awareness of the importance of trade facilitation among stakeholders	
Strong political commitment	No political commitment.
Strong leadership by the coordinating agency	There are problems in establishing responsibilities for coordination between agencies. However there is strong leadership by the Coordinating Ministry of Economic Affairs.
Appropriate monitoring and evaluating tools	They have official documents and reports are being sent by email.
Trust and respect among stakeholders	
An efficient work structure and methodology (groups, subgroups, etc.)	They have not a work structure.
Technical	They have not enough training for the new members.

<i>UNCTAD factors</i>	<i>Indonesia's situation</i>
<i>assistance and training for the members of the TF bodies</i>	

Source: Author based on UNCTAD Repository 2015 and field surveys

Table 9: Executive table of Uganda's NTFB factors

<i>UNCTAD factors</i>	<i>Uganda's situation</i>	<i>Status</i>
<i>Well-defined Objectives</i>	-Build upon the report and matrix of Uganda's self-assessment on trade facilitation needs. -Provide Geneva-based Ugandan officials, involved in the WTO negotiation -Provide background information for the East African Community, the Common Market for Eastern and Southern Africa and Economic Partnership Agreements' negotiations on trade facilitation.	✓
<i>A defined scope of work</i>	The group is expected to analyse proposals presented by different members of WTO and provide advice to Geneva negotiators, follow up on bilateral negotiations in the area of trade facilitation, analyse issues related to trade facilitation at the domestic level and advise policy makers.	✓
<i>A legal framework</i>	Non-compliant	X
<i>Institutionalizing the TF body</i>	Presently it is ad hoc, we hope to make it legal	X
<i>Meeting on a regular basis</i>	Frequency of meetings The Working Group has met twice a year in the first quarter. Level of participation Active Meeting format Focus groups	✓
<i>Concrete terms of reference / a work plan</i>	Yes The group is expected to analyse proposals presented by different members of WTO and provide advice to Geneva negotiators, follow up on bilateral negotiations in the area of trade facilitation, analyse issues related to trade facilitation at the domestic level and advise policy makers.	✓
<i>A permanent secretariat</i>	Non-compliant	X

UNCTAD factors	Uganda's situation	Status
Enough financial resources	Reported to have financial issues	X
Regular participation of the private sector	The Working Group is composed of: Uganda Clearing and Forwarding Agents Association; Private Sector Foundation Uganda; Uganda National Chamber of Commerce and Industry; Private Sector Foundation Uganda; KACITA Uganda Transporters Association.	✓ Could improve
Participation of all public agencies involved in TF	The Working Group is composed of: Ministry of Tourism, Trade and Industry; Ministry of Finance Planning and Economic Development; Ministry of Information and Technology; Ministry of Agriculture Animal Industry and Fisheries; Ministry of Justice and Constitutional Affairs; Ministry of Foreign Affairs; Uganda Revenue Authority; Uganda Export Promotion Board; Uganda Investment Authority; Uganda National Bureau of Standards; and Ministry of Works and Transport.	✓
Participants having knowledge on trade facilitation	Problems regarding the understanding of TF proposals have been reported	X
Awareness of the importance of trade facilitation among stakeholders	This happens with some actors from the private sector	X
Strong political commitment	It is a priority for the Government but they first allocate efforts to create an strategy regarding the elimination of NTFBs	X

UNCTAD factors	Uganda's situation	Status
Strong leadership by the coordinating agency	Lack of consistency of the meetings due to lack of financial resources	X
Appropriate monitoring and evaluating tools	The Working Group is expected to report to the Inter institutional Trade Committee though bureaucratic problems have been reported.	✓ Could improve
Trust and respect among stakeholders	There is respect but not much communication between Public and Private sector	X
An efficient work structure and methodology (groups, subgroups, etc.)	Ad hoc work	X
Technical assistance and training for the members of the TF bodies	WB 2006, WTO, UNECE, have provided assistance	✓

Source: Author based on UNCTAD Repository 2015 and Surveys in the field

Table 10: Executive table of Jordan's NTFB factors

UNCTAD factors	Jordan's situation	Status
Well-defined objectives	5 established objectives.	✓
A defined scope of work	Clearly defined in the Terms of Reference.	✓
A legal framework	Is constituted as a legal entity. The General Secretariat for Transport and Trade Facilitation is a permanent Unit of the Ministry of Transport.	✓
Institutionalizing the TF body	The National Committee for Trade and Transport Facilitation (NCTTF) was established by a Council of Ministers Decision N° 3966, adopted on 18 February 2003; and The Technical Committee for Trade and Transport Facilitation	✓

UNCTAD factors	Jordan's situation	Status
	(TCTTF) was established by a Council of Ministers Decision N° 1365, adopted on 13 September 2005.	
Meeting on a regular basis	The National Committee meets periodically on a bimonthly basis or as necessary upon invitation sent by the Chairman of the National Committee for Transport and Trade Facilitation; and The National Committee meets as necessary to make recommendations and provide proposals.	✓
Concrete terms of reference / a work plan	Clear TOR consisting of 3 elements.	✓
A permanent secretariat	The General Secretariat Unit for Transport and Trade Facilitation, created in 2011 in cooperation with the EU Program for Trade and Transport Facilitation.	✓
Enough financial resources	Cooperation funds from the EU Program for Trade and Transport Facilitation; and certain allocations within the annual budget of the Ministry of Transport. Funding issues have been reported	✓ Could improve
Regular participation of the private sector	Private sector membership is reduced but comprises important stakeholders: <i>Participants in the National Committee:</i> Chairman of Jordan Chamber of Industry, and Chairman of Jordan Chamber of Commerce. <i>Participants in the Technical Committee:</i> Aqaba Container Terminal (ACT), Jordan Shipping Association, Jordan Chamber of Industry, Jordan Chamber of Commerce, Forwarders Association Owners Syndicate, Trade Union of Jordanian Trucks Owners, Jordan Logistics Shipping Agents Association, Jordan Exporters Association, and Nafith Logistics Services Company Participation is graded as "satisfactory" by the committee	✓
Participation of all public agencies involved in TF	National Committee for Trade and Transport Facilitation is chaired by the Minister of Transport and consists of the following members: Minister of Industry and Trade; Minister of Planning and International Cooperation; Minister of Public Works and Housing; Minister of Interior; Minister of Agriculture; and Director-General of the General Customs Department. The Technical Committee for Trade and Transport Facilitation is chaired by the Ministry of Transport Secretary General and with representatives of the Ministry of Transport and other Ministries as members: Ministry of Industry and Trade; Jordan Institution for Standards and Metrology (JISM); Ministry of Planning and International Cooperation; Ministry of Finance/Customs; Ministry of Public Works and Housing; Ministry of Interior; Ministry of Agriculture; Ministry of Health / Jordan Food and Drug Administration; Aqaba Development Company; Ports Corporation; Civil Aviation Regulatory Commission;	✓

UNCTAD factors	Jordan's situation	Status
	Jordan Maritime Authority; and Aqaba Special Economic Zone Authority, Jordan Corporation for Economic Projects Development. Participation is graded as "satisfactory" by the committee.	
Participants having knowledge on trade facilitation	A comprehensive training plan was developed for the period 2012-2014, which covers all Ministry of Transport staff, executive secretariat staff, members of the technical committee and some staff members of the Land Transport Regulatory Commission.	✓
Awareness of the importance of trade facilitation among stakeholders	The committee has a website clearly outlining the benefits of TF and reports on the meetings held, mention the explanation of TF benefits to all attendees. Though other stakeholders must be surveyed to understand if they are aware of TF importance.	✓ Further studies required
Strong political commitment	Though the Council of Ministers coordinates with the relevant ministries and authorities to implement recommendations and proposals within their areas of competence. A problem on assembling all of the members of the Technical committee in the regular meetings has been reported.	✓ Could improve
Strong leadership by the coordinating agency	The coordinating agency appears to be engaged by delivering continuous training, posting of current news in the website and holding regular meetings.	✓ Further studies required
Appropriate monitoring and evaluating tools	Evaluation is made by comparing the key performance indicators that are set in the work-plan with the achievements through the Technical Committee meetings and the decisions taken by the National Committee. TCTTF reports to the NCTTF The NCTTF reports to the Jordan Council of Ministers	✓
Trust and respect among stakeholders	Close work in collaboration with Aqaba Ports Corporation (APC) and Nafith Logistics Services has been documented in newspapers. Other stakeholders must be surveyed.	✓ Further studies required
An efficient work structure and methodology (groups, subgroups, etc.)	Clear institutional structure consisting of secretariat head, officers, sub committees, and chaired by relevant ministers	✓
Technical	A comprehensive training plan was developed for the period 2012-2014, which covers all Ministry of Transport staff,	✓

UNCTAD factors	Jordan's situation	Status
assistance and training for the members of the TF bodies	executive secretariat staff, members of the technical committee and some staff members of the Land Transport Regulatory Commission.	

Source: Author based on UNCTAD Repository 2015 and field surveys

Table 11: Executive table of Malaysia's NTFB factors

UNCTAD factors	Malaysia's situation	Status
Well-defined objectives	<ul style="list-style-type: none"> Reducing the number of documents and reducing the time Reducing the cost of international trade Computerize all the processes related to trade 	✓
A defined scope of work	Compliant	✓
A legal framework	Complaint	✓
Institutionalizing the TF body		✓
Meeting on a regular basis	There are institutionalized meetings on a monthly basis (every 2 nd week of the month)	✓
Concrete terms of reference / a work plan		✓
A permanent secretariat	There is a permanent secretariat, it is composed of 3 persons and it is at the Malaysian Productivity Corporation	✓
Enough financial resources	There are enough financial resources: budget from MITI for day-to-day activities and secretariat, and own resources from other parts involved.	✓
Regular participation of the private sector	Private Sector remarkably active	✓
Participation of all public agencies involved in TF	Ministry of International Trade and Industry, Malaysian Investment Development Authority, Ministry of Transport are reported members	✓

Participants having knowledge on trade facilitation	<i>Members have a high level of knowledge on trade facilitation (senior representative of each agency)</i>	✓
Awareness of the importance of trade facilitation among stakeholders	<i>Every representative of each stake holder is fully aware of the importance of TF</i>	✓
Strong political commitment	<i>Malaysia fully supports the proposed new agreement as it is a multilateral arrangement that would benefit all members by enhancing efficiency, transparency and predictability of rules relating to imports and exports.</i>	✓
Strong leadership by the coordinating agency	<i>The secretariat was switched to MPC in order to increase productivity and is thus more operational.</i>	✓
Appropriate monitoring and evaluating tools	<i>There are monitoring and evaluating tools regarding to decision making</i>	✓
Trust and respect among stakeholders	<i>There is mutual respect between the members.</i>	✓
An efficient work structure and methodology (groups, subgroups, etc.)	<i>This is clearly represented in the above organigram</i>	✓
Technical assistance and training for the members of the TF bodies	<i>There is training from international assistance agencies and from the MPC.</i>	✓

Source: Author based on UNCTAD Repository 2015 and field surveys

Table 22: Executive table of Morocco's NTFB factors

UNCTAD factors	Morocco's situation	Status
Well-defined objectives	<i>Simplify and rationalize customs, port and banking procedures relating to import and export operations. Implement the measures established in Bali agreement.</i>	✓
A defined scope of work	<i>Simplification and rationalization of all procedures related to exports and imports.</i>	✓
A legal framework	<i>Established by the Prime Minister's Circular n° 1/1149 of 21 July 1986</i>	✓
Institutionalizing the TF body	<i>TF body is not institutionalized for the moment. Some agencies are for the institutionalization of the TF body whereas others think the flexibility is one of the success factors of the TF Body.</i>	✓
Meeting on a regular basis	<i>There are no meetings on a regular schedule, but there are regular meetings on ad hoc basis (3 meetings in 2015, 4 o 5 meetings in 2014 and 2013).</i>	✓
Concrete terms of reference / a work plan	<i>There is an established working plan: 2006 working plan. This working plan is soon to be updated and a new plan will be released for 2015-2020.</i>	✓
A permanent secretariat	<i>There is a permanent secretariat with 4 employees.</i>	✓
Enough financial resources	<i>There are enough financial resources (budget is from Foreign Trade Ministry)</i>	✓
Regular participation of the private sector	<i>Regular participation of the private sector has been reported.</i>	✓
Participation of all public agencies involved in TF	<i>Foreign Trade Ministry</i>	✓
Participants having knowledge on trade facilitation	<i>Participants are selected ad hoc according to the issue of the meeting.</i>	✓

UNCTAD factors	Morocco's situation	Status
Awareness of the importance of trade facilitation among stakeholders	<i>There is a strong commitment from all the stakeholders to facilitate trade and exportations, and awareness of the fact that trade facilitation will promote Morocco's Economic growth.</i>	✓
Strong political commitment	<i>King Mohammed VI asked that Morocco became an emerging country. Head of Government is in charge of arbitration when needed, as part of CBC.</i>	✓
Strong leadership by the coordinating agency	<i>Strong leadership of the Foreign Trade Ministry and the CNEA.</i>	✓
Appropriate monitoring and evaluating tools	<i>There are official documents and invitations and reports are sanded by email.</i>	✓
Trust and respect among stakeholders	<i>There are different levels of commitment from the members according to the issue of the meeting, which sometime causes problems of decision making.</i>	✓
An efficient work structure and methodology (groups, subgroups, etc.)	<i>There is an efficient work structure, ad hoc to the issue of the meeting.</i>	✓
Technical assistance and training for the members of the TF bodies	<i>Change management projects include trainings, awareness seminars, user guides and circulars are implemented.</i>	✓

Source: Author based on UNCTAD Repository 2015 and field surveys

Annex C: QUESTIONNAIRE FOR NTFBS STAKEHOLDERS IN THE FIELD

Background

1. What is the official name of the national Trade Facilitation Mechanism?
2. What motivated the establishment of the TF body?
3. In which year was it established?
4. Do you have other national bodies dealing with WTO issues and/or with TF?
5. Was the TF BODY based on a previously existing multi-agency group/committee (e.g. a trade and transport facilitation committee)?
6. What is the current status of the TF body (running, pilot phase, study)?
7. Where do the meetings have taken place?
8. Are there any sub-national TF coordination bodies/groups?
9. In the event, there are sub-national TF coordination bodies, how do they coordinate with the capital?

Institutional Framework (focal point)

10. Has the TF body been set up as an ad hoc group, or a legal entity/organization?
11. What specific documents were necessary to institutionalize the group? Which body and at which level made the decisions?
12. What is the scope/mandate of the TF body?
13. Does the TF body have terms of reference?
14. Which is the coordinating agency?
15. What is the structure of the TF body (chair/co-chair, sub-groups, etc.)?
16. Do you have a permanent technical Secretariat?
17. Please indicate the contact details of the chairman, president or Secretariat of the TF body.
18. What is the role each stakeholder plays in the NTFBs?
19. If there is a permanent technical Secretariat:
 - i) - What is their structure?
 - ii) - What is the number of people working there?
 - iii) - Which are its main tasks?
20. If there is not a permanent Secretariat, is there a focal point?

Membership / Composition

21. Which are the agencies that participate in the TF body?
 - i) Which are the government agencies that participate? (e.g. trade, customs, works, communications and transport, agriculture, other agencies with export/import authorities)
 - ii) Which are the services providers that participate? (e.g. national associations of carriers and freight forwarders, national associations of banking institutions, national associations of insurance companies, association of customs brokers)
 - iii) Which are the traders that participate? (chamber of commerce, manufacturer associations, other associations of service users (exporters or importers))
22. What private associations or entities participate?
23. What is the level of seniority of the participants?
24. Do you have an (email) list with the contact details of the representatives?
25. If there is a rotation of an agency representative, is there a commitment of this agency to report the Secretariat/TF focal point with the new contact details of the new representative?

Funding

26. Do you have a formal budget for the operations of the TF BODY?

27. If this is the case:
 - i) What major items are covered by it?
 - ii) What are the sources of funding? (donors, government, private, an international organization, or a combination of any of these)
28. Are there any measures to expand the sources of funding?

Objectives / Focus

29. What are the objectives of the TF body?
30. Does the TF body have a working plan?
31. How do you monitor progress in implementing the working plan?
32. How often, and in which form and to whom is the TF body reporting?
33. Has the NTFB a defined mandate?
34. If there is a working plan, has it ever been modified or updated?

Participation

35. Does the TF body meet regularly?
36. What is the level of participation in each of the meetings?
37. Do you use different meetings formats (such as focus groups, brainstorming, citizen jury's, etc.)?
38. How many meetings the NTFBs have conducted since its constitution?
39. How often does the NTFBs gets together?
40. What is the approximatively share of attendance
41. Which type of stakeholders are most active at the meetings
42. From 0-10, please grade the commitment of public agencies towards the NTFB
43. From 0-10, please grade the commitment of the private sector towards the NTFB

Promotion / Communication

44. How do you keep all stakeholders informed of the TF body's meetings and new documents, upcoming events, etc.?
45. How does the TF body interface with other working groups/committees working on similar issues?
46. Do you undertake special information session for the general public or particular stakeholders?
47. Which is the tool that is used for stakeholders to get together? (e.g. group/personalized email, telephone, fax, etc.)
48. What are the communication mechanisms between stakeholders, how often is there communication
49. How do the communication and cooperation mechanisms between international organizations and the NTFB work?
50. From 0-10, please grade how an electronic tool will help to improve the outputs of the NTFB
51. Is there a website that shows the work of the NTFB?
52. Is there a specific person on charge of providing the information for this update?

Benefits

53. What was the impact of the work of the group?
54. How does it benefit your country's responsiveness to the WTO TFA implementation process?
55. Have there been concrete operational outcomes?

Lessons learned

✓ **Success factors**

56. Which are the lessons learned?
57. What are the success factors for well-functioning NTFBs?
- i) involvement of the private sector
 - ii) coordination
 - iii) strong political commitment
 - iv) qualitative participation
 - v) knowledge/awareness of key stakeholders
 - vi) training/capacity building
 - vii) work plan
 - viii) financial resources

✓ **Challenges**

58. What are the main obstacles for the establishment, well-functioning, and ensuring sustainability of NTFBs?
- i) Lack of financial resources
 - ii) Lack of participation
 - iii) Lack of knowledge on trade facilitation
 - iv) Lack of coordination among different institutions
 - v) Resistance to change
 - vi) Low level of commitment by members
 - vii) Frequent replacement of members
 - viii) Lack of government commitment
 - ix) Lack of work plan
59. What are the organizational/legal features that in your view are missing for the NTFBs?

Future plans

60. What are the plans for further development of the TF body?

Governance

61. How has the NTFB affected the implementation of trade facilitation measures in your country?
62. Are there any accountability and measurement of progress mechanisms in the NTFB of your country?
63. Are you keeping written/audio records of the held meeting?
64. If there are any records of these meetings, is there a transparency mechanism to publish them? Are these notified to the WTO TF committee?
65. Is there access to the meetings to observers? (e.g. journalists, NGOs, International Organizations Representatives)
66. Have NTFB consultations influenced formulation of trade policy?
67. Is the procedure to follow up on WTO recommendations?

Technical Assistance

68. Have you ever received technical assistance on Trade Facilitation issues from an International Organization?
69. If this is the case:
- i) From which International Organization?
 - ii) In which format? (Capacity building by conferences, or field work with the main stakeholders)
 - iii) On which TF issue?
 - iv) How long was it ago?
 - v) How long it lasted?

70. What is the procedure to request for support of an International Organization?
71. Under the initiative of the IO?
72. Because of the initiative the stakeholders?
73. Has technical assistance on WTO TFA negotiations ever been provided to your country?