

National Committee on Trade Facilitation



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES



Mercator Programme
A Navigational Map for Trade Facilitation

Compliance and Facilitation
June 2017

WTO Trade Facilitation Agreement

Section III of the TFA deals with institutional arrangements and Final provisions

Section III

Institutional Arrangements and Final Provisions

- Article 23.1 Committee on Trade Facilitation
- Article 23.2 National Committee on Trade Facilitation
- Article 24 Final provisions



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National Committee on Trade Facilitation

Article 23.2

Peremptory Article of the WTO TFA



- ❖ Each Member “shall” establish and/or maintain a national committee on trade facilitation
- ❖ or designate an existing mechanism
- ❖ to facilitate both domestic coordination and the implementation of the provisions of the TFA

Why establish an NCTF?

- ❖ To facilitate both domestic coordination
- ❖ and implementation of the provisions of the TFA”.
- ❖ Streamlining border procedures and documentation
- ❖ Coordination amongst agencies
- ❖ Dialogue between government and private sector
(Stakeholder engagement)
- ❖ Costs and time saving

The Role of Customs in the NCTF

- ❖ 98% of the TFA provisions are Customs related
- ❖ Preparations for the implementation of TFA
- ❖ Engage in a process to work towards coordinated border management
- ❖ Stakeholder engagement
- ❖ Cooperation with Other Government agencies and Private sector
- ❖ Identify Committee Members with the appropriate level of authority to participate
- ❖ Appointment of a secretariat (e.g. Ministry of Trade)



NCTF Survey Results

- Survey sent Dec 2014
- 80 - Members responded (Latest response India August 2016)
- 35 - Members reported to have an NCTF
- 19 - Existing NCTFs
- 16 - Newly established NCTFs
- 18 - Customs as Chair / Vice Chair
- 11 - Customs as Other leading role
- 6 - Customs as Members /role not defined
- Stakeholders includes: Private Sector, Other government Agencies, Ministry of Trade and Customs.

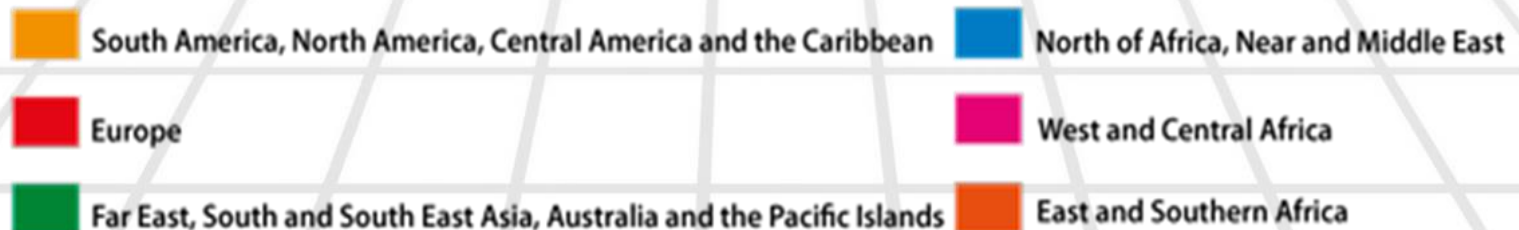
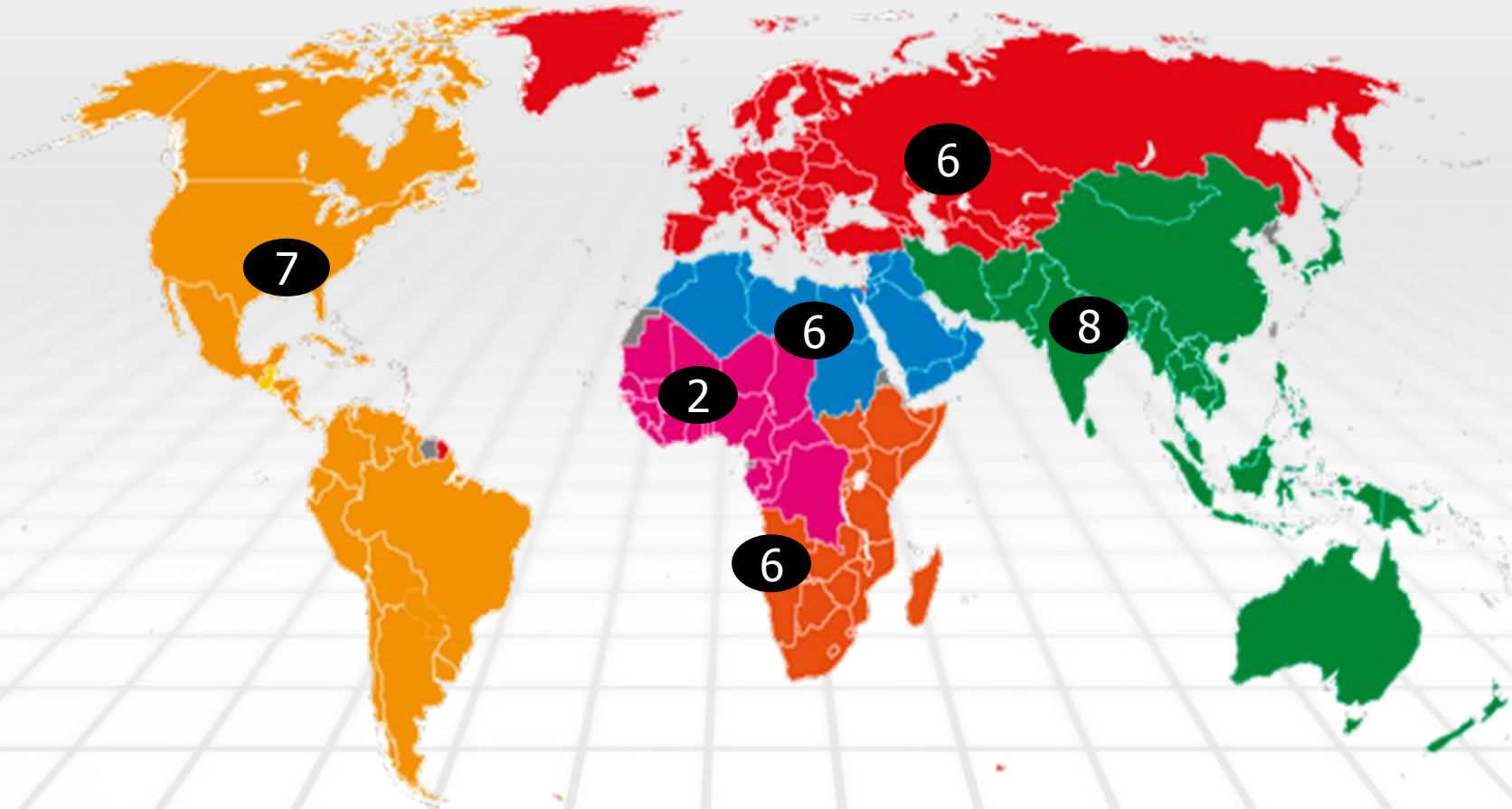




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WCO NCTF SURVEY

35 NCTFs reported per WCO Region



Names of the 35 Countries

6 WCO Regions

- ❖ **South, North & Central America and the Caribbean** - Colombia, Cuba, Jamaica, Mexico United States, Uruguay and Canada;
- ❖ **Europe** - Croatia, Greece, Israel, Italy, Lithuania and Switzerland;
- ❖ **East and Southern Africa (ESA)** - Botswana, Malawi, Mauritius, Swaziland, Kenya and Namibia;
- ❖ **North of Africa, Near and Middle East (MENA)** – Sudan, United Arab Emirates, Morocco, Oman, Saudi Arabia and Egypt;
- ❖ **West and Central Africa (WCA)** – Nigeria and Cape Verde;
- ❖ **Far East, South & South East Asia, Australia and the Pacific Islands (AP)** - Lao, Malaysia, Pakistan, Papua New Guinea, Singapore, Sri Lanka and Bhutan, **India**.

WCO Guidance on NCTFs

- ❖ WCO Guidance on NCTFs was endorsed by the WCO TFA Working group in September 2015
- ❖ Updated in March 2016
- ❖ Shares information on WCO members experiences and roles in NCTFs
- ❖ Based on Dec 2014 Survey and
- ❖ Case studies from Members
- ❖ Webpage address NCTF Guidance:

[English](#)

[French](#)

[Spanish](#)



http://www.wcoomd.org/en/topics/facilitation/~media/WCO/Public/Global/PDF/Topics/WTO%20ATF/National%20Committees%20on%20Trade%20Facilitation/Guidance/NCTF%20EN_HR.ashx

NCTF Activities

- 6 TFA/NCTF Regional events 2015
- 5 TFA/NCTF Regional events in 2016
- 1 NCTF National event in 2015 (Cape Verde)
- 2 NCTF National events in 2016 (Ghana & Sudan joint programme with UNCTAD)
- 1 National event in 2017 (Nigeria)
- 2 Pending request 2017 (Namibia and Madagascar)
- More than 180 other Regional and National TFA events on the TRS, SAFE CBM Single Window, Data Model, etc 2015/2016/2017 out of 500+ Members request

WCO NCTF Guidance – contents

Table of Content

- The need for Customs to be involved
- Key objectives of NCTFs and the question of an existing or a new Committee
- Preconditions (Political will, People, Partnerships)
- Duties and Functions of the NCTF
- Establishment of a Focal Point/Focal Group or a work desk for the start of the set-up work
- Establishment of Terms of Reference (ToR) for the NCTF
- The launch of the NCTF
- Establishment of the national Roadmap to TFA implementation and the 3-phased approach to TFA implementation
- Monitoring of the implementation of the national Roadmap
- Some reported achievements by NCTFs so far

WCO NCTF Guidance – contents

ANNEXES:

Annex I: The WCO survey questionnaire

Annex II: Information on the 33 established NCTFs

Annex III: A business case for a prominent role of Customs in the NCTF

Annex IV: Draft ToR of a NCTF

Annex V: One proposal of a draft agenda of a first NCTF meeting

Annex VI: An action plan template for tasks to be carried out related to the establishment of a national Roadmap to TFA implementation

Customs role in NCTF

Customs role key at the border

Majority of TFA provisions under Customs responsibility

High level involvement (DG, Deputy/Assistant DG)

Active involvement (Chair, Vice-Chair, Coordinator, Secretariat)

Setting up a NCTF

Use of an existing mechanism vs. establishment of a new committee

Establish a Focal Point or work desk for the start of the set-up work; later the Secretariat

Identification of relevant stakeholders

Potential identification of one or more “competent champion(s)”

Maintain/ Secure continues Political Support

Develop a national Roadmap to implement the TFA

Terms of Reference

Vision, objectives, scope and deliverables (i.e. what has to be achieved)

Stakeholders, roles and responsibilities (i.e. who will take part in it)

Resource, financial and quality plans (i.e. how it will be achieved)

Work breakdown structure and schedule (i.e. when it will be achieved)

Success factors, risks, and challenges

Members Case Studies

The Role of Customs

Example from Sri Lanka:

The nine Heads of agencies who form the NCTF in Sri Lanka unanimously elected the Director General of Customs as the Chair of the Committee. Within Customs, a Customs Working Group was established to coordinate details related to TFA implementation with the NCTF.

India's Case Studies

Challenges and Solutions

1. Challenges and Solutions

One of the challenges was to determine the optimal size of the NCTF in terms of its member composition. This was resolved by ensuring that the necessary flexibility is accorded within the overall structure of the NCTF to co-opt new members and representatives of the State Governments on specific trade facilitation issues, as and when required.

Ensuring inter-ministerial co-ordination and collaboration was another challenge. This was resolved by setting up the NCTF Secretariat to act as a nodal point to leverage the smooth flow and exchange of information between the various ministries and their associated departments. This, too, has been aided to a great degree by promoting regular consultations and discussions between the various participants. In addition, a consensual approach was adopted, with increased deliberations and consultations between all stakeholders concerned.

Procuring meaningful engagement between the various stakeholders was another challenge. This was resolved to a great extent by increasing awareness about the TFA and the Government's associated trade facilitation measures, neutralizing apathy, involving all stakeholders in agenda-setting, and specifying the overall direction of the Committee as regards its composition and functioning. The minutes of each meeting were carefully and comprehensively drafted, and duly circulated to all members.

A major challenge was to make our Trade Facilitation Action Plan comprehensive and over-arching in its ambit, and make it an effective tool for trade facilitation measures for all stakeholders. This was ameliorated to a great extent by incorporating the recommendations from all Working Groups, Government organizations and trade associations, and drawing up a benchmark of standards that was amalgamated into the Action Plan. This was simultaneously mapped with relevant TFA Articles. It has helped in meeting some major policy objectives of the Government of India, such as improvement in the "Ease of Doing Business" rankings, reduction in transaction costs and times, enhanced digitization, a simple, transparent and predictable legal regime, and improved investment climate.

Canada's Case Study

Challenges and Solutions

1. Challenges and Solutions

One of the challenges faced by the BCCC is finding the right size for the Committee. While it is important to ensure all affected parties are represented, too large a group makes the consultation process difficult to manage, and too small yields input that is not fully comprehensive. So far, the CBSA has found that a committee with no more than 25 members works best, though the governance and membership are subjects that are often discussed and these are currently under review.

Another challenge for the CBSA has been the long tradition of using BCCC for information sharing and awareness. Transforming the CBSA's approach to be more collaborative, strategic and focused continues to be a goal and requires strong senior management leadership. Generating a fulsome dialogue can be difficult when dealing with a large, diversified group of individuals with varying and often competing interests. Creating opportunities for members to be active participants by involving them in work planning, developing presentations, and setting agendas has proven effective, and is now one of the CBSA's best practices.

Ensuring equal accountability can be challenging. Means of overcoming this challenge include introducing more rigour to the consultation process, properly mapping expected and measurable outcomes for deliverables, establishing realistic timelines, and assigning deliverables to industry members. However, for these to work, discipline and commitment are essential.

For the BCCC, one of Canada's existing networks to coordinate TFA implementation, the development of a "shared agenda" whereby stakeholders and government agree on a set of priorities that they will jointly advance is a good practice for ensuring tangible results. Also creating small, focused, technical sub-committees or working groups helps to discuss specific issues and find workable solutions. This in turn frees up the BCCC to discuss more forward looking, strategic issues. Creating a space where all committee documents can be accessed by all members would be very helpful.

Setting a regular meeting schedule well in advance helps ensure maximum participation. Another best practice to ensure continuity and engagement is having the same people attend BCCC meetings.

Canada has a longstanding relationship and culture of engaging with the private sector. Canada will continue to take advantage of pre-existing well-functioning networks to coordinate trade facilitation domestically, including with private sector stakeholders, and to implement the TFA. As such, Canada has fulfilled the TFA requirement to establish its NCTF.

Kenya's Case Study

Challenges and Solutions

1. Challenges and Solutions

The biggest challenges the Committee has dealt with are categorization of TF measures, and being able to notify WTO on CAT A measures and needs assessment carried out with the assistance of consultants.

The Committee is working towards a legal mandate to have its own financial resources for its own operations. The Committee has been gazetted in accordance with Kenyan laws, and now has a legal mandate to:

- coordinate and facilitate the preparation of required notifications to the WTO Committee on Trade Facilitation;
- coordinate and facilitate the implementation of trade facilitation measures in line with Kenya's obligations under the WTO Agreement on Trade Facilitation;
- provide technical advice on trade facilitation negotiations at the national, regional, interregional and multilateral levels;
- collect and disseminate information on trade facilitation, and sensitize stakeholders on the implications of trade facilitation negotiation measures adopted following different rounds of negotiations;
- monitor and evaluate the implementation of trade facilitation measures arising from different rounds of negotiations and from trade facilitation measures adopted by other WTO Members;
- collaborate with regional and international organizations bodies on trade facilitation issues;
- identify capacity building needs, and seek assistance from development partners/donor assistance for the implementation of trade facilitation;
- collaborate with National Monitoring Committee on Non-Tariff Barriers to Trade (NTBS);
- analyse barriers and challenges to trade facilitation and make policy recommendations on reform.

United Arab Emirates Case Study

Challenges and Solutions

1. Challenges and Solutions

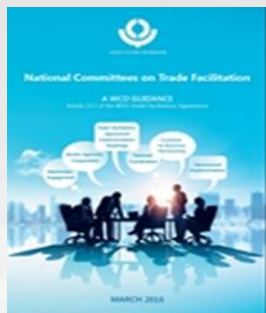
The biggest challenges are coordination among the various stakeholders and members of the National Committee, putting together electronic links relating to trade facilitation measures implemented by various entities, and scheduling trade facilitation commitments based on the minimum enforced in the various Emirates.

Assessment of each and every trade facilitation measure should be based on the real implementation of the measure on the ground, and the National Committee should be comprised of all relevant agencies pertaining to Trade and Border Management; these are considered good practice.

Entities that govern trade facilitation issues are not limited to border and Customs Agencies. At the domestic level, other government agencies are also important actors.

WCO tools to support TFA & NCTFs

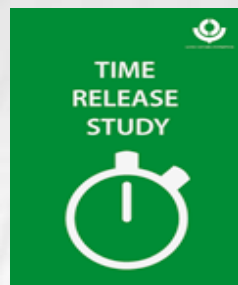
The WCO has developed a number of instruments and tools, which respond to Members' needs as regards TFA implementation. The WCO is continuing to develop and fine-tune an inter-active guidance tool designed to help Customs implement the TFA.



NCTF
Guidance



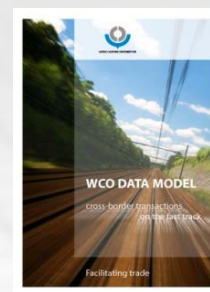
Transit
Handbook



Time Release
Study Guide



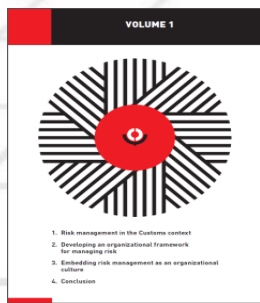
Single Window
Compendium



Data Model



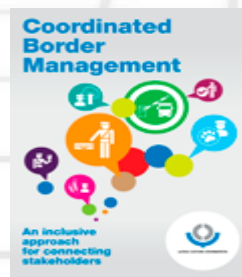
Globally
Networked
Customs



Risk
Management
Compendium



Implementation
Guidance



CBM
Compendium



IT Guide for
Executives



Capacity Building
Development
Compendium



Customs-
Business
Partnership
Guidance



**Thank you
for your attention!!**



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More information
hermie.george@wcoomd.org
facilitation@wcoomd.org