



# Rationale for Establishing National Trade Facilitation Bodies

**6<sup>th</sup> Meeting of the COMCEC Trade WG**  
Turkey - Ankara, 17 September 2015

**Dr. Edna Ramirez-Robles**



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

# Questions

- Why establishment of well-functioning NTFBs is needed?
- What is the impact of NTFB on trade facilitation
- What are the best NTFBs practices worldwide



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

# Table of Contents

- **I. Introductory remarks**
  - NTFB concept & context
  - Evolution of International Efforts
  - Importance for OIC Members
- **II. Reasons and benefits of establishing NTFB**
  - Practical reasons
  - Legal reasons
  - Negotiating reasons
  - Benefits of establishing NTFBs
- **III. NTFB's: types and performance worldwide**
  - Types of National Trade Facilitation Bodies
  - Overview: Data on NTFB's worldwide
- **IV. Worldwide Successful NTFBS**
  - Sweden
  - Japan
  - South Korea
  - Singapore



# I. Introductory Remarks

1. NTFB concept & context
2. Evolution of International Efforts
3. Importance for OIC Members



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

# NTFB concept & context

- Public & Private coordination mechanism for finding common solutions in international trade across borders
- Increase of Free Trade around the world
- Challenges for Public and Private Stakeholders
- Consequences of inefficiencies for Public & Private Stakeholders



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

# Evolution of International Efforts

- UNECE
- UNCTAD Repository
- WTO TFA
- Regional Efforts



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

### **NTFB's: their roles**

- NTFB's vary from country to country in terms of:
  - Membership
  - Institutional Structure
  - Responsibilities
  - Functions
  - Sources of Funding



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

# Importance for OIC Members

- WB DB TAB measures time & costs
- Ranks 189 countries
- 54 OIC members were covered by index only 16 of them fall within top 50%
- 66% of OIC members are ranked in the lower 50% of these 189 WB Members



## II. REASONS AND BENEFITS FOR ESTABLISHING NTFBS

1. Practical reasons
2. Legal reasons
3. Negotiating reasons
4. Benefits for establishing



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

## 1. Practical Reasons

- Bridges Public – Private concerns
- Foster trade facilitation
- Communication channel
- Public-Private partnership
  - Needs of traders & government
- Improve border transactions
- Coordinated approach to trade facilitation solutions
- Meaningful involvement of all stakeholders



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

## 2. Legal Reasons

- Trade facilitation reforms
- Implementation of International  
WTO Commitment (Article 23.2 TFA)  
Regional Commitments



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

### 3. Negotiating Reasons

- Negotiating at a national and international level
- Creating Aliances in negotiating positions
- Requesting for join technical assistance
- Promoting regional TF initiatives



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

### 4. Benefits for Establishing NTFBs

- Reducing costs in international trade transactions
- Investment attraction
- Improving competitiveness levels
- International and regional credibility
- Compliance under WTO and Regional TF obligations



### III. NTFB's: types, roles and performance worldwide

1. Types of NTFBs
2. Examples types NTFBs (OIC)
3. Worldwide performance



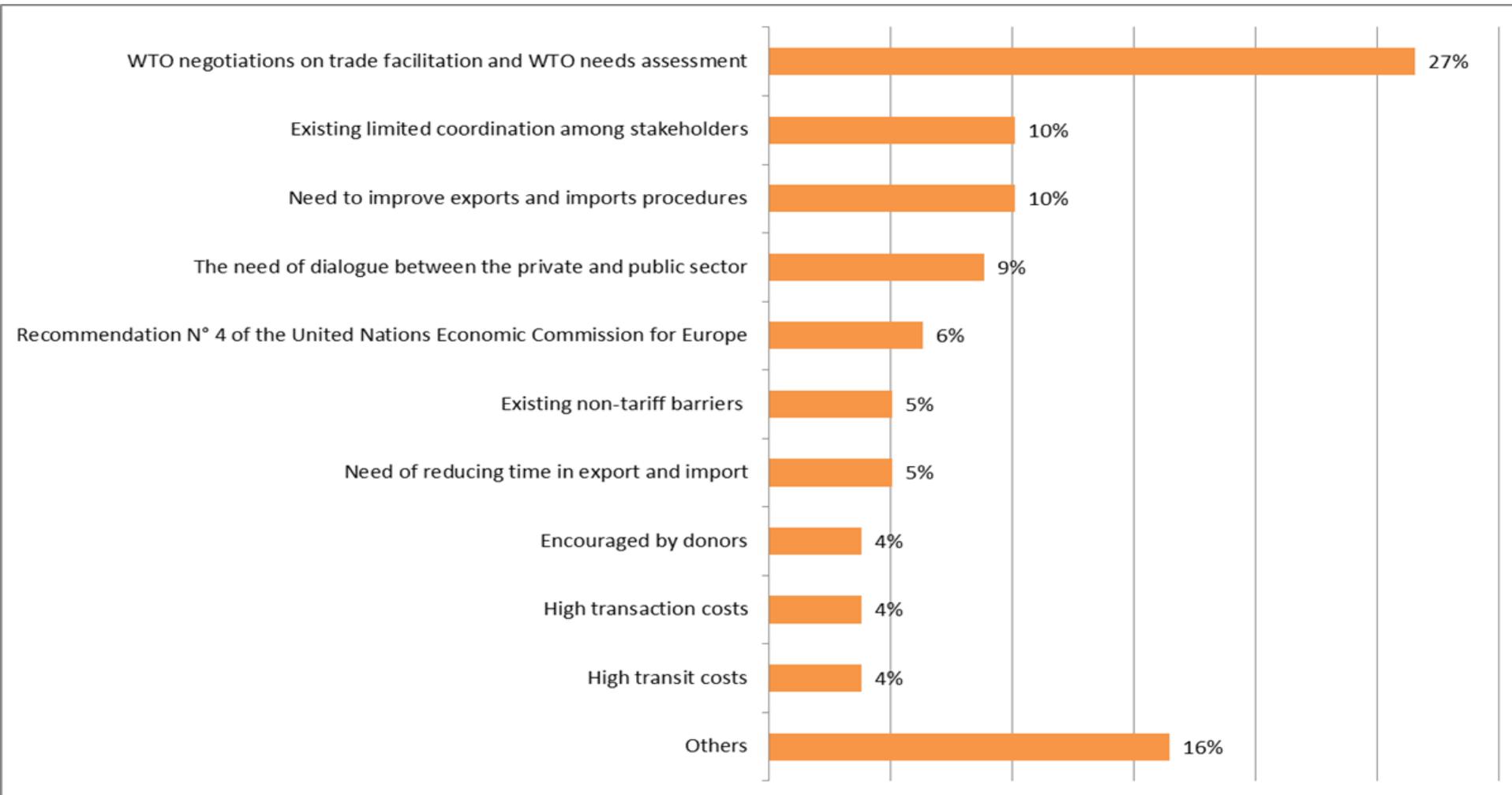
## Establishing Well Functioning National Trade Facilitation Bodies (NTFBs) In the OIC Member States

### III.1 Types of National Trade Facilitation Bodies

- PRO Committees
- NTFC
- NTFFC
- WTO for TF purposes

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

## Worldwide Motivations for Establishing a NTFB





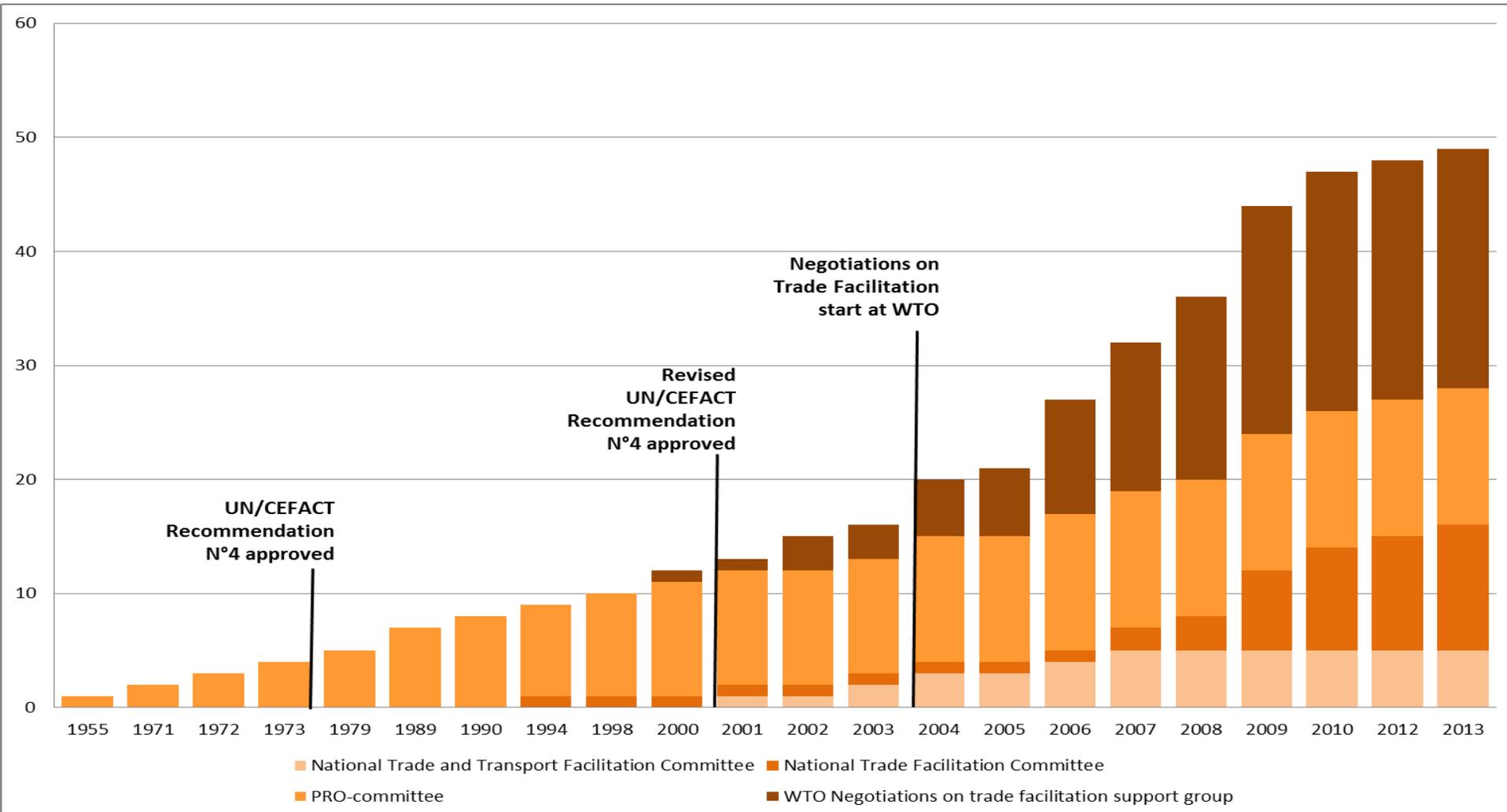
## Establishing Well Functioning National Trade Facilitation Bodies (NTFBs) In the OIC Member States

### Worldwide NTFB's types

- UNCTAD has gathered data on more than 80 countries and found the following NTFB types:
  - 10% of the NTFB's are NTTFC's
  - 22% of the NTFB's are NTFC's
  - 24% of the NTFB's are PRO committee
  - 44% of the NTFBs are WTO Negotiation trade facilitation support group
- Steady increase of NTFB's worldwide
- Inline growth with WTO trade facilitation focus

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

## Existing National Trade Facilitation Bodies





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

### III.2. Examples types NTFBs in OIC Members

- Pro Committees:
  - Iran
- National Trade Facilitation Committees:
  - Bahrain, Sudan, Malaysia, Morocco
- National Trade and Transport Facilitation Committees (NTTFC):
  - Iraq, Lebanon, Jordan, Lebanon, Oman, Palestine, Syria, Yemen, Maldives
- WTO Negotiations on Trade Facilitation Support:
  - Nigeria, Indonesia



## IV. WORLDWIDE SUCCESSFUL NTFBS

SWEDEN (SWEPRO)  
JAPAN (JASTPRO)  
SOUTH KOREA  
SINGAPORE



# I. WORLDWIDE SUCCESSFUL NTFBS

## General Success factors drawn from top cases

- Level of Development
- Responding to needs
- Public–Private partnerships
- Coordinated work by permanent secretariat
- Having institutional structure that provide certanty

## Sweden (Swepro)

- Created by government decision
- Open Membership
- Trade procedures
- Positive in WTO negotiations
- High impact of work
- Simplification of Trade procedures
- Consistent meetings overtime
- Dedicated membership



## Japan (Jastpro)

- Simplify, harmonize, standardize procedures
- Response to barriers faced
- Members & Associate Members
- Combined transport bill of lading
- Guideline for supply chain
- Provide reliable information to members
- Rationalization of documents



## South Korea (NIPA)

- PRO Committee
- National IT Industry Promotion Agency
- Main Achievement – Response to Changing Environments
- Korea paperless trade center
- Korea e-Trade Facilitation Center



## Singapore

- Most Relevant for TF Purposes
- Trade Facilitation Scheme (TFS)
- Address market gaps in financing
- Complete trading hub
- International Marketing Activities Programme
- Assistance to Local Companies





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

# Recapitulation

- I. Introductory remarks
  - NTFB concept & context
  - Evolution of International Efforts
  - Importance for OIC Members
- II. Reasons and benefits of establishing NTFB
  - Practical reasons
  - Legal reasons
  - Negotiating reasons
  - Benefits of establishing NTFBs
- III. NTFB's: types and performance worldwide
  - Types of National Trade Facilitation Bodies
  - Overview: Data on NTFB's worldwide
- IV. Worldwide Successful NTFBS
  - Sweden
  - Japan
  - South Korea
  - Singapore



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

Thank you very much!!

[edna.ramirez@gobizglobal.com](mailto:edna.ramirez@gobizglobal.com)