

## **POLICY RECOMMENDATIONS HIGHLIGHTED BY THE 13TH MEETING OF THE TRADE WORKING GROUP**

The COMCEC Trade Working Group (TWG) has successfully held its 13th Meeting on March 7th, 2019 in Ankara, Turkey with the theme of “Enhancing Public Availability of Customs Information in the OIC Member States.” During the Meeting, Trade Working Group, made deliberations for policy approximation among the Member Countries regarding enhancing public availability of customs information. The room document, prepared in accordance with the main findings of the research report conducted specifically for the 13th Meeting of the TWG and the answers of the Member Countries to the policy questions sent to the TWG focal points by the COMCEC Coordination Office before the Meeting. During the Meeting, the participants agreed on the policy recommendations included in the Room Document. The existing document includes these policy recommendations highlighted during the Meeting.

### **Policy Advice 1: Encouraging the establishment of a formal consultation mechanism between regulatory authorities and trade community towards ensuring an efficient trade environment for the interest of various stakeholders at the national level.**

An effective, efficient, and permanent consultation and feedback mechanism not only ensures the success of any trade facilitation initiative but also enhance the predictability of the trade-related regulatory environment.

Developing effective consultation mechanisms with private sector (when new laws and regulations that have the potential to affect trade flows are being prepared and before their entry into force) is crucial to allow the private sector to provide their inputs, comments or suggestions prior to implementation and enforcement.

Providing advance notice about legislation submitted for public consultation can pave the way for enhanced capacity of stakeholders to react promptly and efficiently. National Trade Facilitation Committee (NTFC) can also be utilized as an efficient consultation mechanism.

### **Policy Advice 2: Utilizing Information and Communications Technologies (ICT) effectively for the dissemination of trade, especially customs related information.**

The supply of the trade and customs related information and the access to this information through ICT can play a vital role in trade facilitation as well as an important stepping-stone for other more ambitious trade facilitation reforms. Through the digitalization of the information flows, customs and trade-related data can be disseminated to all the relevant actors easily, continuously and expeditiously. This technology also allows the regulatory bodies to provide up-to-date information timely with low-costs. This information flow can be more easily done by utilizing the internet or other ICT tools. Development of a user-friendly ICT is the key factor of the expected utilization and benefit from such an investment.

Through using ICT tools, such as virtual Single Window Systems, all rules and regulations can easily be accessed, forms can be downloaded and filled in, and necessary paperwork can be filed electronically. Some level of digital infrastructure is required before such a system can become reality, both in terms of user access to ICTs and the necessary legal framework covering the use of electronic documents and digital signatures.

**Policy Advice 3: Encouraging the development of an effective Advance Ruling System in order to enhance the certainty and predictability of customs operations**

Advance ruling system is a proven trade facilitation tool for both traders and customs administrations that enhance the certainty and predictability of customs operations.

An advance ruling is binding official advice prior to importation or exportation, issued by a competent customs authority in writing, which provides the applicant with a time-bound ruling on the goods to be imported or exported. This ruling enables traders to obtain precise and binding information in advance of the actual transaction and for analogous ones during a specified period in future, and processes are often quicker and delays reduced at the time of clearance of the good in question. Moreover, disputes with the customs authority on tariff, valuation and origin issues are reduced because the process of deliberation among officials has taken place before the issuance of the advance ruling. For an effective advance ruling system clear and robust regulations, and procedures should be in place along with a strong commitment by the customs administrations. Creating public awareness and knowledge of the program also enhances the effectiveness of the system.

**Policy Advice 4: Promoting integrated Single Windows (SW) Systems and Trade Information Portals for combining the transaction processing functions of SW Systems with a comprehensive repository of trade-related laws, regulations, rules and procedures.**

An important principle in the publication of information is its consolidation in one location or as few locations as possible. Trade Information Portals in this regard serve as a single platform utilized for aggregating and disseminating all trade-related information of various agencies. On the other hand, Single Window Systems enable traders to make all trade and customs-related procedures through a single facility. The responsible body for operating SW systems varies across the Member Countries. While customs authorities are in charge of operating SW Systems in many member countries, in some cases Ministry of Economy/ Trade or other national authorities fulfil this task.

In the post-TFA environment, many developing countries work simultaneously on Single Windows—preferably virtual—and Trade Information Portals. There is a strong argument for combining these efforts to produce a single online interface that combines the transaction processing power of a Single Window with a comprehensive repository of trade-related laws, regulations, rules, procedures, and documents, as is commonly associated with a TIP. The synergy between PortNet and TradeSense in Morocco is an example of this process in action. As a second

best, piecemeal online sources can link to other relevant material, so that navigation is simplified for the trade community.

**Policy Advice 5: Leveraging international and regional cooperation and making use of successful country experiences for promoting trade information availability.**

There are examples of OIC member countries using regional agreements as an "anchor" to support upgrading their trading environment, including chapters on transparency in trade agreements, as well as extending regional initiatives, where applicable, for Single Windows to cover TIPs. Given the trade links and other connections among the OIC member countries, there is a scope for the member countries to make use of successful experiences elsewhere to develop home-grown initiatives to improve the public availability of trade-related information. Knowledge transfer from high performing OIC countries can help other members improve information availability, and ultimately promote trade within the group. On the other hand, it should be noted that trade facilitation is an ongoing worldwide effort and not limited to the OIC or developing countries. The world is also the witness of the continuous review and renew of trade facilitation programs by the developed countries. Therefore, the best practices and lessons learned in trade facilitation outside the OIC countries should also be seen an opportunity, and knowledge transfer can be even achieved through administrative arrangements such as MOU, internship, exchange of experts, workshops.

**Instruments to Realize the Policy Advices:**

- **COMCEC Trade Working Group:** In its subsequent meetings, the Working Group may elaborate on the above-mentioned policy areas in a more detailed manner.
- **COMCEC Project Funding:** Under the COMCEC Project Funding, the COMCEC Coordination Office calls for project proposals each year. With the COMCEC Project Funding, the Member Countries participating in the Working Groups can submit multilateral cooperation projects to be financed through grants by the COMCEC Coordination Office. For the above-mentioned policy areas and their sub-areas, the Member Countries can utilize the COMCEC Project Funding and the COMCEC Coordination Office may finance the successful projects. The projects may include seminars, training programs, study visits, exchange of experts, workshops and preparing analytical studies, needs assessments and training materials/documents, etc.