

THE POLICY RECOMMENDATIONS HIGHLIGHTED BY THE 8TH MEETING OF THE TRADE WORKING GROUP

The COMCEC Trade Working Group (TWG) has successfully held its 8th Meeting on October 6th, 2016 in Ankara, Turkey with the theme of “*Improving The Border Agency Cooperation Among the OIC Member States for Facilitating Trade.*” During the Meeting, Trade Working Group, made deliberations for policy approximation among the Member Countries regarding improving the border agency cooperation. The Room Document, prepared in accordance with the main findings of the analytical study conducted specifically for the 8th Meeting of the COMCEC Trade Working Group titled “*Improving The Border Agency Cooperation Among the OIC Member States for Facilitating Trade*” and the answers of the Member Countries to the policy questions sent to the COMCEC Trade Working Group focal points by the COMCEC Coordination Office. 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: Promoting the adoption of international standards in customs and other relevant cross border trade and logistics matters as well as accession to the relevant international conventions for harmonizing and simplifying rules and procedures related to the cross border trade and logistics operations

Rationale:

The cooperation of the border agencies among the member countries is very crucial for trade facilitation. The strong cooperation among the border agencies facilitates the trade and logistics flows and cut down the administrative and other costs. This collaboration can be ensured through the coherency among the rules and procedures applied by the border agencies of the member countries. In this respect, the analytical study also highlighted the importance of harmonizing and simplifying rules and procedures relating to weighing, technical conformity of vehicles, goods, registrations, driver’s licenses, insurances, and other issues of cross-border logistics operations. Moreover, Member States can pursue to adopt international standards in customs matters and accede to the relevant international conventions.

Policy Advice 2: Promoting mutual recognition arrangements/agreements for border controls and trusted traders

Rationale:

Mutual recognition is a practice in which an action, decision or authorization taken by a custom agency is accepted and recognized by another custom agency. Mutual recognition agreements/arrangements ensure countries to avoid from the duplicated efforts and to increase economic efficiency through reduced time and costs in border agencies. Through these agreements, the member countries can benefit from the developed and effective risk management and facilitate foreign trade flows.

Mutual recognition of Authorized Economic Operators (AEO), a tool utilized for border agency cooperation, ensures the recognition of the validation findings and AEO authorisations of one customs administration by another. This element expedites the custom procedures of the authorized companies and reduces costs and time delays of the companies. Although this mechanism has many benefits for the countries as well as the private sector, according to the analytical study, only a few member countries utilize the mutual recognition of AEOs.

Policy Advice 3: Enhancing information exchange among the border agencies of the Member Countries through enhancing connectivity of information and communication technology systems, providing regular knowledge exchange platforms and participating in relevant international networks

Rationale:

Developing information exchange among the border agencies is essential for a more effective and efficient cross-border movement of goods. It enables to assess the risk represented by transit goods prior to their arrival. Moreover, it may reduce the administrative burden imposed by risk management and allow customs to devote its resources to more high-risk goods. In this respect, the connectivity of information and communication technology systems is of particular importance for an effective information exchange among the border agencies. Moreover, providing regular platforms for the border agencies and active participation to the relevant international networks can be instrumental for formal and informal information exchange among the border agencies. Establishing a committee is also crucial to make collaboration on high-risk related products and to monitor the implementation of the process.

Policy Advice 4: Improving the infrastructure of land border crossing points and transport connectivity through the joint efforts of the neighboring countries e.g. through establishing joint technical/working committees, which include relevant stakeholders to identify the factors which cause bottlenecks.

Rationale:

For the smooth movement of goods among the neighboring countries, there is a need to develop infrastructure on both sides of the border. In this respect, neighboring countries need to work in close cooperation to ensure simultaneous upgrading of infrastructure of the both sides of the land border crossing points. At this stage, neighboring countries may establish joint technical/ working committees, which include the relevant stakeholders including the private sector with a view to identifying infrastructural and operational problems / obstacles faced and the steps needed to address them, and managing the process from the planning to implementation.

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.