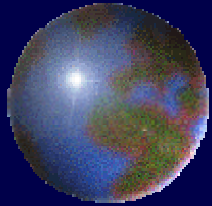
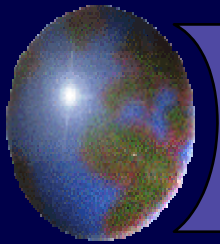


**CAREC Workshop on National and Regional
Joint Transport and Trade Facilitation Committees**
Ulaan Baatar, Mongolia, 26 May 2009



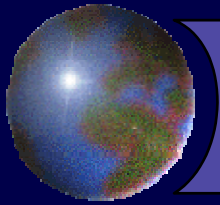
**UNESCAP Study findings on
NATIONAL COORDINATION
MECHANISMS FOR TRADE AND
TRANSPORT FACILITATION**

Geetha Karandawala
Chief, Transport Facilitation and Logistics
Transport Division
UN ESCAP



Why are facilitation coordination mechanisms needed?

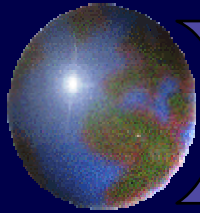
- ⇒ **Obstacles to smooth and efficient flow of trade and transport across national borders still very apparent throughout the region**
 - **Lack of harmonized agreements between neighbouring countries**
 - **Complex and duplicated regulatory functions and documentation**
 - **Lack of cross border harmonization of procedures and documentation**
 - **Lack of transparency in application of procedures**
 - **Denial of access to foreign vehicles**
 - **Incompatibility of vehicle weights and dimensions**
 - **Inadequacy and incompatibility of transport infrastructure**
 - **Lack of well developed logistics services**



Why are facilitation coordination mechanisms needed?

⇒ **Trade and transport facilitation mechanisms needed to:**

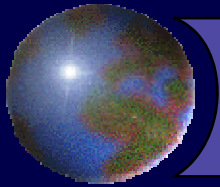
- **Coordinate and cooperate among all relevant authorities**
- **Streamline, simplify, harmonize documentation, procedures, inspections at national level and between neighbouring countries**
- **Set and monitor performance standards for processing of international trade and vehicles**



Existing facilitation coordinating mechanisms

Initiatives of countries/subregions within UNESCAP region

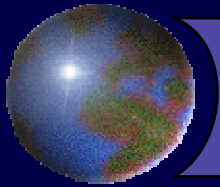
Sub-region	Country	Trade facilitation committee?	Transport facilitation committee?	Combined committee?	Coordination at border crossing?
Central Asia/ South Caucasus	Armenia			✓	✓
	Azerbaijan			✓	
	Georgia			✓	✓
	Kazakhstan		✓		
	Kyrgyzstan			☑	
	Tajikistan		✓		
South Asia	Nepal			✓	✓
	Pakistan			✓	
ASEAN/GMS	Cambodia	✓	✓		
	Lao PDR		✓		✓
	Thailand		✓		
	Viet Nam		✓		
East Asia	China		✓		✓
	Mongolia			☑	☑



Facilitation coordinating mechanisms (1)

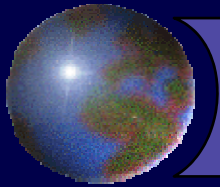
Initiatives of UN and other international organizations

- **UNESCAP: Trade Facilitation Framework**
- **UNECE: Recommendation 4 (National Trade Facilitation Bodies) and transport conventions**
- **UNCTAD: promotion of National Trade and Transport Facilitation Committees and development and application of Enterprise Cluster Concept**



Facilitation coordinating mechanisms (2) **Initiatives of UN and other international organizations**

- **World Bank: Regional Programme of Trade and Transport Facilitation in Southeast Europe (TTFSE) and sponsorship of trade and transport facilitation initiatives in Central and South Asia**
- **ESCWA: guidelines for establishment of National Trade and Transport Facilitation Committees**
- **Asian Development Bank: initiatives related to GMS Cross-Border Transport Agreement**



Study Purpose

⇒ **Review, assess and recommend introduction or improvement of :**

- **Mechanisms for co-ordination of measures to facilitate international trade and transport**

⇒ **By:**

- **reviewing initiatives of UNESCAP member countries and sub-regions**
- **reviewing initiatives of countries in other regions**
- **reviewing recommendations of United Nations and other international organizations**
- **assessing performance in order to identify best practices**
- **recommending introduction or improvement of facilitation mechanisms**

Trade Facilitation and Transport Facilitation

A. Trade Facilitation

B. Transport Facilitation

Overlap



Trade policy

- Review, assess and propose changes to international trade policy
- Review, assess and propose amendment to bilateral and multilateral trade agreements
- Review, assess and propose adoption of international trade conventions, standards, good practices

Controls on goods

- Inspection of cargo documentation:
 - Certificates of Origin
 - Letters of Credit
 - Import licenses
 - Export permits
 - Quality certificates
 - Quarantine (agric. and veterinary) certificates
- Customs physical inspection of cargo
- Quarantine (agriculture and veterinary)/Health inspection of cargo
- Collection of customs duties, fees or charges

Controls on cargo

- Inspection of common documentation:
 - Contract
 - Customs declaration
 - Waybills/Bills of Lading/Consignment Notes
 - Invoices
 - Packing lists
 - Cargo insurance policy
- Customs physical inspection of cargo
- Quarantine (agriculture and veterinary)/Health inspection of cargo

Other activity at border

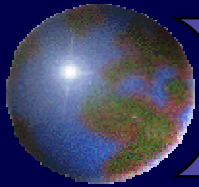
- Statistical data

Int'l transport policy

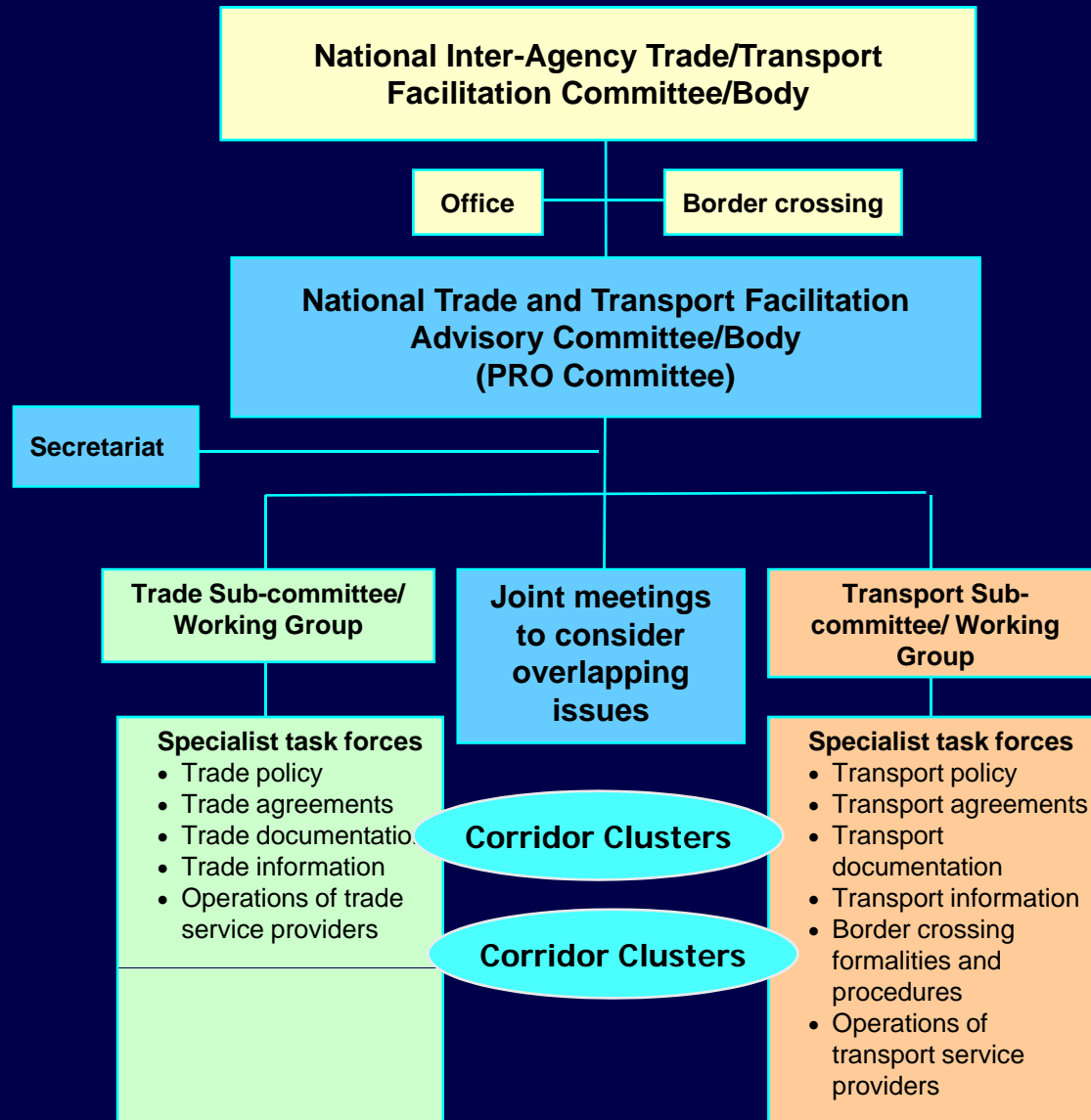
- Review, assess and propose changes to international transport policy
- Review, assess and propose amendment to bilateral and multilateral transit agreements
- Review, assess and propose adoption of international transport conventions

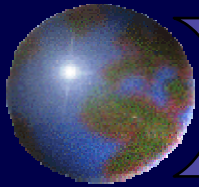
Controls on vehicles and drivers

- Checking of transport authorization
- Checks on customs security of vehicles and containers
- Collection of vehicle tax, fuel tax and road charges
- Collection of payments for special transport permits
- Checks on vehicle certificates, weights and dimensions, road worthiness and insurance cover
- Vehicle quarantine inspection
- Driver passport/visa, customs and health inspections
- Inspection of driver licenses and rest period records
- Cargo storage, consolidation/ deconsolidation, transshipment

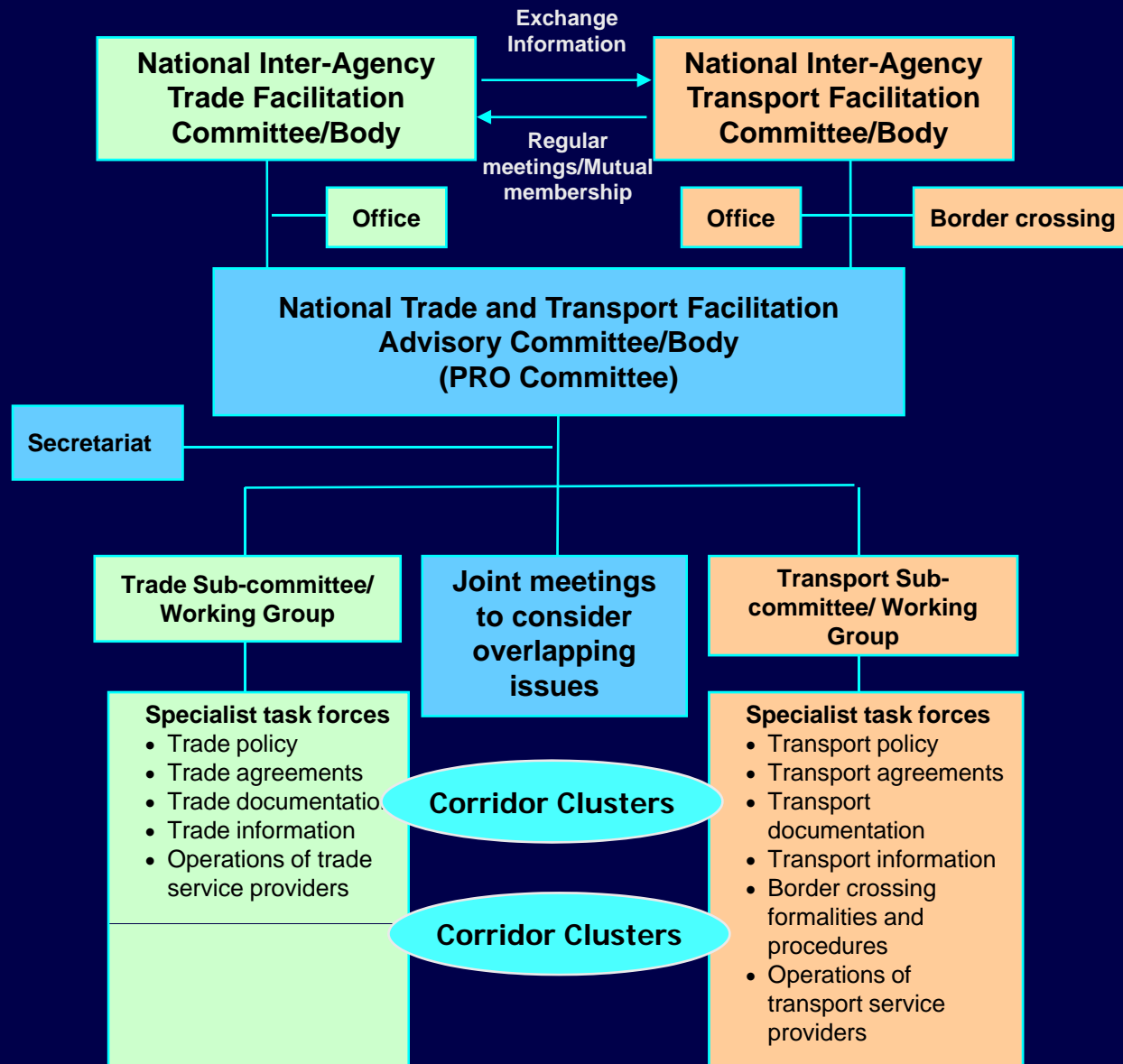


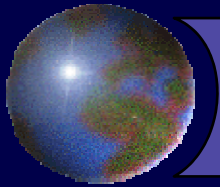
Recommended structure (1)





Recommended structure (2)

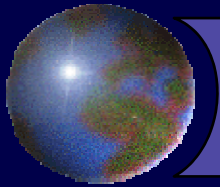




Recommended membership (1)

➤ **National interagency trade facilitation body**

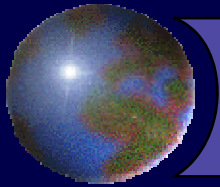
- Trade regulatory authority (e.g. Ministry of Trade or Commerce)
- Other government regulatory or planning authorities (e.g. Customs, Ministry of Finance, Ministry of Transport, Ministry of Agriculture, ICT, quarantine/product control authority, Central Bank)
- Office of national interagency transport facilitation body
- Chambers of commerce
- Others necessary



Recommended membership (2)

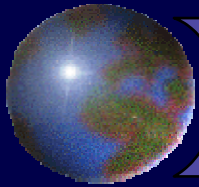
➤ **National interagency transport facilitation body**

- **Transport regulatory authority (e.g. Ministry of Transport)**
- **Other government regulatory or planning authorities (e.g. Customs, Ministry of Finance, Ministry of Commerce, Ministry of Interior, ICT, quarantine/product control authority, Immigration, border guards)**
- **Office of national interagency trade facilitation body**
- **Transport association**
- **Others necessary**



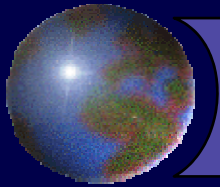
Recommended membership (3)

- **National trade and transport facilitation advisory body**
 - Government regulatory or planning authorities
 - Offices of national interagency trade/transport facilitation bodies
 - Traders, trade associations, chambers of commerce, trading banks, insurance companies, Customs agents
 - Transport operators, freight forwarders, transport related associations, port, airport and terminal operators



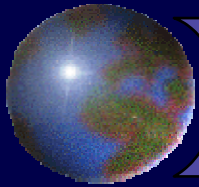
Recommended functions (1)

- ⇒ **Monitor and assess flows of international trade and transport**
- ⇒ **Establish and monitor harmonized standards for performance of border controls**
- ⇒ **Monitor, assess and propose measures for improving performance**
- ⇒ **Review and assess adequacy of trade and transport related infrastructure and propose investment projects**
- ⇒ **Coordinate documentation, procedures, inspections**
- ⇒ **Identify, propose and implement changes in border control procedures / documentation needed to improve performance**



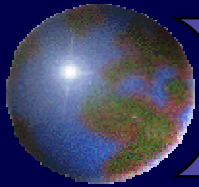
Recommended functions (2)

- ⇒ **Coordinate national positions in negotiation of agreements on international trade/transport and their implementation**
- ⇒ **Identify, propose and implement required changes in trade or transport policies and international treaties**
- ⇒ **Promote application of ICT to trade/transport facilitation**
- ⇒ **Organize and deliver workshops to promote adoption of best practice**
- ⇒ **Disseminate information to industry on changes to border control rules, regulations, procedures and documentation**
- ⇒ **Serve as national focal point for international programmes/assistance**



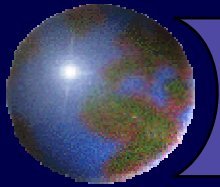
Recommended staffing and work programme

- **Offices of interagency coordinating bodies**
 - Offices within the Ministries of Commerce/Transport
 - Headed by a chief with support of technical officers
- **Secretariat of trade/transport facilitation advisory bodies**
 - Secretariat with office independent with government offices
 - Headed by a recruited secretary or executive secretary
- **Work programme**
 - Annual programme/master plan
 - Objectives, outputs, projects and activities
 - Coordination of all facilitation bodies, task forces



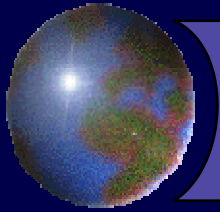
Recommended financing arrangements

- ⇒ **Facilitation bodies must have secure sources of funding to guarantee their sustainability**
 - **Interagency coordinating bodies: financed out of government budgets**
 - **Advisory bodies: co-financed by government and the private sector**
 - **As focal points for trade and/or transport facilitation projects financed by national government, international organizations and financing agencies**



Sub-regional/regional coordination

- **Establish permanent links and scheduled meetings with counterpart bodies in neighbouring countries**
- **Use subregional mechanisms to exchange subregional information and experience, and to initiate subregional harmonization**
- **Establish regional platform**
 - **Exchange regional/international information/experience**
 - **Establish cooperation between/among countries**
 - **Coordinate for regional harmonization and connection with other regions**
 - **Discuss problems in implementing conventions to communicate positions for amendment**
 - **Discuss coordination of different subregional arrangements**



How UNESCAP can contribute

- **Provide Publication on Facilitation Mechanisms**
- **Make inputs to workshops and seminars and provide guidance**
- **Undertake country specific studies on NTTC where required**
- **Provide technical advisory services for countries with such need and prepare reports**
- **Deliver UNESCAP facilitation activities through the established national facilitation committees**



Thank you for your attention