



TRADE AND TRANSPORT FACILITATION- ROLE OF NTTFC PAKISTAN EXPERIENCE

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**CREATION OF NATIONAL
TRADE AND TRANSPORT
FACILITATION COMMITTEE(
NTTFC) IN PAKISTAN**

Pakistan at The Center of Asian Growth

Pakistan becoming trade, energy and transport corridor



N.T.T.F.C.

A national forum to propose, discuss, consult and search consensus between Public and Private sectors stakeholders on facilitation measures to improve international trade and transport.

LEGAL SANCTION

- Rules of Business, 1973 framed under Constitution, entrusts the Ministry of Commerce with the responsibility to pursue trade facilitation
- Ministry of Commerce issued resolution for establishment of National Trade & Transport Facilitation Committee

SALIENT FEATURES OF NTTFC

- NTTFC was created in 1998 and became functional in 2001
- A public/private sector joint venture
- Membership comprises :
 - Federal ministries related to trade and transport
 - Public sector organizations
 - Various chambers of commerce and industry and trade associations.
- Observer status for development partners i.e. WBG, ADB, UNDP & European Commission etc
- Consensus based decision making
- Coordination and technical support by NTTFC Secretariat for implementation by concerned ministry

MANDATE OF NTTFC

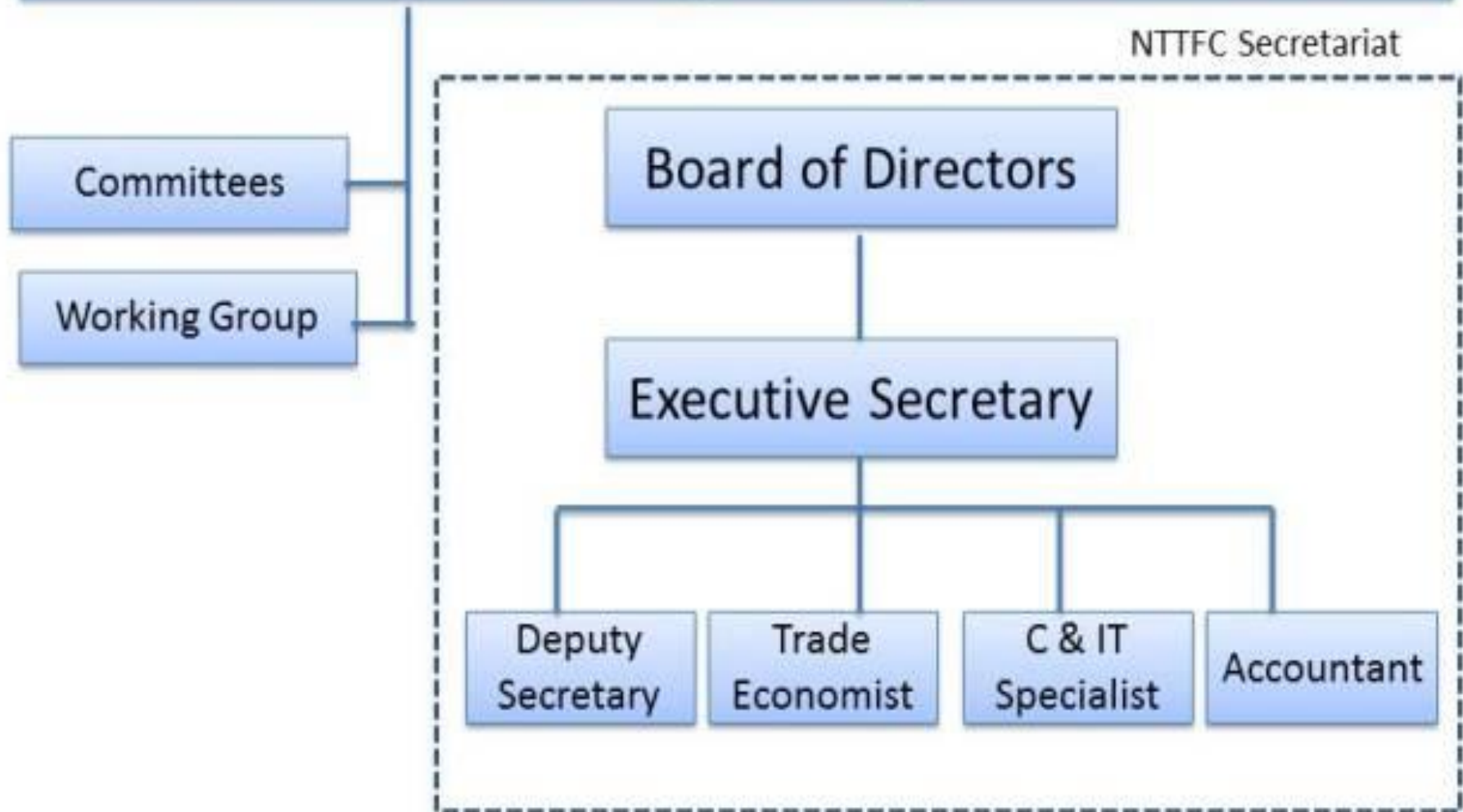
- Review existing procedures for ensuring trade facilitation
- Simplification and harmonization of trade and transports process
- Focal Point for collection and dissemination of information about international best practices
- Coordination with stakeholders
- Adoption of international standards
- Simplification and alignment of Trade Documents with UN Layout Key
- Capacity building of stakeholders
- Coordination with international partners

STRUCTURE OF THE BOARD OF DIRECTORS

- The NTTFC is guided and directed by Board of Directors
- BoD comprises:-
 - Additional Secretary, Ministry of Commerce
 - Member Customs, Federal Board of Revenue
 - Senior Joint Secretary, Ministry of Communication
 - Director General, Ports and Shipping
 - Private Sector Experts

Committee Members

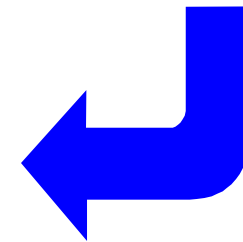
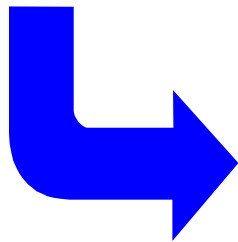
Chairman – Secretary, Ministry of Commerce



THE THREE DIMENSIONS

TRADE

TRANSPORT



CUSTOMS

CUSTOMS DIMENSION

TRADE FACILITATION

CUSTOMS REFORM
AND MODERNIZATION

SIMPLIFY/HARMONIZE
DOCUMENTS & PROCEDURES

FASTER CLEARANCE
OF CARGO

SUPPORT AUTOMATED
DATA SYSTEMS

INCREASED CUSTOMS
REVENUES

TRADE DIMENSION

TRADE FACILITATION

ICC/CEFACT-RECOMMENDED
COMMERCIAL PRACTICES

FASTER ROI
FOR IMP

SIMPLIFY IMP/EXP
DOCUMENTS & PROCEDURES

COMPETITIVE
EXPORTS

EASE ACCESS TO
FOREIGN CURRENCY

PROMOTE
TRADE POINT CONCEPT

TRANSPORT DIMENSION

TRADE FACILITATION

PROMOTION OF
TRANSPORT & LOGISTICS

RAISE PROFESSIONAL STANDARD
OF LOCAL OPERATORS

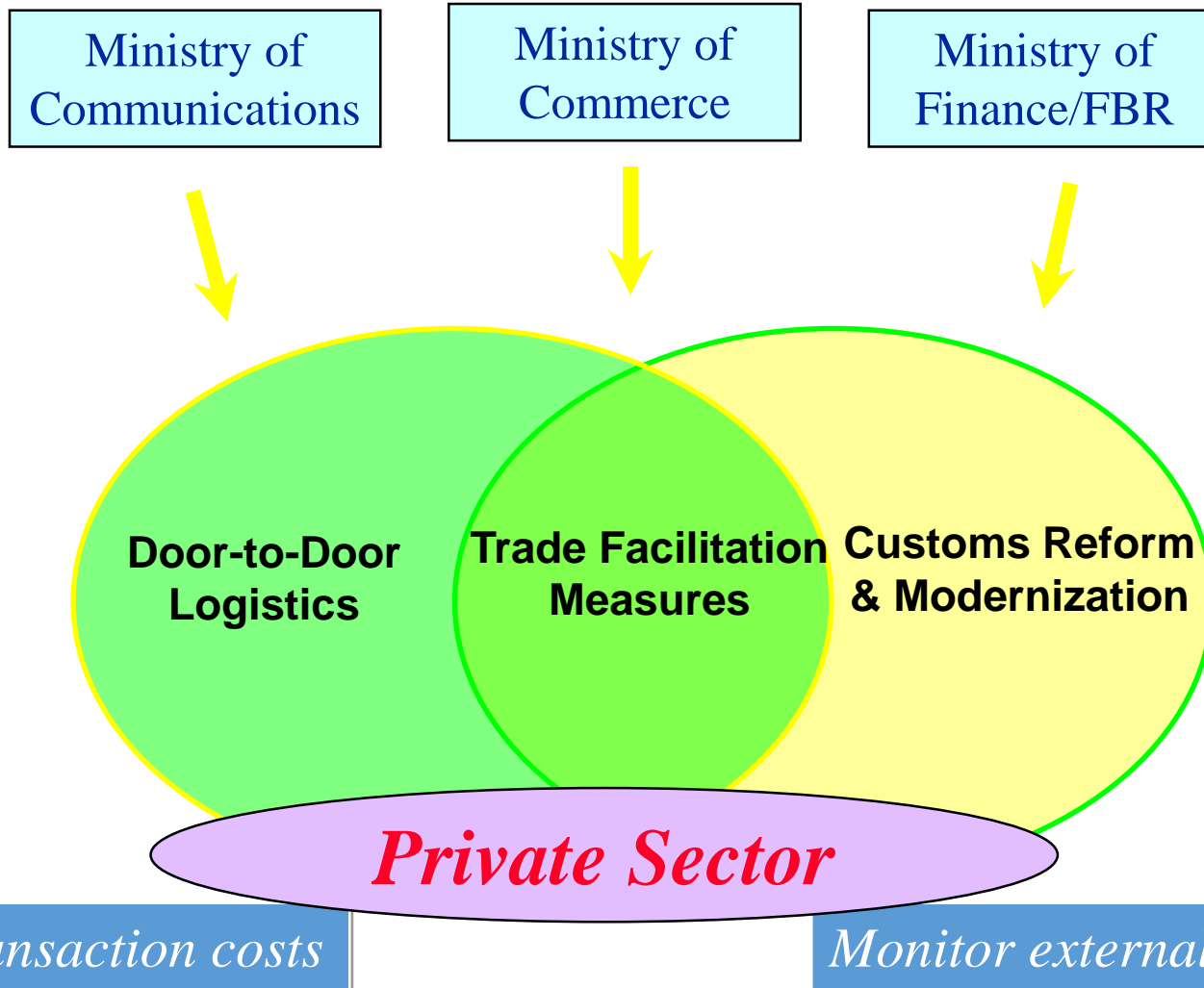
LOWER LOGISTICS
COSTS

IMPLEMENT MODERN
TRANSPORT LAWS

SMOOTH MOVEMENT
OF GOODS

IMPLEMENT
LOGISTICS TOOLS

PROMOTING TRADE FACILITATION



BENEFITS OF TRADE FACILITATIONS

- Reduction in trade cost and Boost in export
- Full implementation of reform agenda export increase of \$ 257 Billion in ESCAP countries
- Partial implementation export increase of \$ 36 billion
- Reduce export time by 24% to 44%
- Reduce direct cost by 17% to 31%

Source: UNESCAP study – Estimating the Benefit of Cross-Border Paperless Trade 2014

TASKS ACCOMPLISHED BY NTTFC

LEGISLATIONS

Following Legislations were completed from the forum of NTTFC and these are in various stages of approval

- Logistics Services Providers Development & Regulatory Authority (LSPD &RA) Bill 2016
- Marine Insurance Bill 2017
- Sea Carriage Shipping Documents Bill 2017
- Carriage of Goods by Sea Bill 2017
- Carriage of Goods by Road Bill 2015

Ratification of International Conventions/Agreements

- TIR Convention 1975- ratified in 2015
- WTO Trade Facilitation Agreement signed in 2015

SIMPLIFICATION OF PROCEDURES: INTRODUCTION OF UNLK BASED DOCUMENT

- Worked with the relevant Departments for implementation of the following standardized documents
 - A unified Goods Declaration form for Customs clearance of Goods
 - Certificate of Origin issued by authorized Chambers of Commerce and Industry
 - Phytosanitary Certificate issued by Department of Plant Protection
 - Health Certificate issued by Animal Quarantine Department
 - Commercial Invoice for exporters

STANDARDIZATION- SHIP CLEARANCE FORMS

- Port clearance of ships requires submission of documents to Port Authorities, Customs, Health, Immigration and Mercantile Marine Departments
- Following documents were standardized according to IMO FAL Convention:
 - Ship's General Declaration
 - Crew List
 - Crew's Effects Declaration
 - Passenger List
 - Ship's Stores Declaration
- Necessary software developed and ship agents trained for electronic submission of these document to Customs

MODERNIZATION OF FREIGHT FORWARDING

- To improve the quality of services offered by freight forwarders the following standards were introduced:
 - Standard trading conditions
 - Minimum qualification standards
 - Code of conduct of freight forwarders
- Freight forwarders' training for trainers workshop was conducted at Karachi with support of FIATA and a faculty of trainers created
- National course for training of freight forwarders, validated by FIATA, has been developed
- Similar training for trainers workshop was conducted at Lahore and a faculty of freight forwarders' trainers created there

Pakistan's National Trade & Transport Facilitation Strategy (PNTTFS), 2016

- PNTTFS has been prepared in consultation with stakeholders and after discussion in inter-ministerial meeting
- Endorsed by the UNESCAP for an early implementation
- Subsequent presentation to Secretary Commerce it has been further reviewed by concerned Wings of Ministry of Commerce
- Ministry of Commerce has now decided to circulate it again to the relevant stakeholders for fresh comments- post TFA scenario. It has been circulated for fresh views and comments

WORKSHOPS

Organized following national and international workshops:

- TIR awareness workshop- Islamabad 27th August 2015
- TIR Training workshops organized in collaboration with IRU, ECO and PNC-ICC Pakistan at Islamabad and Karachi on 17th & 19th November 2015 respectively.
- Regional Conference on Strengthening Transport Connectivity and Trade Facilitation in South and South-West Asia at Lahore on 9-10 December 2013 in collaboration with UNESCAP and UNCTAD
- Awareness workshops on TIR Convention in Karachi, Lahore & Islamabad from 18th to 22nd August, 2014 in collaboration with IRU & ECO

RESEARCH

Conducted research and submitted following papers

- Pakistan Trade Report 2015
- Assessment of Pakistan Trade Indicators 2015
- Overview of Pakistan- Thailand FTA negotiations
- Analysis of Pakistan-Turkey proposed FTA
- Tapping Services sectors for potential export earning
- Critical analysis of Pakistan- Malaysia FTA
- Analysis of Pakistan-Indonesia PTA
- Critical analysis of declining trend in Pakistan Exports

WORK IN HAND

INT'NAL CONVENTIONS/AGREEMENTS

1. Convention on Contract for International Carriage of Goods by Road (CMR) (Summary submitted to the Cabinet Division for approval on 24th April, 2017)
2. International Convention on the Harmonization of Frontier Control of Goods
3. Customs Convention on Containers
4. Customs Convention on Temporary Importation of Commercial Road Vehicles
5. Transportation of Dangerous Goods
6. Accession to ECO White Card System
7. Accession to European Green Card System
8. Framework Agreement on Cross-border Paperless Trade in Asia and Pacific
9. Introduction of Agreement on the International Carriage of perishable Goods (ATA).
10. Introduction of UNCITRAL Arbitration Law

TRANSIT TRADE AND TRANSPORT AGREEMENTS

- To implement **Pakistan Uzbekistan Road Transport Agreement** necessary Protocols have been drafted by NTTFC and forwarded to Government of Uzbekistan through ministry of Communication. Response of Uzbekistan is awaited.
- Drafted of **Pakistan Turkmenistan Road Transport Agreement** has been forwarded to Government of Turkmenistan. It was discussed in Joint Working Group meeting. Comments from Turkmenistan received and now being examined
- Drafted of **Afghanistan Pakistan Tajikistan Transit Trade Agreement** has been discussed in the Ministry of Communication. The agreement is being finalized and discussed in the next Joint Working Group meeting
- Protocols to implement **Pakistan Turkey Road Transport agreement** were proposed. These have been discussed ratification process completed. Turkey desired to align the customs protocol with TIR. Under progress
- **Trucking Policy:** To pursue Ministry of Planning Development and Reforms for implementation of this important policy

LINKAGES WITH WEBOC SYSTEM

- NTTFC pursuing Electronic linkage of AQD and DPP with Pakistan Customs for paperless transfer of health and phytosanitary certificates and related documents. Held up pending acquisition of computers and related equipment's
- HS Codes of all items requiring phytosanitary and health inspection have been forwarded to DG(TP), Ministry of Commerce for including in Import and Export Policy Orders
- LCL and Abandoned cargo issues discussed in a sub group of NTTFC, proposals submitted to FBR for necessary actions.

WAY FORWARD

- Political will and commitment at highest level
- Correct understanding and definition of public and private sector role
- Ownership and commitment of key stakeholder
- Committed lead agency
- Representation of concerned ministries and public & private sector organizations at senior level
- Strong linkage with international trade facilitation institutions
- Sound financial arrangement for running NTTFC Secretariat on permanent basis

THANK YOU



- 99 CONDUCT OF BUSINESS OF FEDERAL GOVERNMENT.
- (1) All executive actions of the Federal Government shall be expressed to be taken in the name of the President.
- (2) The [Federal Government] shall by rules specify the manner in which orders and other instruments made and executed [in the name of the President] shall be authenticated, and the validity of any order or instrument so authenticated shall not be questioned in any court on the ground that it was not made or executed by the President.
- (3) The Federal Government shall also make rules for the allocation and transaction of its business.



- 5. Commerce Division.

- 1. Imports and export across custom frontiers including,-

- (i) treaties, agreements, protocols and conventions with other countries and international agencies bearing on trade and commerce;

- (ii) promotion of foreign trade including trade offices abroad, trade delegations to and from abroad, overseas trade exhibitions and conferences and committees connected with foreign trade;

