

TRANSPORT AND TRADE FACILITATION

Series No 17



Compendium
of Good Practices
in Implementing
the WTO Trade
Facilitation Agreement

Experiences from
Developing and Least
Developed Countries



**United
Nations**

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**United
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FOREWORD

The high cost of doing business is often one of the major challenges in developing and least developed countries. Trading across borders is no exception. This includes high transaction costs, complex trading procedures, excessive documentation, inadequate and inefficient infrastructures leading to high transportation costs, and a lack of transparency and good governance which, in many cases, facilitates corruption.

The World Trade Organization Trade Facilitation Agreement (TFA) that entered into force on the 22 February 2017 addresses many of the challenges in cross border trade by providing a framework of trade facilitation regulations that, if implemented by WTO member countries, will assist to boost international trade, and also contribute to meet the 2030 Sustainable Development Goals.

Given the multi-stakeholder nature of trade facilitation, implementation of the TFA obligations usually requires the involvement of multiple government agencies as well as the private sector. This is by no means a straightforward process. The TFA has foreseen this complication by making the establishment of a National Trade Facilitation Committee obligatory (Article 23.2 of the TFA) in each of the TFA's signatory countries with a view to undertaking this coordination role. Moreover, in many cases technical and/or financial assistance is needed for the implementation in developing and least developed countries, an issue which is addressed in Section II of the TFA under the heading of Special and Differential Treatment.

This is in line with the unified mandate bestowed upon UNCTAD by the Maafikiano decision that cut across divisional boundaries and focuses on the implementation of the 2030 Agenda alongside the four principal SDGs of: equality; growth; multilateralism for trade and development; and productive capacities for structural transformation. It is heartening to see that a number of these countries have progressed the implementation of the various TFA measures, particularly considering the implementation challenges faced by developing and least developed countries.

With this in mind and with a view to sharing such experiences, UNCTAD, with inputs from developing and least developed countries, has compiled a first volume of Compendium of Good Practices on the Implementation of the TFA. The Compendium is intended to inspire policymakers to implement various measures drawing on experiences that have been tried and tested elsewhere. These good practices not only present the implementation activities but also the challenges faced in their development and execution, as well as the key factors for a successful outcome. The intention is to help transfer the experience and lessons learned so that others can avoid common pitfalls and achieve results more efficiently.

The Compendium aims to eventually cover all measures under the TFA. This first volume includes measures such as Publication and Information Available through the Internet; Pre-Arrival Processing; Electronic Payment; Risk Management, Single Window, SPS related measures and National Trade Facilitation Committees. Following this, other volumes will be published with a view to having at least one country example for each of the measures of the TFA, and additional examples will be added over time.

I hope this Compendium will assist countries in implementing trade facilitation measures by drawing on good practices and lessons learned elsewhere.

An electronic version of this compendium, technical notes of the TFA measures, as well as other information on the capacity building and technical assistance work of UNCTAD in the field of trade facilitation can be found at: <https://unctad.org/en/Pages/DTL/TTL/Trade-Facilitation.aspx>



Shamika N. Sirimanne

INTRODUCTION

Case studies are one of the most effective ways to demonstrate good practice. Done correctly, a case study can be a huge asset and help transfer knowledge to achieve successful projects. Such cases show what has worked in a specific context and the challenges faced.

In this light, UNCTAD's Compendium of Good Practices in Implementing the WTO Trade Facilitation Agreement (TFA) has a specific aim: to help developing and least developed countries implement the TFA effectively by taking lessons from other developing and least developed countries that have successfully implemented specific measures of the TFA.

The UNCTAD Compendium involves an up-close, in-depth, detailed, and first-hand description of the good work of developing and least developed countries with a real-life context in implementing measures under the TFA. It shares experiences with other countries planning on implementing similar measures and builds on existing knowledge. Each case study represents an opportunity to spread knowledge amongst countries by looking at one case, in one place, at one time.

The Compendium revolves around a limited number of measures. This first volume includes measures such as: making information available through the Internet; pre-arrival processing; electronic payment; risk management; Single Window; SPS related measures; freedom of transit via border agency cooperation; and NTFCs. With the publication of additional volumes, the Compendium aims to eventually cover all measures under the TFA. Going forward, it is intended to have at least one country example for each measure, and additional examples will be added over time.

The Compendium case story template is structured as a series of questions, where countries provide details of the specific actions and steps taken to design, develop, and implement the measures. Lessons learned and key success factors are highlighted. The purpose of this structure is to ensure that all of the key points are covered and recorded in a systematic way, and to facilitate comparison of implementation approaches between measures (and eventually between implementing countries).

We believe that the first volume of the compendium will assist developing and least developed countries to effectively implement the TFA and invite you to follow us on our twitter account: @UNCTAD_TLB and to visit our website for more information: <https://unctad.org/en/Pages/DTL/TTL/Trade-Facilitation.aspx>.

Good Practice Case I - Kenya



RELEVANT WTO TFA PROVISION

Article 1.2 Information Available Through the Internet

This measure aims at facilitating the dissemination of information related to cross-border trade in a cost-effective and accessible manner. Pursuant to Article 1.2.1 of the TFA, WTO members “shall make available” through the Internet information, practical steps, and forms related to import, export, and transit procedures among others, so as to ensure that the uploaded information is readily accessible to any traders, government, or other interested party.

Obligation

Members have the obligation to make available through the Internet information, practical steps and forms related to import, export, and transit procedures among others, so as to ensure that the uploaded information is readily accessible to any traders, government, or other interested party.

Scope

- Pursuant to Article 1.2.1 of the TFA, WTO members are obliged to upload to the Internet – at least – the following information:
- A description of their import, export, and transit procedures
- A description of their procedures for appeal or review
- A description of the practical steps
- needed for importation, exportation, and transit
- Forms and documents required for importation into, exportation from and transit through their territory
- Contact information on their enquiry point(s)

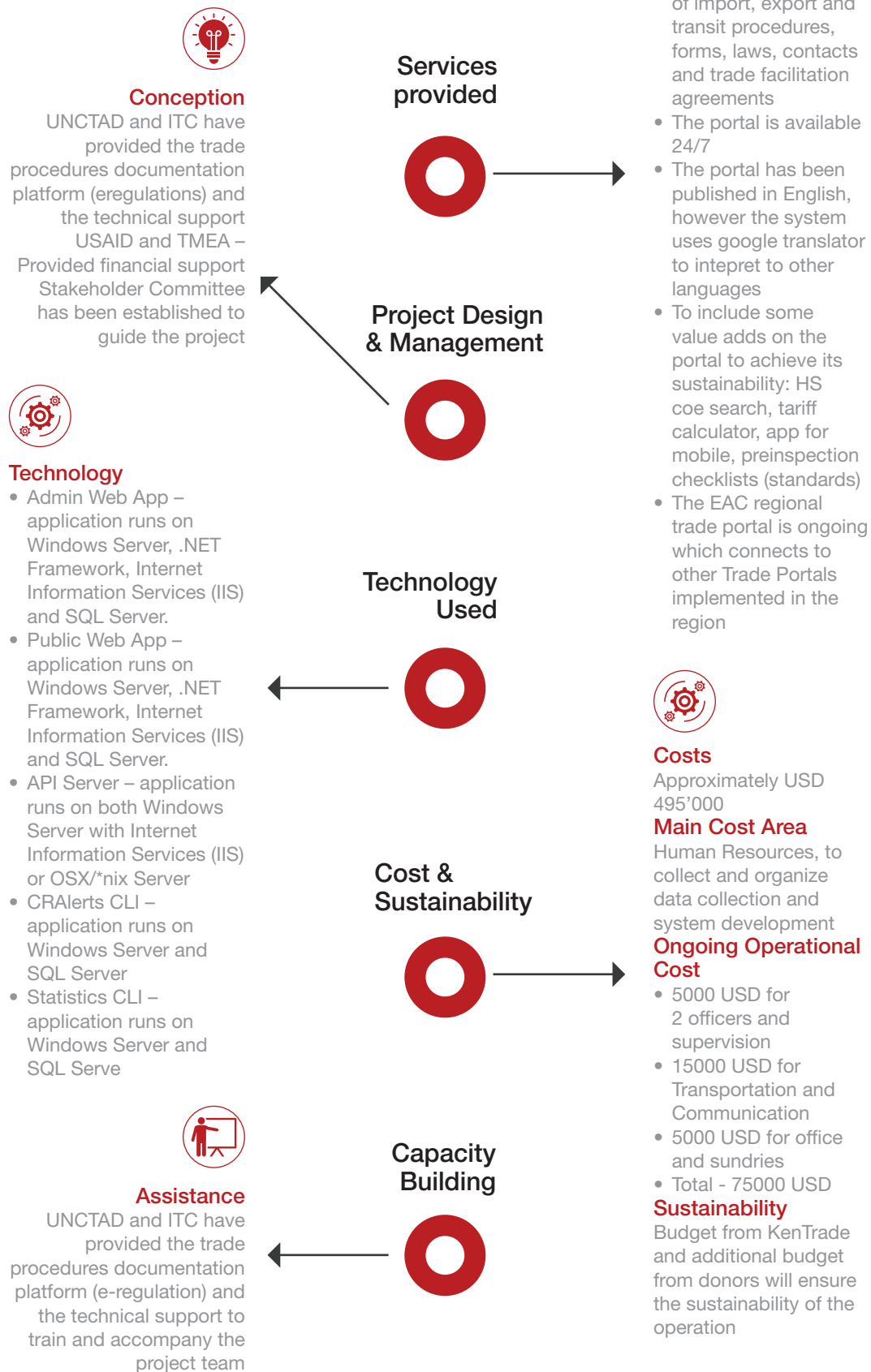
Nature

The nature of the measure is mandatory, and each WTO member is required to implement this provision. The use of the expression “shall make available” mandates members to ensure that the availability of the listed items.

Shall make available

Kenya Publication

INFOGRAPHICS



The Complete Case Story - Kenya Trade Portal

1. Trade Facilitation Portal

The Trade Facilitation Portal is a key tool for transparency - a cornerstone of all the TFA's provisions. For traders, it gives a detailed picture of what needs to be done to comply with national regulations. For policymakers, it helps with the identification of all unnecessary redundancies and administrative bottlenecks.

2. Implementation Overview

The portal was developed to ensure that the trading community had access to all necessary cargo clearance information and that those involved in international trade could find procedures in one location. In Kenya, due to a lack of easily accessible trade information, most traders were unaware of the requirements for both pre-clearance and clearance activities, making the process longer and more costly.

Publishing the trade procedures and "Information about Trade in Kenya" trade portal (InfoTradeKenya) unveiled numerous complexities, bottlenecks, and redundancies in the import, export, and transit processes. Furthermore, the regulators of import, export, and transit cargo often lack proper administration of the clearance process from start to finish. As such, their individual interventions in cargo clearance are opaque, making it difficult for one agency to know what the other is doing. This has led to duplication of interactions and requirements, leading to lengthy and inefficient trade procedures.

Through the InfoTradeKenya portal, a trader can see all the obligations they need to comply with to import or export a specific good. With the information now readily available through clearly understandable, step-by-step instructions on how to export or import, traders find it quicker, cheaper, and easier to be compliant, while undertaking the necessary formalities with fewer time-consuming interactions. It took approximately two years to become operational, without any specific legislation necessary for its implementation.

3. Services Provided

The InfoTradeKenya portal builds on a database of import, export, and transit: procedures; forms; laws; contacts; and trade facilitation agreements. The publically accessible InfoTradeKenya portal publishes import, export, and transit procedures for over 50 commodities. Documentation of procedures for more commodities is ongoing.

4. Lead Agency

The lead agency responsible for the Trade Facilitation Portal is Kenya Trade Network Agency (KenTrade).

5. Main Clients

The clients are traders and useage is growing since the official launch of the portal in November 2017. In March 2019 alone, 9,000 traders used the portal.

6. Services Available Before the WTO TFA

Before implementation of the WTO TFA, Kenya had developed the Single Window system to enable online cargo clearance.

7. Use of the Facility & Plans for Further Development

The Trade Facilitation Portal is accessible for everyone who needs to use its services and is available 24/7 with an excellent response time. It has been published in English and the system uses google translate to provide other languages. There are plans to include additional features on the portal such as HS code search, tariff calculator, and a mobile app.

8. Regional Context

Work to create a regional trade portal has commenced. The development of an EAC regional trade portal, which intends to connect to other Trade Portals implemented in the region, is ongoing.

9. Benefits

- Reduced movement of traders between agencies when searching for information
- Proper planning for first time traders as documentation, fees, and charges required are readily available
- Agencies no longer work in silos
- Identification of redundant/unnecessary procedures which require harmonization
- Identification of duplication in agencies requirements
- Increased level of compliance both by traders and regulatory agencies

10. Dollar Value of the Benefit

Valuing the information provided at an average of \$10, the monthly benefit of the information provided was estimated at \$90,000 (March 2019). Estimating that each step saves businesses \$10,000 per year, the improvements achieved on phytosanitary certificates alone equated to a \$60,000 saving in 2019. Further work to assess the administrative burden of steps is ongoing.

11. Impact on Customs Revenue, if any

It is too early to provide evidence, but the belief is that if more SMEs engage in foreign trade because of the information provided and simplification, customs revenue should grow.

12. Cost, Fees & Sustainability

To establish the new facilities/services, the cost was approximately \$495,000. The main cost areas of the facility are its system development and the human resources required to collect and organize the data collection. The ongoing operational annual costs of this facility is around \$75,000. This includes: two trade officers and supervision costing \$50,000; hosting which costs \$5,000; transport and communication for \$5,000; and office and sundries at \$5,000. There are no user fees and no revenue streams. The facility/service will be sustained through KenTrade budget and additional funding from donors.

13. Funding, Capacity Building & Technical Assistance

The project is financed by both USAID and TMEA. UNCTAD and ITC provided the trade procedures documentation platform (e-regulations) and technical support to train and accompany the project team in the conceptualization of the country's approach and implementation of the measure.

14. Project Design and Management & Stakeholders Engagement

A steering committee was established to guide the project. Key stakeholders include: local and international investors; regulators of import, export, and transit trade; the Government of Kenya; clearing and forwarding agents; and private sector associations. The aforementioned were, however, not engaged in the design of the service. Also, a pilot project was conducted prior to full implementation.

15. Change Management and Communications

There was some resistance from specific sectors/agencies to establishing the facility. To handle this issue: change management sensitization seminars were conducted; change agents were identified and mobilized; and stakeholders were engaged in the planning and implementation processes.

More specifically, KenTrade used the existing change management networks and held several forums with change agents, CEOs of various agencies, and clearing and forwarding agents.

The stakeholders were kept informed about the facility's progress through the use of social media and official letters.

16. Promotion & User Support

The Trade Facilitation Portal was promoted through social media, sensitization seminars, and workshops. The training was also done through seminars, workshops, and by providing a demo video. Further, a helpdesk/customer service is on hand to support users.

17. Monitoring, Evaluation & Key Performance Indicators (KPIs) Used

The progress of the project was monitored against the project plan and the expected project deliverables. The KPIs used were the completion of the documentation, publishing of the planned trade procedures, and the implementation and development of the communication plan for the Trade Facilitation Portal.

18. Technology Used

- Admin WebApp – application runs on Windows Server, .NET Framework, Internet Information Services (IIS) and SQL Server.
- Public WebApp – application runs on Windows Server, .NET Framework, Internet Information Services (IIS) and SQL Server.
- API Server – application runs on both Windows Server with Internet Information Services (IIS) or OSX/*nix Server.
- CRAAlerts CLI – application runs on Windows Server and SQL Server.
- Statistics CLI – application runs on Windows Server and SQL Server.

19. Success Factors & Lessons Learned

• Lessons

Experience	Lessons Learned
In the beginning, the project implementation team members did not clearly understand their role in the project.	There is a need, at an early stage, to make project implementation team members aware of the terms of reference.
Majority of the partner government agencies felt that the portal would expose their internal weaknesses. It was hard to obtain sign-offs.	Change management strategies should be employed from project inception.
There was little traffic to the portal after the launch.	A marketing strategy should be deployed at the beginning of the project so that potential users are made aware of its existence pre-launch.
Inconsistent information from some government agencies.	Frequent review and validation of captured procedures with the relevant stakeholders.

- Success Factors

- 1. Effective Project Management

The complexity of the project demands full-time and effective project management. Successful implementation requires input from multiple organizations, interfaces, and dependencies that must be planned and sequenced. Delays within one organization may impact the entire project and, as part of project management, close monitoring of progress is required. Escalation of issues must be carried out in a timely manner in order to minimize the impact on the overall project schedule.

- 2. Stakeholders' Engagement

It is necessary to have all stakeholders actively involved throughout the project. Regular meetings ensured effective and continuous involvement of key project stakeholders, and encouraged their ongoing support.

- 3. Commitment of Project Sponsor

The commitment of the project sponsor and financiers was necessary for the timely completion of the project. The intervention of the project sponsor to interact with top executives of affected organizations was also necessary.

- 4. Change Management

It was important that the project's stakeholders were adequately prepared for the anticipated changes that would result from the project's implementation. This would break resistance to change, resolve stakeholder concerns, and guarantee the project's success.

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Good Practice Case II - Kazakhstan



RELEVANT WTO TFA PROVISION

Article 7.1 Pre-arrival Processing

Pursuant to Article 7.1 of the TFA, WTO members are requested to allow the pre-arrival processing of the following information to expedite the clearance and release of goods, all types of import documentation, all other required information pertaining to the trade transaction, and manifests. TFA mandates members to make arrangements to allow the advance lodgement of the mentioned items prior to the arrival of goods at the port of entry, so as to expedite the decision of customs authorities whereby they approve the release of the goods.

Obligation

All members are required to adopt or maintain a mechanism whereby traders can submit documents and other required information pertaining to their import trade transactions ahead of the goods' arrival at the port of entry. The overall intent and purpose of this provision is to allow quicker clearance and release of goods, and to save time and costs borne by businesses.

Scope

Pursuant to Article 7.1 of the TFA, WTO members are requested to allow the pre-arrival processing of the following information to expedite the clearance and release of goods:

- All types of import documentation
- All other required information pertaining to the trade transaction
- Manifests

Nature

The TFA obliges member countries to make arrangements for the advance lodgement of the mentioned items prior to the arrival of goods at the port of entry, so as to expedite processing and release by customs authorities.

Shall adopt or maintain

Kazakhstan Release and Clearance of Goods

INFOGRAPHICS



Voluntary/Obligatory

The submission of advance electronic information is obligatory for goods imported into customs territory of Kazakhstan directly from countries outside the Union, by road and rail mode of transport. However, the requirement for submission of advance electronic information does not apply to the following goods:

- Goods for personal use, transported across the customs border of the EurAsian Economic Union by individuals
- Goods sent in international postal items
- Relief consignments in case of natural disasters, accidents and calamities
- Military equipment brought into the customs territory in accordance with the legislation of the Republic of Kazakhstan



In General

Kazakhstan is amongst the World's Top 30 Economies in Ease of Doing Business. Kazakhstan jumped 8 places from 36th last year to 28th place in the 2019 World Bank Doing Business ranking, ahead of other Eurasian Economic Union (EAEU) members.

Services provided



Use of the Facility



Benefits



Increased Performance in :

- Increased use of advance electronic information and application of risk management to facilitate the pre-arrival processing
- Reduced delays at the border crossings/entry points by automating the Arrival and Presentation of goods and their placement under a customs procedure
- Reduced release time by facilitating the fast or immediate release upon arrival, release for transit or placement under Temporary storage procedure
- Reducing the number of documents and eliminating redundant information required for the purpose of opening of transit
- Increased effectiveness of Customs controls performed at the border
- Improved coordination with other government agencies in respect of border controls by using an integrated customs information system for the submission, collection, dissemination, integration and processing of all information and data related to cross-border trade
- Assistance to traders to easily comply with relevant legal requirements while ensuring an adequate degree of control

The Complete Case Story - Kazakhstan Pre-Arrival Processing

1. Implementation Overview

The State Revenue Committee (SRC) of the Republic of Kazakhstan is actively involved in the implementation of trade facilitation reforms, and the modernisation and automation of customs procedures, in accordance with international standards and best practices. This is aimed at strengthening the potential of Kazakhstan's participation in international and regional trade, in light of the country's recent accession to the WTO and its membership of the EurAsian customs union.

Furthermore, Kazakhstan's membership of the EurAsian customs union brings about the need to address key modernisation issues related to the implementation of the EAEU's customs code, which entered into force on 1st January 2018, ensuring efficient interoperability between its customs union members.

Kazakhstan is facing an increased volume of trade and movement of goods across the national/customs union borders. Goods travel mainly via road and rail on traditional international transit corridors (including in the framework of the One Belt, One Road initiative). Responding to the needs of the business community, SRC engaged in a comprehensive process of applying modern technologies to increase automation of transit and border clearance processes and facilitate pre-arrival submission and processing of import documentation, and other required information. These facilities help ensure predictable, secure, and integrated border management that can scale to future opportunities, threats, and volumes.

Between 2008 and 2011, a total of six IT systems were developed in the customs sector. These systems were not integrated with one another and this led to fragmented business processes and data management, where information was stored separately in largely unconnected systems.

Therefore, the SRC developed and introduced a paperless, fully electronic, and interoperable environment "ASTANA-1 Secure e-Borders" to improve the efficiency and effectiveness of border clearance processes. As the world's largest landlocked country, Kazakhstan implemented the "ASTANA-1 Secure e-Borders" system component on 1st October 2017, reducing the time of documentary and border compliance, making trade across borders easier. According to the Minister of Finance, Mr. Bakhyt Sultanov, the new system has resulted in an average clearance time of only 16 minutes – which is four times faster than before.

2. Detailed Services Provided

The introduction of ASTANA-1 Secure e-Borders in 2017 led to increased automation of border clearance processes in the following areas:

- Increased use of advance electronic information and application of risk management to facilitate pre-arrival processing
- Reduced delays at border crossings/entry points by automating the arrival and presentation of goods and their placement under a customs procedure
- Reduced processing time by facilitating the fast or immediate release upon arrival, release for transit, or placement under temporary storage procedure
- Reducing the number of documents and eliminating redundant information required for the purpose of opening of transit
- Increased effectiveness of customs controls performed at the border
- Improved coordination with other government agencies in respect of border controls by using an integrated customs information system for the submission, collection, dissemination, integration, and processing of all information and data related to cross-border trade

- Assistance to traders to easily comply with relevant legal requirements while ensuring an adequate degree of control

3. Lead agency responsible for delivering this service

The Government of Kazakhstan appointed the State Revenue Service to be the lead agency for the automation of border clearance processes and implementation of an integrated border management solution.

4. Use of the Facility - Obligatory or Voluntary

The submission of advance electronic information is obligatory for goods imported into the customs territory of Kazakhstan directly from countries outside the union, by road and rail.

However, the requirement for submission of advance electronic information does not apply to the following goods:

- Goods for personal use, transported across the customs border of the EAEU by individuals
- Goods sent in international postal items
- Relief consignments in case of natural disasters, accidents, and calamities
- Military equipment brought into the customs territory in accordance with the legislation of the Republic of Kazakhstan

5. Hours of Availability of the Service and Response Times

The “ASTANA-1 Secure e-Borders” system component is available throughout the year, seven days a week, and 24 hours a day, with real-time responses and notifications.

6. Language(s) in which the Service is Provided

Advance electronic information can be submitted in Kazakh, Russian, or English.

7. Plans for Further Development of the Facility/Service

Advance electronic information shall be extended to cover other modes of transport such as air and maritime traffic (subject to availability of additional funds).

8. Benefits Obtained

Implementation of a large-scale business transformation, involving:

End-to-end 100% electronic processing of information

- Data pipeline to streamline border processes:
- Electronic declarations and notifications: electronic pre-arrival Information (standard or simplified), eTransit (T1, TIR carnet, temporary admission of vehicle, guarantee certificate or escort decision where applicable), electronic temporary storage, document management for digital images of supporting documents, automatic validation of data against its associated rules & conditions, formats and required fields to ensure data workability and data consistency.
- Transformation, re-use of data and automatic reconciliation for seamless flow of information: Pre-arrival /arrival transit temporary storage.

Improved balance between trade facilitation and control

- Integrations with specialised equipment to receive and process data regarding results of technical controls e.g. e-GATE/Automatic Number Plate Recognition (ANPR), weighbridge,
- x-ray/radiation equipment, and surveillance cameras (multimedia/digital images of means of transport crossing the border entry and exit);

- Improved coordination with border agencies in respect of controls and information exchange - integration with OGAs to facilitate interventions by other border agencies (e.g. SPS controls);
- Increased effectiveness of customs controls by application of risk management techniques at different stages e.g. pre-arrival stage, upon arrival/presentation etc. Reduced number of controls.

Automatic exchange of information (national, customs union and international level)

- Information exchange messages with KTZ (national railway company).
- Information exchange messages with IRU (TIR EPD, SAFETIR, etc.).
- Information exchange messages with customs union countries (EAEU, incoming and outgoing).

Assisting traders to easily comply with relevant legal requirements

- SMS and internal/external email alerts and notifications about the status of documents during the movement.
- Notification of mandatory documents to be presented upon arrival (application of NTMs) and possible interventions to be performed by OGAs.

Allowing better monitoring and supervision of customs procedures to minimise fraud and protect financial and economic interests

- System of automatic notification/alerts for pre-arrival information not submitted within prescribed time-limits, transit not arrived at the office of destination within prescribed time-limits;
- Goods arrived at temporary storage facilities in excess or shortage, alerts on expired time-limit for goods in temporary storage, extensions of time-limits etc.

9. Benefits in General

Kazakhstan is amongst the world's top 30 economies for ease of doing business. Kazakhstan jumped 8 places from 36th to 28th place in the 2019 World Bank Doing Business ranking, ahead of other EAEU members.

10. Costs & Sustainability

ASTANA-1 Secure e-Borders is the first component developed by UNCTAD in the framework of the State Revenue Committee of the Ministry of Finance of Kazakhstan project "Modernisation of Customs Procedures and Implementation of the Integrated Customs Component of the Automated System of Customs and Taxation Administration (ASTANA-1)". This was funded by the Republican Fund for the Support of the Fight Against Crime and Law Violations through a direct agreement with UNCTAD, at a cost of \$3,429,593.

11. Main Cost Areas

The main cost areas were system development, deployment and rollout; integration with other systems, databases and specialized equipment (national and international level); capacity building, training and communication.

12. User Fees (if any) & Annual Revenue

There are no processing fees for external or internal users of ASTANA-1 Secure e-Borders.

13. Funding Source(s)

Through funding provided by the Republican Fund for the Support of the Fight Against Crime and Law Violations via a direct agreement with UNCTAD.

14. Capacity Building & Technical Assistance

- Delivery of awareness activities to the State Revenue Committee Ministry of Finance of the Republic of Kazakhstan (SRC MF RK) - presentation of project's goals and tasks to the National Project Team (NPT) and senior management of SRC MF RK
- Training of the members of the NPT on ASTANA-1 technical and functional, installation/configuration, and technology (basic level)
- Delivery of awareness activities to the business community - delivered by the NPT SRC MF RK with the assistance of UNCTAD experts and the participation of the National Chamber of Commerce, as well as associations of entities performing activities in the customs domain
- Delivery of training programmes for ASTANA-1 users – SRC staff at headquarters, regional, and customs office levels
- System and user documentation – ASTANA-1 user-manuals and training materials were made available in Russian

15. Project Design & Management

The project design was based on a thorough study of the customs business processes and an audit of the previous IT systems, performed jointly by the State Revenue Committee and UNCTAD experts. Several study tours to ASYCUDA-users (Georgia, Gibraltar/UK) were undertaken to present the participants with detailed information on best practices on integrated border management.

A working group on e-Borders (WG), coordinated by the SRC Deputy Chairman, was established to supervise the design and implementation of the new system. Members of the WG included senior experts with extensive knowledge and skills in the field of entry/exit of goods, transit, temporary storage, and risk management. The WG reported to the Ministry of Finance, Prime Minister, and President's Office on a regular basis.

A phased approach was applied in the implementation process to avoid overwhelming those learning the new business processes and IT systems.

The implementation of ASTANA-1 e-Borders system component was carried out within the framework of the Nation's Plan "100 Concrete Steps" and the regulatory framework of the new customs code, which came into force 1 January 2018.

16. Stakeholder Engagement, Change Management & Communications Stakeholder Engagement

The private sector, National Chamber of Entrepreneurs, as well as associations of customs brokers and carriers were involved in all stages of the project.

Regular national customs reform workshops were organized in Astana, Almaty, and other regions for both private and public sector representatives. The awareness activities of the SRC MF RK and business community were complemented by articles in the national press, and presentations at forums and conferences, including EAEU meetings.

17. Communication, Help-Desk & Customer Service

A 24/7 helpdesk was established in the SRC MF RK, run by the trained national team with the support of international experts.

A dedicated group chat was opened on an android application, Telegram, for more interactive, real-time feedback with end-users. The chat was regularly reviewed by the SRC MF RK and Ministry of Finance senior management.

The chat became an efficient real-time communication channel to provide feedback to end-users queries, and to serve as a forum for users to learn from similar experiences. It was also the announcement board for SRC MF RK alerts (e.g. on system's updates, problems solved, etc).

18. Monitoring & Evaluation

The UNCTAD evaluation and monitoring approach was used in this technical assistance project. The RBM logical framework matrix is the integrated component/annex of all project documents. It helps to monitor outcomes, outputs, and impacts of the project, including its contribution to SDG implementation. Feedback was obtained through: regular meetings with the beneficiary; quarterly updated work plans; weekly and daily reports on the progress; as well as direct feedback from users.

19. Legislation Changes Required

The biggest challenge regarding legislation was related to the new EAEU customs code as well as the new RK customs code, both adopted during the course of the project. The full alignment with the new legislation required an extension of the project's duration by an additional 12 months.

20. Technology Utilized

The ASYCUDAWorld platform was used for the implementation of the e-Borders package, including its sub-components: pre-arrival declaration; transit; multi-agency risk management; e-payment; and electronic document storage.

21. Success Factors & Lessons Learned

The biggest challenges were related to: aligning new legislation and procedures with the Single Window; as well as ensuring the efficient exchange of large volumes of data at the national level between the ASTANA-1 e-Borders component and other systems and equipment used at the border (large media files), as well as at the regional level between Kazakhstan and EAEU Member States.

Contact

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Good Practice Case III - Sri Lanka



RELEVANT WTO TFA PROVISION

Article 7.2 Electronic Payment

Article 7.2 of the TFA poses a legal obligation upon WTO members to arrange the electronic payment of duties, taxes, fees, and charges imposed on importation and exportation to customs authorities. However, the nature of the obligation is softened by the use of the words “shall, to the extent practicable”, which means that each member will have to assess its capability to adopt or maintain this measure, and will be guided by different degrees of “practicability” in the implementation.

Obligation

WTO members shall, to the extent practicable, provide the option of electronic payment for duties, taxes, fees, and charges related to importation and exportation collected by customs.

Scope

It covers the duties, taxes, fees and charges, which are collected by the customs authorities either on their own behalf or on behalf of some other government agency, as per the national legal framework.

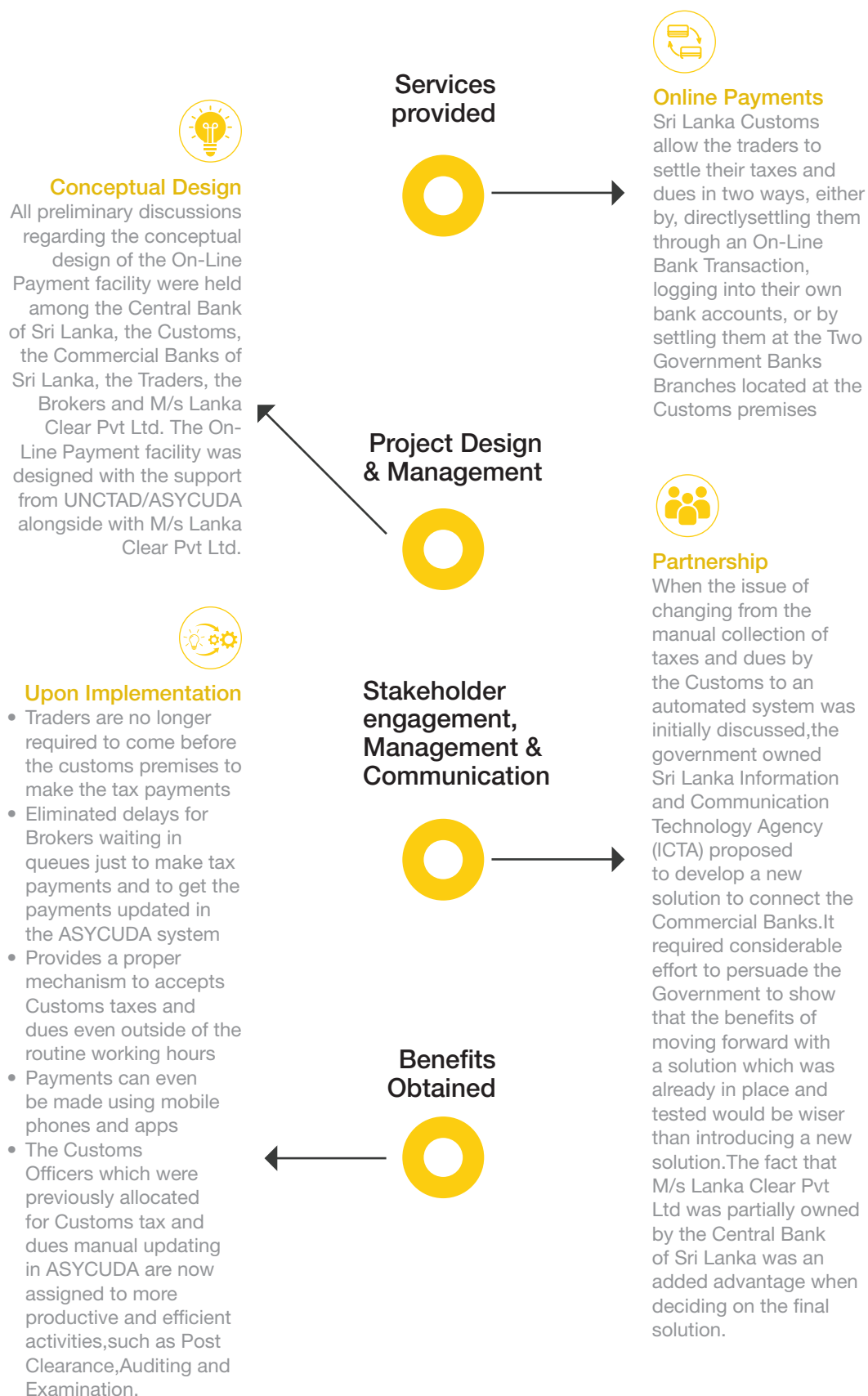
Nature

It implies that each member will have to assess their capability to adopt or maintain this measure and will be guided by the “practicability” of implementation.

Shall to the extent practicable

Sri Lanka E-Payment

INFOGRAPHICS



The Complete Case Story: Sri Lanka Electronic Payment

1. Implementation Overview

Customs declarations have been submitted electronically in Sri Lanka through ASYCUDA since 1993. However, customs taxes and dues continued to be collected manually. Discussions on a mechanism to facilitate the direct electronic payment of customs duty arose with the introduction of Direct Trader Input (DTI) in early 2003-2004, and it took a number of years to develop the current online customs declarations payment facility. This case story details the various steps that were taken to develop and implement this facility.

Up until 2011, customs brokers had to be physically present at customs payment counters to pay dues either in cash or/and as pay orders. After payment was made, the customs declaration (CusDec) could be manually updated in ASYCUDA.

In 2010, while still using ASYCUDA++, customs and the Bank of Ceylon (BOC) - one of two government banks managing the accounts of the Director General of Customs (DGC) - established a mechanism that enabled the BOC to send XML messages to the ASYCUDA++ server upon payment of customs taxes and dues. The ASYCUDA++ server processed the payments and informed the bank, eliminating the need for manual tax payment updates in ASYCUDA++.

In 2011, the People's Bank, the other government bank with a DGC account, requested and was granted the same facility as the BOC, on condition that if any other commercial bank requested the facility from customs, the People's Bank should take responsibility for providing the payment gateway.

However, with the introduction of ASYCUDAWorld (2011), the BOC and Peoples Bank were able to collect monies owed directly from customs brokers and send an electronic message to customs (as an XML file) to update the relevant customs declarations. Although this was significantly quicker than collecting the taxes and dues through customs payment counters, brokers still had to physically visit a bank to make the payments. Additionally, this service at the banks only operated during business hours.

As the government institution which collects nearly 60% of total government tax revenue, having a fast and reliable solution for collecting taxes and dues was, in 2012, a major concern for Sri Lankan customs.

These obstacles were overcome with the upgrade of ASYCUDA to its latest release in 2014, which introduced the possibility for traders with online banking facilities to pay their customs declaration taxes and dues electronically, without visiting a bank, and also independently of the bank where their own accounts are held. This service was opened to traders as a web service through an application program interface (API).

The challenge at the time was how to make the service available to traders at a minimum cost. Understanding the strength of inter-bank electronic transactions and the potential future development of internet banking, Sri Lanka customs requested LankaClear (Pvt) Ltd, to consider taking on the challenge of providing a payment gateway for traders, via commercial banks, to settle customs taxes and dues electronically. LankaClear (Pvt) Ltd., which is monitored and owned by the Central Bank of Sri Lanka and all the other commercial banks, was already acting as the payment gateway that connects the country's banks.

LankaClear (Pvt) Ltd gladly accepted the challenge and started working on a solution in close collaboration with customs, the Central Bank and the Ministry of Finance. They already had extensive practical experience with inter-bank transactions and, after a number of discussions with the Central Bank, BOC, and Peoples Bank, customs were able to introduce online payments with the relevant taxes and dues updated in real-time.

2. Detailed Services Provided

The online payment facility provided by LankaClear (Pvt) Ltd enables traders to settle their customs taxes and dues straightaway, at any time, through their online bank. Sri Lanka customs acts as the lead agency on this initiative with technical assistance to traders provided by LankaClear (Pvt) Ltd.

Sri Lanka customs allow traders to settle monies owed in two ways. Either by directly settling them through online banking or by paying them at the two government banks branches located at the customs premises. Currently, taxes and dues for almost all customs declarations are settled electronically via online bank payments. Traders can transfer money from their bank account to the DGCs bank account, against a customs declaration, with LankaClear (Pvt) Ltd acting as the intermediary hub.

Regardless of the way the customs declaration gets paid, the payments status is updated in the ASYCUDA system automatically and, thus, brokers are no longer required to physically visit a customs counter.

The online bank transaction facility, which is provided by all banks including the two government banks, operates all year, around the clock. The two bank branches at customs, on the other hand, are only open on weekdays between 09:00 and 20:00.

The service is currently provided in English but will soon be offered in the national languages, Sinhala and Tamil.

Currently, overtime payments collected by the distributed customs offices throughout the country and penalty payments are still collected through customs payment counters. Facilities are to be introduced to collect these as online payments.

3. Benefits Obtained

With the implementation of the online customs declaration payment facility, traders are no longer required to physically attend customs premises to pay taxes. This has eliminated delays for brokers queuing to make payments and get these updated in the ASYCUDA system. The facility also provides a proper mechanism to accept customs taxes and dues even outside of routine working hours. Payments can even be made using mobile devices and apps.

There are also major benefits for customs management, as customs officers, who were previously allocated to work on taxes and the manual updating of ASYCUDA, are now assigned to more productive and efficient activities, such as post clearance, auditing, and examination.

4. Costs & Sustainability

The cost of implementing the Sri Lanka online customs declaration payments facility was minimal as the facility was implemented using Sri Lanka customs internal resources. The Sri Lanka customs ICT team worked on the program developments and enhancements, with technical support from ASYCUDA. Sri Lanka's partner in the project, LankaClear (Pvt) Ltd., had an established team that was experienced in offering this type of service, so they were able to adjust the new interface for customs tax payments.

Small technical program developments were needed to the customs interface, both by customs and LankaClear (Pvt) Ltd. With assistance from ASYCUDA, the customs ICT team was able to develop the required API which LankaClear (Pvt) Ltd interacts with.

As is the case for other inter-bank transactions which they handle, LankaClear (Pvt) Ltd charges Rs 50/- per transaction for customs tax payments. This is a small cost relative to the time saved from the previous manual system. LankaClear (Pvt) Ltd had to connect the commercial banks which were not already working with them at that time, in order to promote safe, electronic inter-bank transactions.

These payments ensure the sustainability of the LankaClear (Pvt) Ltd service. The customs ICT team will continue to provide this service, as long as an electronic system is needed by the customs management, regardless of the software system used.

5. Funding Source(s)

As stated above, this programme was implemented with the internal resources of Sri Lanka customs. The Sri Lanka customs ICT team worked on the program developments and enhancements, with support from the ASYCUDA technical team. LankaClear Pvt Ltd had already done their own developments and their team was also managed by themselves internally.

6. Capacity Building & Technical Assistance

The Sri Lanka customs ICT technical team had more than 20 years experience and some of the team members had completed ASYCUDAWorld technical training, specifically in the development of ASYCUDA modules. LankaClear (Pvt) Ltd, on the other hand, also had a team of experienced specialists in inter-bank transactions. It was the combination of these two teams that made the project a success.

7. Project Design & Management

All preliminary discussions regarding the conceptual design of the online payment facility were held between the Central Bank of Sri Lanka, the commercial banks of Sri Lanka, customs, traders, brokers, and LankaClear (Pvt) Ltd. The online payment facility was designed with support from ASYCUDA, alongside LankaClear (Pvt) Ltd.

There was no need to establish a new organization in setting up the facility as the entities concerned, i.e. customs, the commercial banks, and LankaClear (Pvt) Ltd, were already operating electronically. Work involved understanding the process, allowing for a higher volume of transactions, and creating the communication link between the different entities.

8. Stakeholder Engagement, Change Management & Communications

When the issue of changing from the manual collection of taxes and dues by customs to an automated system was initially discussed, the government-owned Sri Lanka Information and Communication Technology Agency (ICTA) proposed to develop a new solution to connect the commercial banks. It required considerable effort to persuade the government of the benefits of using an existing, tested solution rather than a completely new system. The fact that LankaClear (Pvt) Ltd was partially owned by the Central Bank of Sri Lanka was an added advantage.

Once the decision to proceed was made, both customs and LankaClear (Pvt) Ltd organised awareness and training programs targeting the banks, traders, and brokers to demonstrate the potential benefits of an online payment facility. All questions and issues that arose were addressed by the customs ICT team and LankaClear (Pvt) Ltd, and this is still the case.

9. Success Factors & Lessons Learned

Collaborating with LankaClear (Pvt) Ltd was key to the success of the online payment facility implementation as it was already being used by the commercial banks for inter-bank transactions.

Several other private and public organizations approached customs to propose alternative solutions, however, deciding to select a solution which had already been tested and proven to be successful worked well.

Change management was also critical to success. Customs staff had to be convinced that cash payment tasks could simply be automated while reassigning the workforce to tasks where their skills and experience were also required.

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Good Practice Case Story IV - Colombia



RELEVANT WTO TFA PROVISION

Article 7.4 Risk Management

Article 7.4 of the TFA mandates WTO members to undertake the arrangement and implementation of a risk-based management system for carrying out customs controls on all import, export, and transit transactions.

However, the mandatory nature of this measure is diluted by the use of the expression “to the extent possible”, which induces a certain degree of flexibility for member countries when complying with the provision. Therefore, while the concerned country shall be able to demonstrate that it has endeavoured every possible effort to put in force the measure, the country may, nonetheless, implement partially the provision in terms of scope and/or geographical coverage on the basis of its resources and capacity to do so.

Obligation

Requires member countries to ensure that customs administrations handle the nature of risk and compliance through a systematic application of risk management principles in trade transactions, to ease the process of releasing goods while at the same time ensuring the safety of the released merchandise.

Scope

While the concerned country shall be able to demonstrate that it has endeavoured any possible effort to put in force the measure, the country may implement partially the provision in terms of scope and/or geographical coverage based on its resources and capacity to do so.

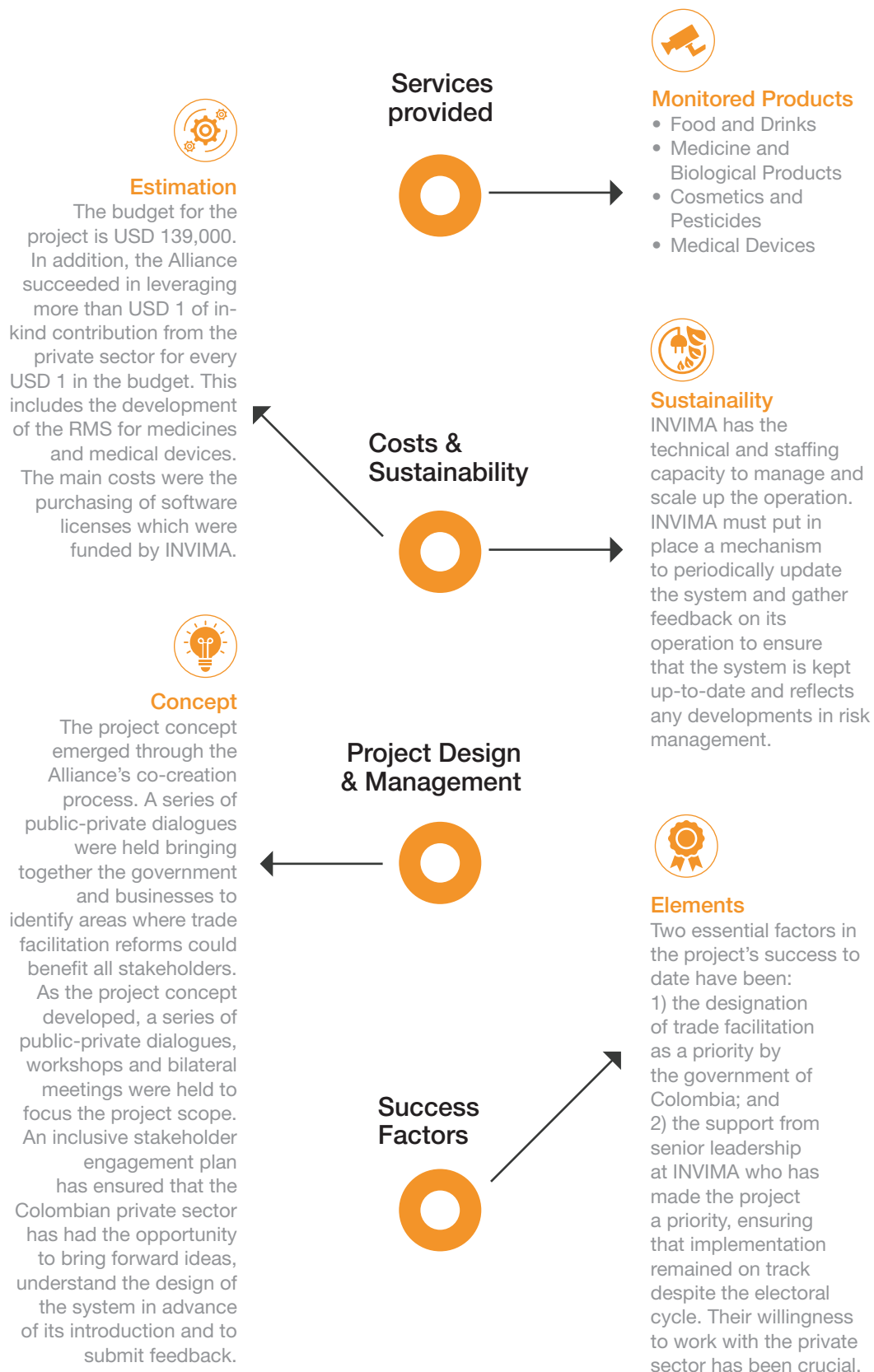
Nature

The mandatory character of this measure is diluted using the expression ‘to the extent possible’, which induces a certain degree of flexibility for member countries when complying with the provision.

Shall to the extent possible

Colombia Risk Management

INFOGRAPHICS



The Complete Case Story: Colombia Risk Management

1. Implementation Overview

The ability to move food across borders safely, quickly, and efficiently is fundamental for society. The Global Alliance for Trade Facilitation (the Alliance) is working with Colombia's National Food and Drug Surveillance Institute (INVIMA), the agency responsible for regulating the import and export of frozen and processed food, beverages, medicines, and medical devices, to design and implement a risk management system (RMS) based on SOA Puertos, a best practice system.

The first phase of the project, which is covered in this case study, is the introduction of the RMS for food and beverages. A second phase of the project is planned.

Without a modern RMS, INVIMA had to physically inspect 100% of food and beverage consignments at borders. By upgrading IT systems to store historical data and develop risk profiles, INVIMA can prioritise imported and exported goods for inspection, making trade more predictable and cost-effective for business and relieving unnecessary strain on the agency.

The RMS for food and beverages was piloted across 13 ports, airports, and border crossings and interim data showed promising results. Between the launch of the pilot in March 2018 and the end of March 2019, INVIMA recorded a 28% reduction in physical inspections. That means over 18,000 less inspections and translates to a reduction in processing time from 16-24 hours, to one to two hours for low risk food and beverage products. INVIMA and the private sector have found the open public-private dialogue that underpinned project selection, design, and implementation has helped to build trust and understanding between the two sectors, which potentially facilitates future trade reform.

2. Detailed Services Provided

The project emerged through the Alliance's process of co-creation, bringing together representatives from government and business in public-private dialogues to identify areas where trade facilitation reforms would benefit all stakeholders.

The Alliance brought in expertise to support INVIMA with developing the application, working to ensure it reflected international best practices. After successfully piloting the RMS at Bogotá International Airport and Buenaventura Port, it was scaled up to the remaining 11 points of entry. Workshops between the public and private sectors have helped to ensure that business' ideas on how to make the system as effective and efficient as possible are taken into account.

3. Lead Agency Responsible for Delivering this Service

The lead agency is the National Food and Drug Surveillance Institute (INVIMA), a national public institution attached to the Ministry of Health and Social Protection. It implements policies on health surveillance and quality control intervening on food, beverages, medicines, and medical devices leaving or entering the country at ports, airports, and border crossings.

The project is overseen by the Global Alliance for Trade Facilitation. The Alliance supports INVIMA which has primary responsibility for implementing the project.

4. Other Agencies (Public & Private) Involved in Delivering this Service

The Colombian private sector has been actively involved in the project design and piloting the RMS through the Alliance's public-private approach to trade facilitation reform. Partners include the National Business Association of Colombia (ANDI), National Association of Foreign Trade (ANALDEX), Colombian-American Chamber of Commerce (AMCHAM), Latin American Association of Express Delivery Companies (CLADEC), ICC Colombia, Bogotá Chamber of Commerce, Council

of American Enterprises (CEA), Colombian Federation of Customs and Logistics Brokers (FITAC), and Business Alliance for Secure Commerce (BASC).

The Colombian Ministry of Trade and the National Planning Department are also following the implementation of the project.

5. Main Clients

The main clients for the service are importers and exporters of food and beverages in Colombia. In 2015, INVIMA processed 50,081 import requests and 6,755 export requests for food items.

6. Services that Already Existed Before the WTO TFA & the New Additions

Colombia had begun work to introduce risk-based systems, including INVIMA's RMS for sanitary surveillance of around 14,000 local industries in 2015. However, prior to this project, INVIMA's IT system did not allow for a risk-based approach for imports and exports of food and beverages. The new RMS allows INVIMA to prioritise goods for inspection.

7. Use of the Facility - Obligatory or Voluntary

Use of the system is mandatory for importers and exporters of food and beverage products covered by INVIMA.

8. Hours of Availability of the Service & Response Times

The service is available Monday to Friday, 08:00-18:00. Weekend service is by request at no additional charge.

9. Language(s) in which the Service is Provided

The system is in Spanish.

10. Plans for Further Development of the Service

A series of public-private workshops involving INVIMA and businesses remains ongoing, aiming to assess the functioning of the pilot RMS and identify opportunities for further improvements. One potential area for improvement is the interoperability of the RMS with the main agency software, SIMICOS.

The Government of Colombia plans to harmonise the RMS across the different agencies involved in border processes to improve coordination at the national and port level, for example through the Single Window.

11. Time Taken for the Facility to Become Operational

It took one year to assess the functional and technical gaps, propose recommendations for the RMS for food and beverages, and introduce it at 13 points of entry.

12. Arrangements with Other Countries Concerning Providing this Service on a Regional Level

Other countries have expressed interest in learning from the project to inform their own work in risk management. Once the RMS has been completely developed, if this interest is confirmed, Colombia could share the RMS with them, but this is outside of the scope of the current project.

13. Benefits

The RMS aims to increase the efficiency of inspections, allowing INVIMA to focus on high-risk shipments. The inspection rate for food and beverage products has been reduced by 28% from March 2018 to March 2019, with the pilot not yet complete.

Overall, the system aims to reduce the cost and time involved for traders in importing and exporting food and beverages across Colombia's borders. This can be particularly important for food products which often have a critical delivery time.

One importer and exporter of food, Alianza Team®, experienced a 127% increase in non-inspected export operations and a 27% increase in non-inspected import operations in 2018.

In the longer term, this can lead to increased trade and investment in Colombia, which can, in turn, unlock inclusive economic growth.

14. Estimated Dollar Value on the Benefits Achieved

It is too early to accurately measure cost savings. Preliminary survey data from the private sector indicates that costs have been reduced for goods that did not undergo inspections. These include the cost of transport from the port to the inspection site, and storage costs.

15. Impact on Customs Revenues, if any

It is possible that customs revenues will increase in the long term through efficiency gains and if the RMS contributes to a reduction in the cost of trade which consequently boosts trade volumes, but it is too early to make an assessment.

16. Costs & Sustainability

The budget for the project was \$139,000. In addition, the Alliance succeeded in leveraging more than \$1 of in-kind contribution from the private sector for every \$1 in the budget. This includes the development of the RMS for medicines and medical devices. The project is on track to be delivered within budget. The main costs were the purchasing of software licenses which were funded by INVIMA. INVIMA has the technical and staffing capacity to manage and scale up the operation. INVIMA must put in place a mechanism to periodically update the system and gather feedback on its operation to ensure that the system is kept up-to-date and reflects any developments in risk management.

17. Funding Source(s)

The project is funded by the Alliance which in turn is funded by the governments of Australia, Canada, Denmark, Germany, United Kingdom, and United States. The business contributes its resources and expertise in-kind.

18. Capacity Building & Technical Assistance

The project was carried out by the Alliance in cooperation with INVIMA and the private sector. The Alliance provided an international expert on risk management who evaluated INVIMA's current systems, assessed the gaps in the existing process, and made technical recommendations to address those gaps based on international best practices. The Alliance also brought its expertise in creating public-private dialogue.

In line with the Alliance's model of implementing reforms through public-private partnerships, the private sector supported the project in-kind.

19. Project Design & Management

The project concept emerged through the Alliance's co-creation process. A series of public-private dialogues were held bringing together the government and businesses to identify areas where trade facilitation reforms could benefit all stakeholders. As the project concept developed, a series of public-private dialogues, workshops, and bilateral meetings were held to focus the project scope.

The Alliance carried out an early-stage mission to evaluate existing arrangements and made technical recommendations based on best practice. This mission covered INVIMA's headquarters

in Bogotá and operations at the ports of Buenaventura and Aguadulce, as well as the operation of the El Dorado international airport.

An inclusive stakeholder engagement plan has ensured that the Colombian private sector has had the opportunity to bring forward ideas, understand the design of the system in advance of its introduction, and to submit feedback. Throughout the project, their ideas have been incorporated. Businesses are reached through the main business associations and are kept updated as the project progresses.

In-kind contributions from companies, in particular (though not exclusively) technical expertise allowed the project to connect with more beneficiaries. The project was able to gather data on trade facilitation directly from businesses to support project scoping.

20. Stakeholder & Change Management & Communication

External stakeholders were kept informed through public-private dialogues, roundtables, and bilateral meetings, as well as the communication channels of the key business associations in Colombia. The new system has been promoted and explained in the media and on the INVIMA website. INVIMA provides customer service through one-to-one meetings, phone, chat-bot and email. [Further information can be found online.](#)

The Alliance's approach to implementing reforms through public-private partnership has ensured there has been no resistance to date. On the contrary, both INVIMA and the business community have strongly supported the change.

INVIMA has made outstanding progress in developing a culture within its operations that understands the value of risk management, both to smooth the process for business and to help agency staff to control and supervise efforts. Senior leadership has been instrumental in instilling this culture.

21. Monitoring & Evaluation

As the project is still under implementation, monitoring is ongoing and evaluation is not complete. INVIMA is currently monitoring the reduction in physical inspections and reduction in processing time for low-risk food products.

The Alliance's monitoring and evaluation team undertook a mid-term internal review of the project in 2018, aimed at assessing whether it had maintained its strategic relevance, was on track to achieving its objectives, and was likely to achieve its outcomes. The team also assessed the sustainability of the system post-project and made recommendations to ensure this is prioritised. The review found that the project remains strategically relevant given Colombia's priorities and business' needs and that it had succeeded in building a strong partnership between the public and private sectors.

A full evaluation will be conducted by the Alliance once the project is complete in the second half of 2019. INVIMA is also working to develop its own M&E framework for risk management

22. Legislation Changes Required

Legislative change was not necessary.

23. Technology Utilized

INVIMA uses a custom-built platform in programming languages Power Builder and Java and on Windows7, and Sesuite in PHP and Java on Windows Server 2012. Both platforms use SQL Server. For inspection coordination, INVIMA uses the SIVICOS system. It is developed in Java on Linux Centos and Android 4.4.3 Windows with SQL Server Database.

Both platforms are on an in-house server and the Alliance is supporting the interoperability among the software platforms.

INVIMA is overhauling its use of software systems to provide first-generation support to the entire organisation using a platform based on micro-services technology such as Oracle BPM, supported by the operating system Network Hat using Open Shift, Jboss, and LifeRay.

24. The Role of International Standards

The risk management system has been developed in compliance with the technical standards defined by INVIMA. The RMS SOA Puertos software identifies products using a codification system based on the World Customs Organization's harmonized system.

25. Success Factors & Lessons Learned

Two essential factors in the project's success to date have been:

- The designation of trade facilitation as a priority by the Government of Colombia
- The support from senior leadership at INVIMA who have prioritized the project, ensuring that implementation remained on track despite the electoral cycle. Their willingness to work with the private sector has been crucial

The Alliance's co-creation approach and diligent stakeholder engagement throughout implementation have ensured that the RMS incorporates private sector recommendations. For example, one business association suggested that Authorized Economic Operator (AEO) status be taken into account by the RMS so that AEO users are not subject to additional inspections. Qualitative survey data from project, public, and private stakeholders shows that this approach has also helped to build trust and understanding between the two sectors.

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Good Practice Case V - Azerbaijan



RELEVANT WTO TFA PROVISION

Article 8.1 Border Agency Cooperation

In order to facilitate trade, all national authorities and agencies responsible for border controls and procedures dealing with importation, exportation, and transit of goods (such as those issuing licences and certificates, testing laboratories, etc.) should cooperate with one another and coordinate their activities to provide a better end-to-end experience for traders. The TFA also stipulates member countries that share a common border should cooperate with one another to facilitate trade.

Obligation

Mandates cooperation between border regulatory agencies on two levels: national and international.

Scope

Covers national and international cooperation

Nature

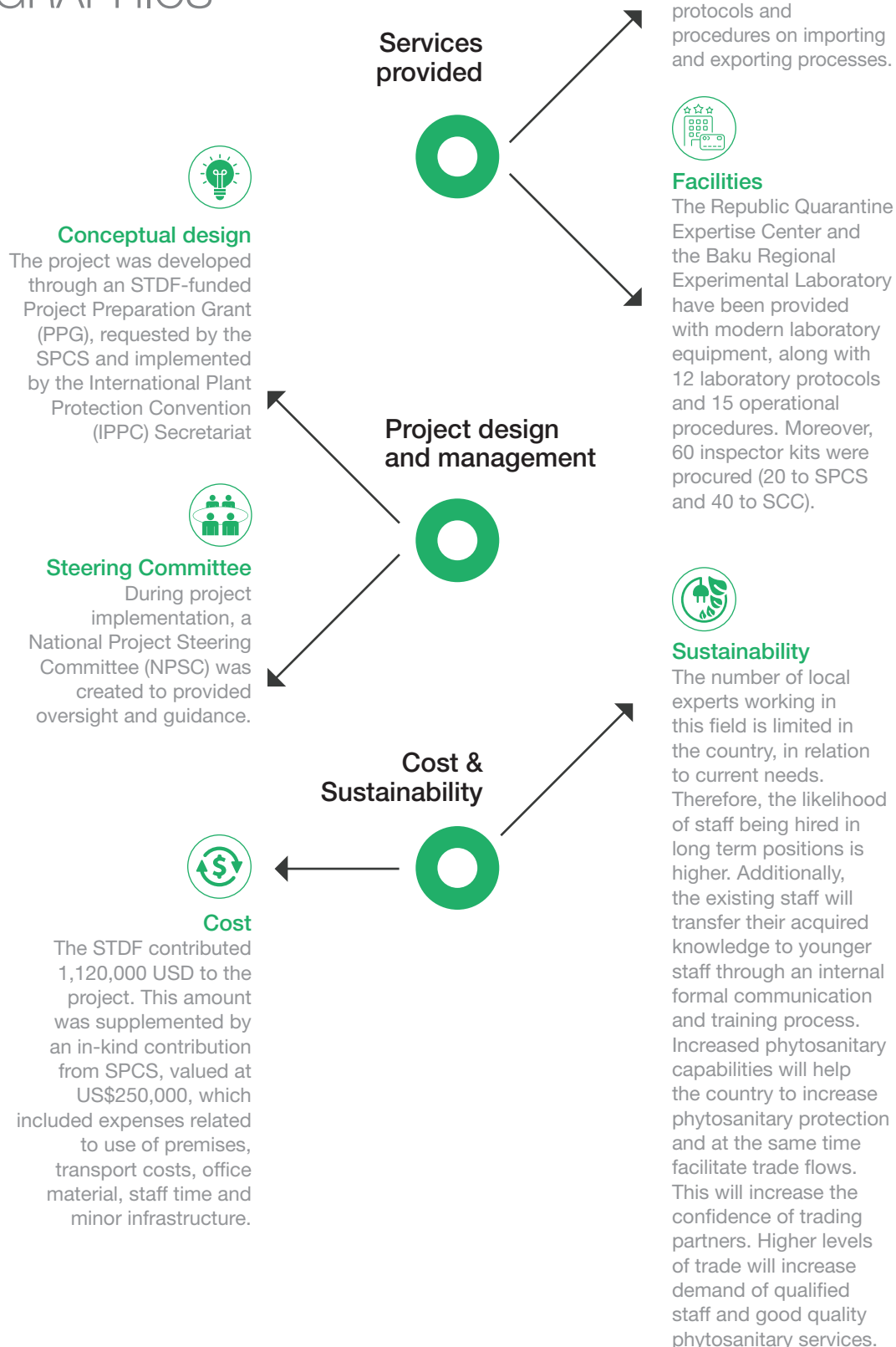
Implies that members will have to ensure that its authorities and agencies responsible for border controls and procedures dealing with the importation, exportation, and transit of goods cooperate with one another and coordinate their activities in order to facilitate trade.

Shall ensure

Azerbaijan

Strengthening Phytosanitary Control & Coordination at the Border

INFOGRAPHICS



The Complete Case Story: Azerbaijan Strengthening Phytosanitary Control and Coordination at the Border

1. Implementation Overview

In Azerbaijan, the State Phytosanitary Control Service (SPCS) faced numerous challenges in implementing its plant health mandate effectively. One important challenge was related to the establishment of the national Single Window system, which gave responsibility to the State Customs Committee (SCC) for the inspection of plants and plant products at border control points, while SPCS stayed responsible for the overall phytosanitary situation in the country.

The main problem addressed by the STDF project was the lack of capacity by the SPCS to ensure the phytosanitary security of imported/exported consignments of regulated articles, particularly the detection and diagnosis of plant quarantine pests, and the need to strengthen integration and cooperation between the two agencies and their services. Regional inspection points were contemplated in the legislation and could consist of places designated by the SPCS as points for inspection of high-risk commodities or consignments. These regional points could include diagnostic and/or treatment facilities to ensure the effectiveness of trade flows (imports and exports). The precise operation of these authorized points required, however, good coordination and collaboration between the SPCS and the SCC.

Under the STDF project, capacity building activities for inspectors and laboratory staff, including training and language courses, were held for both the SPCS and SCC. New and modern equipment was provided to them together with new laboratory protocols and procedures. This approach of holding joint training and the joint development of protocols contributed to the improvement of collaboration between the two agencies.

The project managed to improve national capabilities for phytosanitary inspection and diagnostic, based on coordination and collaboration between the SPCS and the SCC, which has led to the improvement of the necessary level of phytosanitary protection for agriculture production in the country. New quarantine pests have been detected and diagnosed and, in case of infestation, consignments have been rejected. These more efficient and reliable phytosanitary controls have strengthened the confidence of trading partners and have increased the export potential of the country.

In 2018, the new Azerbaijan Food Safety Agency (AFSA) was created and took over SPCS responsibilities. Staff trained under the project, as well as the equipped laboratories, were transferred from SPCS to AFSA.

2. Detailed Services Provided

The STDF project improved coordination, facilities, and services of Azerbaijan's phytosanitary control system. This was achieved by: providing laboratories with modern equipment; training SPCS and SCC staff; and developing coordinated protocols and procedures on importing and exporting processes.

In terms of facilities, the Republic Quarantine Expertise Center and the Baku Regional Experimental Laboratory have been provided with modern laboratory equipment, along with 12 laboratory protocols and 15 operational procedures. Moreover, 60 inspector kits were procured (20 to SPCS and 40 to SCC).

In terms of services, 44 inspectors (from SPCS and SCC) were trained on basic inspection and pest diagnostics, 30 of them completed a training workshop on "import inspection of consignments of plants and plant products" and 40 have been trained on export certification. Additionally, 15 laboratory staff members were trained on pest diagnostics and 13 of them on validation methods

for research in quarantine phytosanitary laboratories. Complementarily, 9 procedures have been developed for import control and 3 for import and export controls. Finally, 20 personnel undertook language courses.

The implementation of all these measures has led to better coordination between government agencies and improved the overall phytosanitary control system, including export and import services.

3. Lead & Other Agencies Responsible for Delivering this Service or Facility

The mandate of the SPCS is to ensure phytosanitary safety of the Republic of Azerbaijan on import, manufacture, storage, and processing of plants and plant products. However, since 2011, activities regarding the import inspection of plants and plant products has been the responsibility of the SCC, with the SCC issuing Import Quarantine Permits. The permit is created in accordance with the applicable phytosanitary legislation and the pest risk analysis performed by the State Phytosanitary Service.

The official customs clearance process for imported regulated articles is completed at the destination after phytosanitary quarantine inspection and laboratory analysis. In order to prevent the introduction and spread of harmful organisms in the country, the SCC constantly informs the SPCS about cases of non-compliance. Generally, these are imported products that are not accompanied by relevant documentation or where there is a high risk of contamination by harmful organisms, as determined by the SPCS. The SCC authorities apply corresponding measures whenever indicated by the SPCS.

The project worked on improving procedures for customs clearance and for phytosanitary risk mitigation at border points.

4. Main Clients

The main clients and beneficiaries of the project were producers and farmers. Other beneficiaries included the trading partners of the Republic of Azerbaijan, because of increased confidence in its ability to ensure phytosanitary security of exported consignments.

Other beneficiaries of the project were the technical inspection and pest diagnostic staff of the SPCS and SCC, responsible for the management of consignments at points of entry, as they learned new technical and managerial skills, and obtained new equipment to help them deliver their services more effectively.

5. Services Already Existed Before the WTO TFA and the New Additions

Before the WTO TFA, the President of the Republic of Azerbaijan issued a decree regarding the implementation of the Single Window principle. In order to comply with this decree, hardware and software for a Unified Automated Management System (UAMS) were installed at the SPCS. This system was the main element for the application of the Single Window principle in the SPCS. This network facilitated the exchange of relevant phytosanitary information and integrated the procedures for delivery of the Phytosanitary Certificate and the Import Quarantine Permit.

During the implementation of the project, a database on import requirements of importing countries was created and added to the UAMS. Plans for E-certification and registry of producers and exporters have been developed by AFSA and are expected to be implemented in the future.

6. Use of the facility - Obligatory or Voluntary

Official facilities, such as laboratories, are the only ones allowed to perform official diagnostics. Therefore, customers must use them to obtain import permits and export certifications.

7. Language(s) in which the Service is Provided

Personnel of the SPCS and the SCC can communicate in Azeri and Russian. The project provided English training to 20 officials from these institutions.

8. Plans for Further Development of the Facility/Service

AFSA aims to develop and integrate new modules for the e-certification system and the registry of producers and exporters into the current Single Window state certification system.

9. Time Taken for the Facility to Become Operational

Laboratories were equipped between 2017 and 2018, with protocols and operational procedures developed between 2016 and 2018. Training started in May 2016 and finished in December 2018.

10. Benefits Obtained

The project managed to improve national capabilities for phytosanitary inspection and diagnostics, by increasing coordination and collaboration between the SPCS and the SCC, which has improved the level of phytosanitary protection for agriculture production in the country. More efficient and reliable phytosanitary controls have strengthened the confidence of trading partners and increased the export potential of the country.

11. Costs & Sustainability

The STDF contributed \$1,120,000 to the project. This amount was supplemented by an in-kind contribution from SPCS, valued at \$250,000, which included expenses related to the use of premises, transport costs, office material, staff time, and minor infrastructure.

In addition, the project complemented the third phase of a World Bank project (Agriculture Competitiveness and Improvement Project - ACIP), which had as one of its components the strengthening of SPS services, including plant protection and quarantine, in Azerbaijan.

Cost area	STDF contribution (\$)
Pest diagnostics service strengthened	295,000
Improved management of import regulatory system	203,000
Improved pre-border inspection and export certification system in Azerbaijan	372,000

12. Sustainability

Facilities and services improved through the project will have a lasting impact due to the following reasons:

- Staff trained in pests diagnostic, import inspection and export certification, following international standards and the Azerbaijan national legislation, are in accordance with international obligations that the country needs to fulfil under trade agreements
- The number of local experts working in this field is limited in the country, in relation to current needs. Therefore, the likelihood of staff being hired in long term positions is higher. Additionally, the existing staff will transfer their acquired knowledge to younger staff through an internal formal communication and training process
- Increased phytosanitary capabilities will better protect the country and at the same time facilitate trade flows. This will increase the confidence of trading partners. Higher levels of trade will increase the demand for qualified staff and good quality phytosanitary services.

13. Funding Source(s)

The project was funded by the STDF. The SPCS and SCC provided staff time to support project implementation (in-kind support).

14. Donor Support

The STDF funded the project, which also benefitted from in-kind support from the SPCS, and complemented the World Bank Agriculture Competitiveness and Improvement Project (ACIP). Specifically, the ACIP project included a component to strengthen plant protection and quarantine services, which involved the Pest Risk Analysis Unit of the SPCS. Pests identified through ACIP activities were incorporated in the national regulated pest list developed by the project.

15. Project Design & Management

The project was developed through an STDF-funded Project Preparation Grant (PPG), requested by the SPCS and implemented by the International Plant Protection Convention (IPPC) Secretariat. During the project development phase, key stakeholders were consulted.

When implementing the project, a National Project Steering Committee (NPSC) was created to provide oversight and guidance. The NPSC constituted representatives from:

- State Phytosanitary Control Service
- State Customs Service
- Scientific-Research Institute of Zoology
- Scientific-Research Institute of Botany
- Azerbaijan National Academy of Sciences
- Genetic Resources Institute
- State Agrarian University
- World Bank Group Project Management Unit (and ACIP project)

16. Stakeholder Engagement, Change Management & Communications

Since the aim of the project was to improve inspection and diagnostic services by the SPCS and the SCC in order to maintain the necessary level of phytosanitary protection in the country, efforts were made to increase coordination and strengthen dialogue between these agencies. As a result of better cooperation achieved through increased dialogue and collaboration between the two agencies, phytosanitary services in the country have improved.

Project implementation was monitored through biannual project progress reports submitted to the STDF Secretariat.

17. Capacity Building & Technical Assistance

Staff from SPCS and CSS received technical capacity building trainings in:

- Pest diagnostics
- Phytosanitary control of imported plants and plant products
- English language courses
- Export certification

18. Key Performance Indicators (KPIs)

Performance indicators included in the project's logical framework helped to measure and monitor the achievement of the project's milestones. For example, by the end of the project, it was reported that 60 Customs and SPCS officials were trained in the inspection of plant consignments and

laboratory diagnostic and were able to work together more effectively at borders. Other indicators are available in the project final report

19. Technology Utilized

SPCS staff were trained to use the newly purchased laboratory technology/equipment.

20. Use of International Standards

The improvement of Azerbaijan's phytosanitary control system was aligned with international standards.

21. Success Factors and Lessons Learned

The main lesson learned from this project was the importance of cooperation among institutions, achieved by identifying a common goal. In this case, SCC and SPCS were responsible for protecting the phytosanitary status of the country. Along with the implementation of the project, it became visible that coordinated actions between these agencies strengthened phytosanitary protection and, at the same time, facilitated safe trade in the country.

22. Crucial Success Factors

The main elements of the project success were:

- Focus on building the national human capital instead of solely focusing on the provision of the necessary infrastructure or equipment
- Provision of modern equipment and inspection kits
- Supporting the dialogue between beneficiary organizations and improving their cooperation and coordination
- Helping beneficiary organizations strengthen bonds with international counterparts
- Establishing cooperation between government institutions and producers/exporters
- Staff from SPCS and CSS received technical capacity building training in pest diagnostics, phytosanitary control of imported plants and plant products, English language, and export certification

23. Greatest Obstacles

The main issue that the project faced during implementation was the uncertainty linked with the establishment of AFSA. AFSA's functions and responsibilities in the phytosanitary field were not clear at the beginning and some adaptation time was required before the new agency could start exercising its functions. The National Phytosanitary Laboratory was transferred to AFSA.

All the capacities built by the project, technical skills and infrastructure, were transferred to the newly created agency.

Contact

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Good Practice Case Story VI - Rwanda



RELEVANT WTO TFA PROVISION

Article 10.4 Single Window

Aimed at expediting and streamlining the processing of export, import, and transit documentation, this measure obliges WTO members to make any reasonable effort to establish or maintain a Single Window. Considering its best-endeavour nature, this measure requires members at least to attempt to implement the provisions under consideration in a credible and consistent manner. Nonetheless, members are not legally bound to achieve the specific outcome of the action fostered, that is, the actual establishment or maintenance of the Single Window.

Obligation

Aimed at expediting and streamlining the processing of export, import, or transit documentation, this measure obligates countries to make efforts to establish or maintain a Single Window that serves as a single entry point for traders to submit only once the required documentation.

Scope

The measure outlines the general function of a Single Window and ensures all participating authorities or agencies would receive and examine the documentation and/ or data requirements and shall transmit their responses back to applicants through the same Single Window in a timely manner.

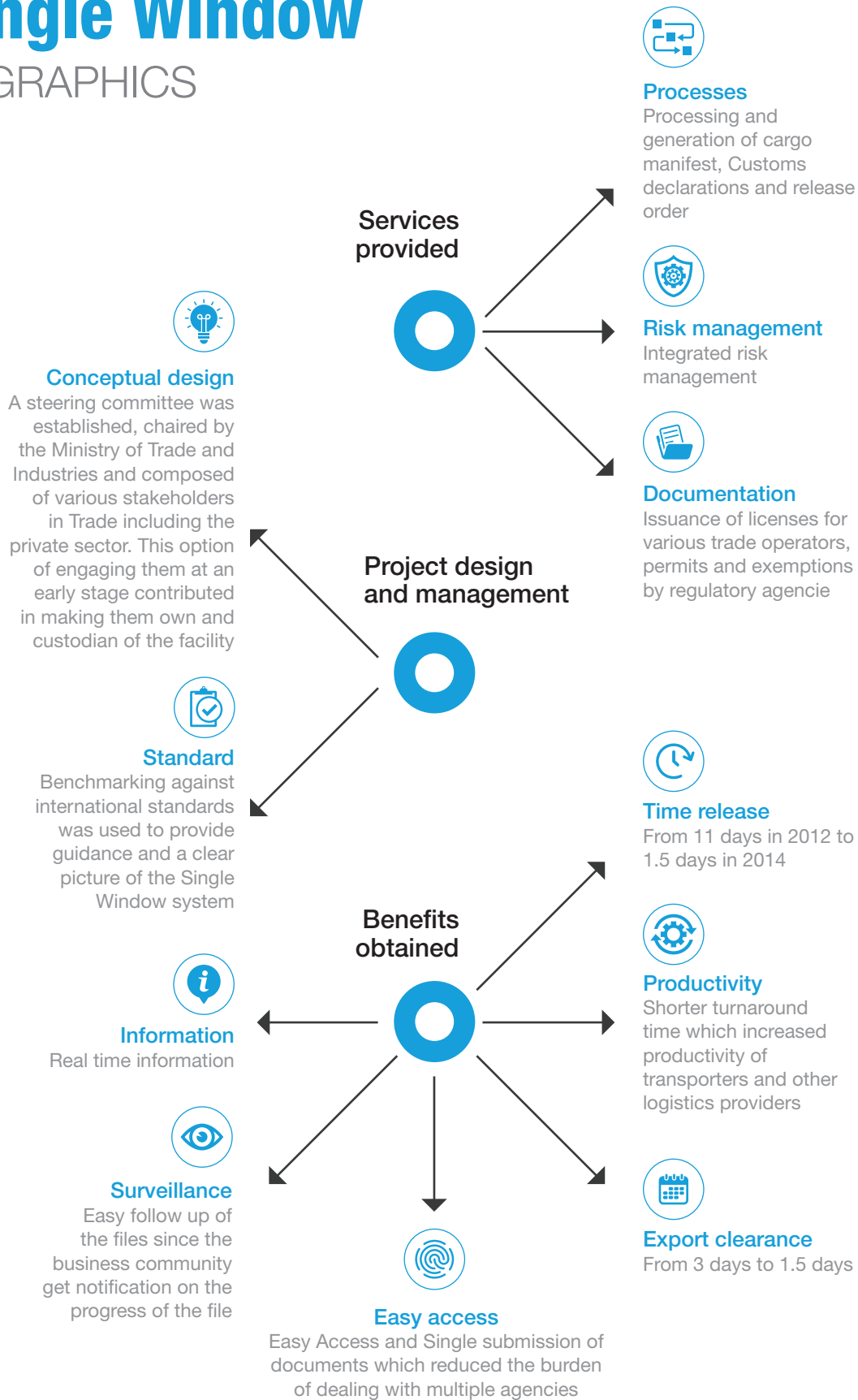
Nature

Implementation of this measure is not mandatory but making efforts to implement the measure is mandatory. Members are obliged to undertake at least certain steps/make efforts to implement the provision under consideration.

Shall endeavour to establish

Rwanda Single Window

INFOGRAPHICS



The Complete Case Story: Rwandan Single Window

1. Implementation Overview

In Rwanda, agencies involved in international trade had to regularly prepare and submit large volumes of information and documents to the customs service department to comply with import, export, and transit-related regulatory requirements. The information and documentation required had to be submitted through several different agencies, each with their own specific procedures and paper forms. These extensive requirements - their associated compliance costs and the time needed to process the same paperwork with multiple agencies - were a barrier to doing business in Rwanda.

The Rwanda electronic Single Window (ReSW) was a critical reform agenda implemented with the aim of facilitating, simplifying, and streamlining procedures for the clearance of goods (import, export, and transit), with the aim of achieving efficient coordination of the different key players involved in international trade at all levels, through sharing of real-time information. Piloting started in February 2012 with one major office, all accredited clearing and forwarding firms, and four other government agencies connected to the facility. The full rollout to all customs stations began on January 2013.

The electronic Single Window system, powered by ASYCUDA, plays an essential coordination role among stakeholders in Rwanda's cross-border trade. The ReSW has been up and running since 2013. All major stakeholders involved in trade can submit documentation and/or data requirements for importation, exportation, or transit of goods through a single entry point to the participating authorities or agencies.

2. Legislation Change

The ReSW implementation was enabled by a legal framework (Law N° 18/2010 of 12/05/2010) relating to electronic messages, electronic signatures, and electronic transactions. This law puts into consideration Recommendation No. 35: Establishing a legal framework for international trade Single Window.

3. Service Provided

The ReSW is powered by UNCTAD's ASYCUDA and provides the following:

- Processing and generating cargo manifests, customs declarations, and release orders
- Generation of statistics by various stakeholders using data mining order
- Generation of statistics by various stakeholders using data mining
- Issuance of licenses for various trade operators, permits and exemptions by regulatory agencies
- Electronic payments through links with all commercial banks in Rwanda

The ReSW system also includes other services such as: tracking of blacklisted motor-vehicles as it is interfaced with Interpol's database; managing transit bond guarantees as a result of connectivity with COMESA's Regional Customs Transit Guarantee Information Management System; and facilitating line ministries in processing and approving exemptions online.

Integrated risk management is yet another service embedded in the ReSW system. The Standards Board and Rwanda Agricultural Board undertake risk profiling and assessment through the Single Window system.

The system allows all parties to log in and submit their documents within the Single Window and the information is disseminated to all respective users for processing. Once processing is completed, the clearing agent receives a notification alert of the release order.

4. Helpdesk or Customer Service

There is a dedicated office which manages the ReSW where there are permanent staffs who deal with all related issues concerning the system. They take care of operational matters, installation and training, and provide help-desk services and support to the operators. If there is a system problem, contingency measures exist and provide continuity of service.

There is also a department in RRA that is responsible for taxpayers whose queries are also addressed

through call centres, toll-free. Some of the articles and materials aimed at informing the community about Single Window services in Rwanda go through this department to various media channels in Rwanda, including radio and TV stations.

5. Agencies Responsible for Delivering this Service

The Government of Rwanda appointed the RRA to be the lead agency for the ReSW implementation, due to its key position at the border. In total, 34 agencies are connected to the ReSW to facilitate clearance and payment of goods in customs, application, as well as the approval of import/ export permits, exemptions, risk management, transit bond guarantee management, notification alerts, and performance monitoring.

6. Main Clients

The main clients are clearing and forwarding agencies, customs, and other government agencies. More specifically, the clients that are connected to the system are composed of 181 clearing firms, 34 other government agencies, and all of Rwanda's 31 customs stations. Regional organs such as COMESA, East African Community (EAC), and international agencies such as Interpol are also connected to the ReSW system. In total, ReSW has currently 3,782 users.

7. Services Available Before the WTO TFA and its New Additions

Prior to the WTO TFA, the ReSW was limited only to customs declaration automation, and management of the Authorized Economic Operator Program. New additions to these services include risk management. Further, a module is being developed to manage advanced ruling to comply with article 3 of the TFA.

8. Use of the Facility & Plans for Further Development

The use of the facility is mandatory for everyone who wants to clear goods in customs and is available 24/7 with real-time responses in English and French. The plan is to extend this facility to all remaining agencies under Phase 2 of the ReSW project, running from October 2018 to June 2022.

9. Regional Context

Currently, ReSW is interfaced with sister customs administrations of the EAC to facilitate clearance and release of cargo at the first port of entry under the Single Customs Territory agreement. The facility will later be extended to SADC and COMESA countries under the tripartite agreement to facilitate the movement of goods in these regions.

10. Benefits

There are a number of benefits to the ReSW system, such as: the reduction of time-release for cargo clearance by 85% (from 11 days to just over one day); and the reduction of inspection rate of cargo in customs from 42% to 15%, due to effective risk management in the Single Window system.

Real-time exchange of information amongst stakeholders of the facility has increased transparency and integrity, leading to improved compliance and revenue collection in customs. The trading

community benefits by goods being cleared faster and in a more transparent manner, improving competitiveness.

The level of compliance has also been increasing - demonstrated by the number of declarations subject to immediate release, which has increased from 40% to 60%. This is attributed to the integrated risk management in ReSW system.

11. Benefits to the Participating Agencies

- Trade facilitation is a key priority for the government, and it is a common mandate to all border agencies. All agencies involved were able to achieve their mandate in the area of trade facilitation. An important, highly beneficial, milestone in reforming and facilitating trade was the reduction in structural delays and costs
- Documents are logged within a Single Window and all agencies are able to access and process the information at the same time without delays
- Increased accountability, since the system can identify agencies that cause delays
- Reduced face-to-face interaction that may increase risks of corruption. Communication between regulatory agencies and traders is done through the system

12. Benefits to the Business Community

- The reduction in trade costs and delays, where average time-release decreased from 264 (11 days) in 2012 to 34 hours (1.5 days) in 2014; and where export clearance times declined from 67 hours (3 days) to 34 hours (about 1.5 days)
- Simplified processes and procedures, which resulted in a shorter turnaround time that increased the productivity of transporters and other logistics providers
- Real-time information and easier access since the system is web-based
- A single submission of documents which reduced the burden of dealing with multiple agencies
- Easy follow up since the business community receives a notification on the progress of their file

13. Benefits in General

- Improved communication between the regulatory agencies and the private sector
- Increased transparency and integrity. All actors are notified at each step of the declaration to enable them to monitor the progress without relying on third-party information
- Creation of paperless environment through the digitalization of processes and procedures

14. Estimated Dollar Value of the Benefits

Transporters are making efficient use of their vehicles, due to faster clearance times, resulting in a cost saving estimated to be \$6 million per annum.

Automation of some of customs procedures, such as exemptions, has led to transaction cost savings averaging \$1 million per annum.

An independent evaluation report indicated that Rwanda's economy has saved between \$15 - 20 million as a result of the Single Window implementation.

ReSW has contributed to an increase in customs revenue collection due to automation, simplification, and harmonization of procedures. This has also led to faster turnaround times, thereby decreasing cost and increasing trade in Rwanda.

15. Cost, fees & sustainability

The total cost of implementing the ReSW up to 2018 was \$4,501,190. The sum of \$3,300,000 was received from Trade Mark East Africa (TMEA) as financial aid to support the electronic Single Window

Phase I, with \$1,201,190 being used in the implementation of the ReSW Phase II. The main cost areas of the facility are its system development, capacity building, and post-implementation support.

A processing fee of \$3.5 is payable per ordinary declaration and \$0.5 per simplified declaration. Even though this was introduced in 2004 before the introduction of the Single Window, the fee amount has not increased. The processing fees are only used for system maintenance.

To ensure sustainability, RRA has developed a plan to use the current chargeable amounts (processing fees) to eventually support the ReSW upgrade and the development of new modules to meet future trade facilitation requirements.

16. Funding Source, Capacity Building & Technical Assistance

ReSW received financial aid from TMEA for its implementation. UNCTAD, the Rwandan Single Window developer, trained the local implementation team (both technical and non-technical) on the concepts and functionalities of the Single Window. It also provided support to oversee the whole process of business re-engineering and a prototype of a holistic solution targeting business requirements. The technical team was trained on basic and advanced ASYCUDA modules. ASYCUDAWorld contributed to the realization of the single customs territory, which since its implementation has brought about benefits such as:

- Single customs declaration for goods destined to Uganda and Rwanda for both international and intra clearance
- Reduced customs' documentation, cost of doing business, and information exchange
- Mutual recognition of the region's clearing agents and granting of access rights for use of the customs systems across the region

17. Project Design Management & Stakeholder Management

A steering committee was established and chaired by the Ministry of Trade and Industries. It was composed of various trade stakeholders, including the private sector. Stakeholders were identified depending on the role they play in the clearance of international trade processes and were engaged from the start so as to ensure that the system specification requirements addressed business needs. Engaging business stakeholders at an early stage contributed to making them owners and custodians of the facility. Benchmarking against international standards was used to provide guidance and a clear picture of the Single Window system.

18. Promotion & User Support

The facility was promoted through different media houses in Rwanda using RRA newsletters, publication reports, and communications materials with ReSW messaging (banners, notebooks/pads, t-shirts, cards and key holders, were distributed amongst stakeholders and taxpayers).

Most of the promotion activities were carried out by clearing agents who are the key users of the system. Stakeholder forums were used to promote the facility. After only a month of implementation, users recognized the tangible benefits of the system.

Basic training was provided on the benefits of the system and how it works. Users were trained on declaration processing, cargo manifest, risk management and selectivity, and processing of exemption and import/export permits.

19. Monitoring, Evaluation & Key Performance Indicators (KPIs) Used

Monitoring and evaluation is done through periodic reporting (weekly, monthly, and quarterly) which are discussed in steering committee meetings.

Indicators are derived and attached to the action plan which is approved by the steering committee at the beginning of the project. Indicators include the following: the number of procedures to be

automated within a given timeline; the number of other government agencies to be interfaced with the ReSW system within a specified time period; the time-release reduction targets in comparison to the baseline; and the targeted transaction/clearance cost reduction.

20. The Role of International Standard & Technology Used

ReSW uses UNCTAD's JAVA based ASYCUDAWorld platform with Oracle as the database management system.

The ReSW is based on international standards and tools that have been developed by UNECE, UNCTAD, WCO Data Model, and United Nations Trade Data Elements Directory (UNTDDED) providing guidance on Single Window implementation and data set - the information needed by cross border agencies to facilitate clearance and release of cargo at the border.

21. Lessons Learned

- A Single Window system requires a system thinking approach with a holistic solution to address the needs of all stakeholders
- The ReSW system is a stakeholder and technology-driven solution
- ReSW is a going concern and not a project with a shelf-life
- ReSW system has a high internal rate of return (IRR) and return on investment (ROI), with every dollar invested yielding three-fold

22. Success Factors

- Strong government support
- Technical support from UNCTAD ASYCUDA team
- Financial support by TMEA
- Committed and dedicated implementation team
- Simplification of processes and procedures

23. Obstacles Encountered

The main obstacles included resistance to change at the beginning of the project and limited resources.

At the beginning, some clearing agents were not compliant with the service but a change management plan was put in place to address this issue. Additionally, some regulatory agencies took some time to start using the system. To address this, a communications plan was developed to deliver training, sensitization initiatives, and awareness campaigns. The ReSW was promoted on national TV and radio stations. The progress was communicated by the project implementation team through the steering committee on a monthly and quarterly basis. There were also meetings with targeted institutions.

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Good Practice Case VII - Paraguay



RELEVANT WTO TFA PROVISION

Article 23.2 NTFC

To facilitate its implementation, the TFA envisages the establishment of National Trade Facilitation Committees (NTFCs), which are important platforms for institutional coordination and stakeholders' consultation, where private and public sector participation is effectively balanced. To enable the planning and implementation of successful trade facilitation reforms all WTO members must establish a NTFC, which serves the purpose of coordinating and supervising the implementation of trade facilitation measures contained in the TFA.

Obligation

WTO members are requested to establish or maintain (in cases where the mechanism exists in some form) a National Committee on Trade Facilitation which can boost the coordination of trade facilitation reforms domestically and help implementing the provisions of the TFA.

Scope

In order to comply with this measure, countries do not need to adopt any specific legislation. A national administrative act to create and/or maintain a National Trade Facilitation Committee may therefore suffice. Some countries may maintain two or more committees to be able to deal with the technicalities of trade facilitation reforms and issues.

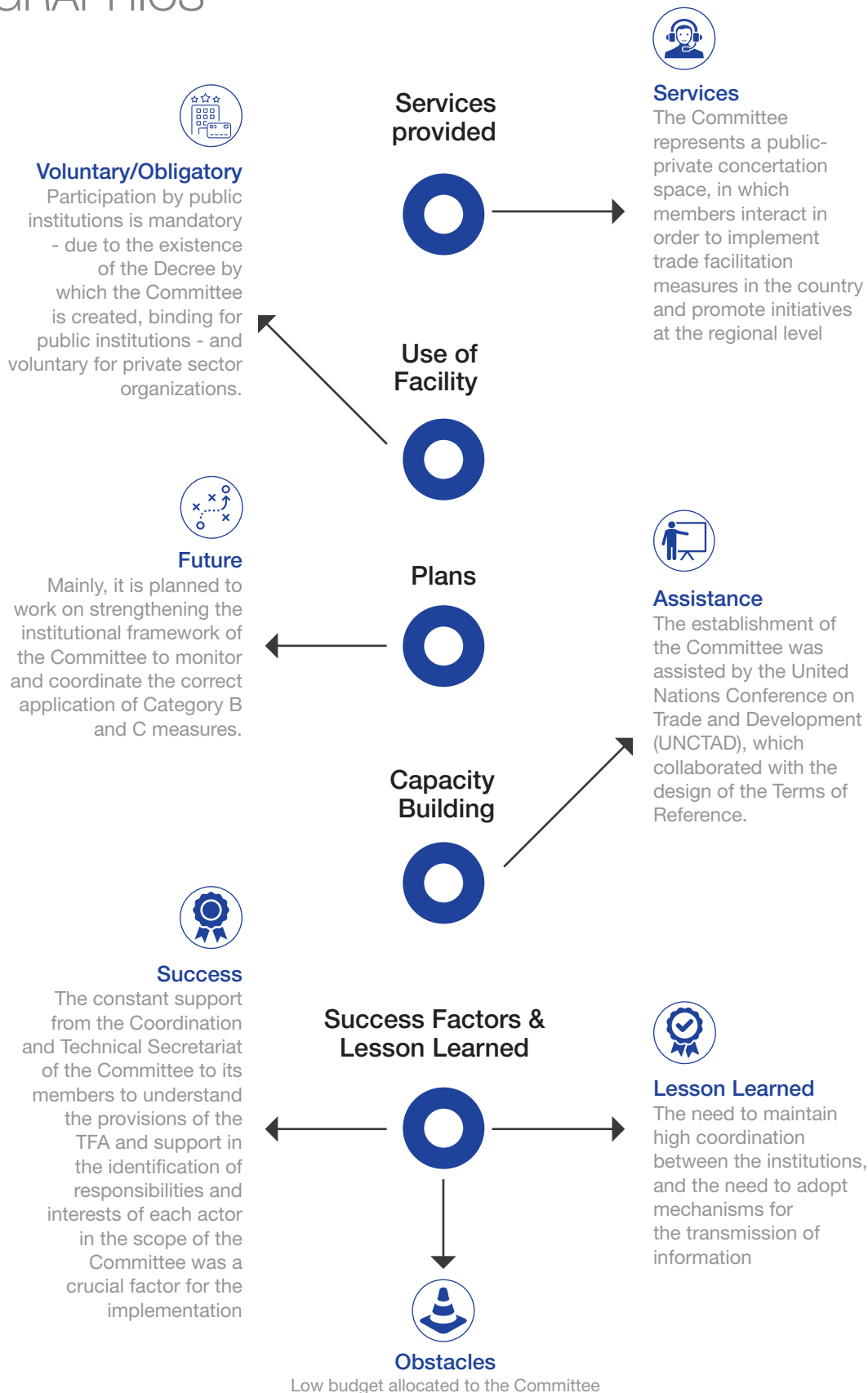
Nature

The language of the measure – shall – shows that the implementation of this measure is mandatory for all members without the possibility to water down this binding commitment.

Shall establish or maintain

Paraguay NTFC

INFOGRAPHICS



The Complete Case Story

1. Implementation Overview

The implementation of this NTFC was driven by private sector interest in establishing a space for dialogue with public administration regarding trade facilitation measures in the country.

Paraguay was an active participant in the negotiation of the TFA, in that context, the national private sector was aware of the work done on the subject and the intention to establish an NTFC in Paraguay, collaborating with the development of the national position in this regard. Consequently, the private sector collaborated in the elaboration of the regulations required for the establishment of the committee and the elaboration of the internal regulations that govern it today.

The committee was established in order to agree on aspects related to the implementation of the WTO TFA and regional initiatives among the actors involved.

The establishment of the committee has been very successful in deepening public-private dialogue and in identifying obstacles that hinder trade at the national level, as well as agreeing actions to solve these problems.

The measure is fully implemented, given that Paraguay's NTFC was established by presidential decree on April 27, 2017, and its internal regulations were adopted on March 3, 2018, stipulating that it must meet at least twice per semester. However, in practice, the committee meets more frequently than stipulated in its regulations.

2. Detailed Services Provided

The committee represents a public-private concertation space, in which members interact in order to implement trade facilitation measures in the country and promote initiatives at the regional level.

3. Lead Agency Responsible for Delivering this Service

Responsibility for coordinating the committee lies with the Vice Ministry of Economic Relations and Integration of the Ministry of Foreign Affairs.

The committee comprises 27 public institutions and 17 private sector guilds/unions and associations, whose representatives participate in the committee's discussions on equal terms. The contribution of each member varies according to the theme to be addressed on each occasion.

Participation by public institutions is mandatory - due to the existence of the decree by which the committee is created, binding for public institutions - and voluntary for private sector organizations.

The Technical Secretariat of the committee is available for consultations from Monday to Friday, between 8:00 a.m. to 4:00 p.m. Committee meetings are held in Spanish. However, enquiries in English are equally possible. It is planned to work on strengthening the institutional framework of the committee to monitor and coordinate the correct application of category B and C measures. The committee took approximately 6 months to operate and plan to establish arrangements at MERCOSUR level to establish a mechanism by which the committees interact on their activities.

4. Benefits Obtained

Both private sector and public sector have benefited. On the one hand, the private sector can access a workspace that includes the main institutions of public administration that have an impact on international trade processes. On the other hand, it provides the public sector with a space for coordination between the multiple agencies involved in the area of their competence.

5. Funding Source & Sustainability

The development and maintenance of the NTFC is funded using the Ministry of Foreign Affairs budget.

6. Capacity Building & Technical Assistance

UNCTAD assisted with the establishment of the committee by collaborating on the design of the terms of reference.

7. Project Design & Management

The National Ad Hoc Committee on Trade Facilitation was established in order to coordinate the national position with respect to the negotiations of the TFA, which in that sense, fulfilled the function of establishing the terms under which the NTFC would be formed through its creation decree.

A survey of the institutions involved in import, export, and transit procedures was made. The databases of the institutions and companies participating in the needs assessment carried out in 2012 by UNCTAD and the WTO were also used and the draft of the national committee's confirmation document was shared with each of them.

8. Stakeholder Engagement, Change Management & Communications

Initially, the Presidency of the Republic was responsible for the National Committee, however, as of August 2018 it fell under the coordination of the Ministry of Foreign Affairs. The agents involved were kept informed through informal meetings and information bulletins, and there was no resistance to change. Adherence to the committee was promoted through press releases and newsletters. Users received training through seminars and workshops on trade facilitation.

9. Legislation Changes Required

It was not necessary to change any existing legislation, however, implementation of new legislation was necessary (Presidential Decree No. 7102, by which the committee was created).

The draft decree was prepared within the framework of the Ad Hoc National Committee which was established informally to carry out the pertinent consultations to the negotiation period of the TFA.

After the completion of the consultations within the framework of the committee and the fulfilment of the institutional review requirements by the legal teams of different public institutions involved, the project was referred to the Presidency of the Republic, where its promulgation was delayed approximately six months.

10. Technology Utilized

With the support of the Latin American Integration Association, the committee's website is under development, which will serve as a channel to centralize progress in the implementation of the TFA in Paraguay. The address will be www.mre.gov.py/cnfc.

11. Success Factors & Lessons Learned

The need to maintain high coordination between the institutions, and the need to adopt mechanisms for the transmission of information

The constant support from the Coordination and Technical Secretariat of the committee to its members to understand the provisions of the TFA and support in the identification of responsibilities and interests of each actor in the scope of the committee was a crucial factor for the implementation.

12. Greatest Obstacles

- Limited human and logistic resources
- Low budget allocated to the committee
- Difficulty of coordinating actions with some institutions

Contact

www.mre.gov.py/cnfc

Sebastián Ortiz, Director of Multilateral Economic Organizations of the Ministry of Foreign Affairs - Alternate Coordinator of the National Trade Facilitation Committee of Paraguay

