



36th UN/CEFACT Forum Webinar: Single Window and COVID-19

Technical barriers to trade, UNECE studies: Evidence from UNECE's demand-driven, survey-based assessments

4 May 2021

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Scope of UNECE Assessments



Small, medium and micro enterprises (MSMEs)



~ 2,000 manufacturing and agricultural **MSMEs** in Armenia, Belarus, Georgia, Moldova (Republic of) and Serbia



Transmission channels and the influence of non-tariff measures (**NTMs**), including trade **facilitation** and quality assurance, therein



Supply chain disruptions and their impact on trade activities



The MSMEs' **coping strategies**



The **ripple effects** that should be considered over the long term

Freight forwarders



32 freight forwarders operating in Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan ([SPECA](#) countries)



Transmission channels and the influence of **trade facilitation measures** therein



Transport disruptions and their impact on trade activities



The freight forwarders' **coping strategies**

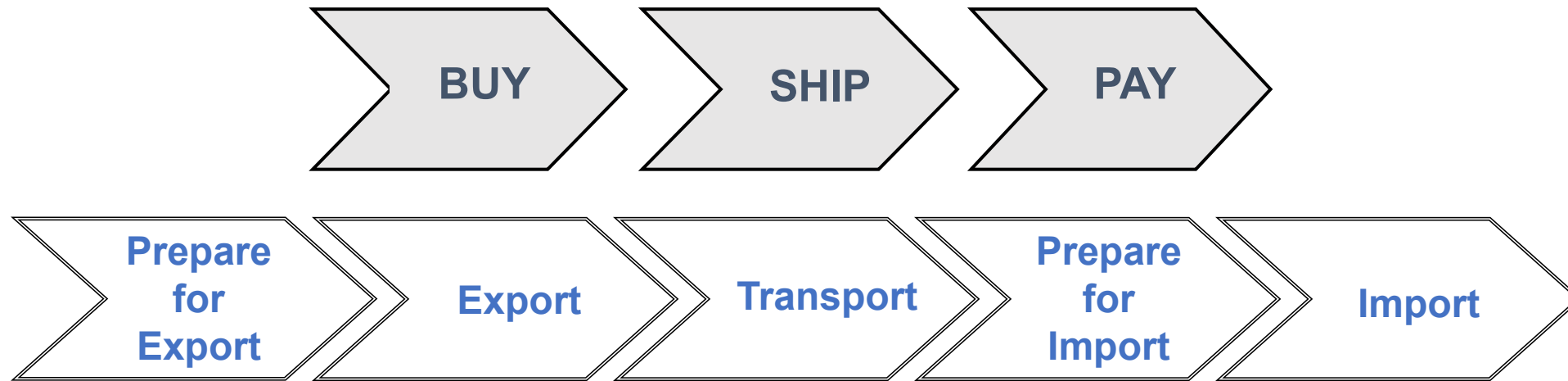


The **ripple effects** that should be considered over the long term

Scope of UNECE Assessments




NTMs: Trade facilitation measures




Commercial Procedures

- Establish Sales Contract
- Order Goods
- Advise on Delivery
- Request Payment



Transport Procedures

- Establish Transport Contract
- Collect Transport and Deliver Goods
- Provide Waybills, Goods Receipts Status Reports



Regulatory Procedures

- Obtain Licences
- Provide Customs Declaration
- Provide Cargo Declaration
- Apply Trade Security Procedures
- Clear Goods



Financial Procedures

- Provide Credit Rating
- Provide Insurance
- Provide Credit
- Execute Payment
- Issue Statements



Key Findings



NTMs harnessed for curbing supply chain disruptions



Minimum restrictions to address supply shortages

Temporary export bans on personal protective equipment (**PPE**) and certain pharmaceutical products

Temporary export bans on certain **food items**

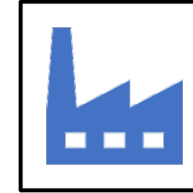


Trade facilitation to generate efficiency gains

Transparency: Online publication of new NTMS

Cutting down red tape: Simplification of procedures associated with issuing trade documents

Cooperation arrangements



Easing of supply chain actors' financial pressure

Temporary customs duties exemptions on imported **PPE** and certain pharmaceutical products

Temporary customs duties exemptions on essential **food items**



Key Findings: NTMs as negative transmission channels

In most countries, incomplete reforms resulted in non-tariff barriers

National- Most of the countries are yet to fully transition to paperless trading environments

- **Issuance of trade documents slowed down** by continued reliance on paper-based procedures (cumbersome documentary requirements)
- **Border control slowed down** by continued overreliance on physical inspection (weaknesses in risk management systems compounded by staffing shortages)

Regional- Discrepancies in customs procedures. Examples:

- **Armenian MSMEs were unable to meet the Eurasian Economic Union (EAEU) documentary requirements**, which stipulates that cargo should be accompanied by EAEU-compliant electronic customs declarations (Armenia has yet to join the EAEU e-customs declaration system).
- **Lack of interoperability between the Belarusian and the Russian Federation's e-declaration systems:** Belarusian forwarders reported having to submit customs declaration in paper form to the Russian customs authorities.
- **Permits for importing and exporting medical products within SPECA region are difficult to obtain:** The existing common permit issuance system is paper based, and the procedures for obtaining the permits were not clear, and the waiting time for obtaining the permits differed from one country to another

Key Findings: NTMs as negative transmission channels



Incomplete transition to paperless trading environment: Why?

**Not due
to lack of
buy-in**

- The Governments are committed and have adopted as part of the COVID-19 assessment recommendations UN/CEFACT Recommendations 33 on establishing a Single Window, 35 on establishing a legal framework for an international trade Single Window, 36 on Single Window interoperability ensures interoperability with trade partners, and 37 on single submission ensures interoperability with the private sector.
- The Governments are already implementing UN/CEFACT Recommendations 1 on Layout Key, UN/LOCODE and many of UN/CEFACT standards.

**Not due
to lack of
market
demand**

- All freight forwarders interviewed as part of the national and regional (SPECA) assessments emphasized the urgency of transitioning to paperless trade.
- All MSMEs in the 5 reviewed countries emphasized readiness to acquire the skills and capacities to submit documents electronically.
 - Micro and small enterprises outsource the task of obtaining documentary requirements, along with customs clearance, to freight forwarders to avoid dealing with red tape.
 - Many of the medium enterprises have dedicated staff for fulfilling documentary requirements

Key Findings: NTMs as negative transmission channels



Incomplete transition to paperless trading environment: Why?

- ✓ Recurrent Government restructuring
- ✓ Discrepancies between donor and Government priorities
- ✓ Single Window (SW) design issues
- ✓ Public-private sector discussions (consultations versus participatory approaches versus partnerships)

Piecemeal approach

Key Findings: NTMs as negative transmission channels



Transition to paperless trading environment: COVID-19 response

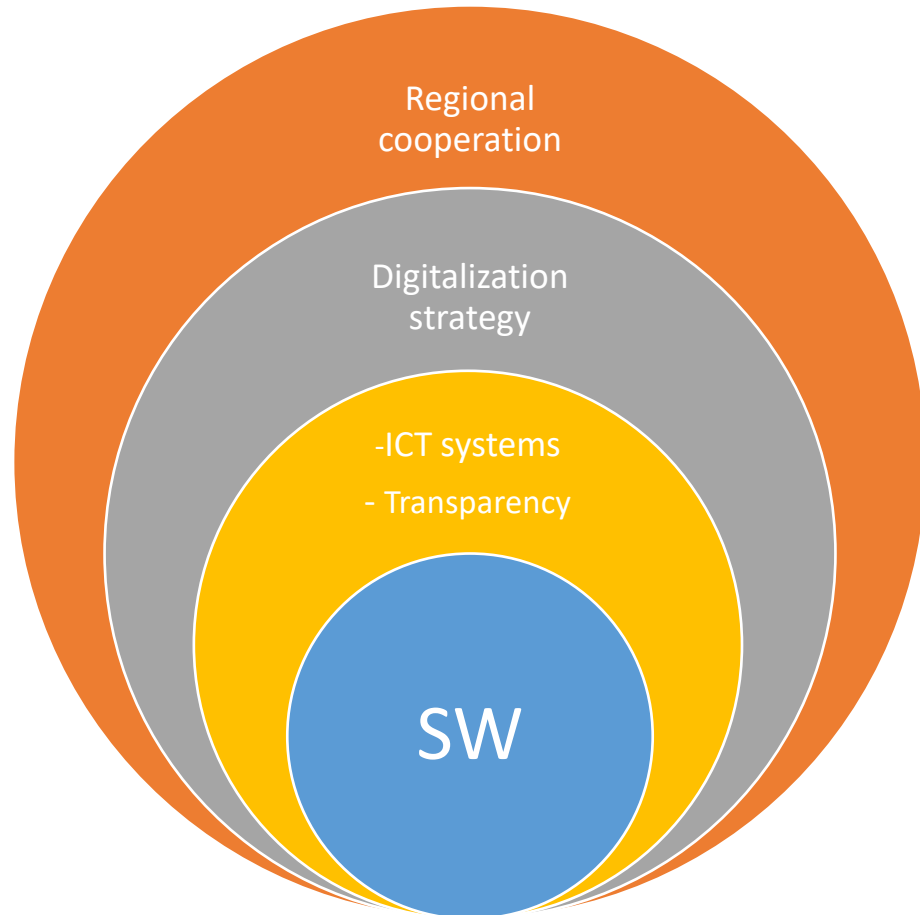


Policy implications: NTMs as positive transmission channels



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Sustained transition to a paperless trading environment: whole-of-government approach



Economic development strategy

- Marco policies to finance the transition
- Market support services, including to equip the enterprises with the required ICT systems and skills

Successful experiences

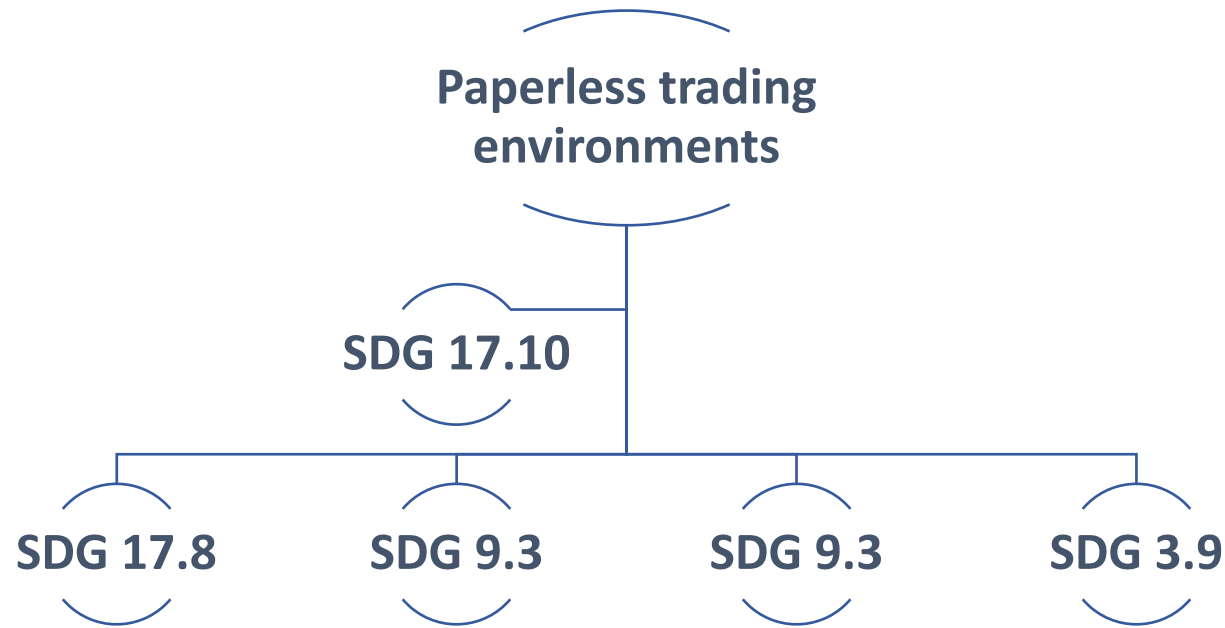
- Georgia: Comprehensive trade facilitation measures (beyond SW) ensured efficiency gains during the pandemic and enabled Georgia to serve as a regional transit hub.
- Kyrgyzstan: A sustained effort to perfect the SW while harmonizing with its Eurasian Economic Union partners.

Implications: NTMs as positive transmission channels



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Paperless trading environments as a means for achieving the 2030 SDGs



- **SDG 17.10:** ...Promote a universal, rules-based, open, non-discriminatory & equitable multilateral trading system
- **SDG 17.8:** ...enhance the use of enabling technology, in particular information and communications technology
- **SDG 17.1:** Strengthen domestic resource mobilization ...to improve domestic capacity for tax and other revenue collection
- **SDG 3.9.d.1:** International Health Regulations capacity and health emergency preparedness
- **SDG 9.3:** .. integration [of small-scale industrial and other enterprises, in particular in developing countries] into value chains and markets

Precondition

Affordable telecommunication services (SDG 9.C)

THANK YOU

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Studies on regulatory and procedural barriers to trade and national COVID-19 impact assessments, published progressively on:

<https://unece.org/trade/studies-regulatory-and-procedural-barriers-trade>

COVID-19 impact assessment, SPECA:

https://unece.org/fileadmin/DAM/trade/workshop/2020_Nov_SPECAWG/COVID-ConsolidatedReport_Eng.pdf

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