United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

11 October 2021

Trade Procedures Facilitation Domain (TPF) Project White Paper
Private sector presentation in NTFB
Trade Procedures Facilitation Domain

- Focuses on the business processes, commercial practices and official procedures involved in the international trade transactions

- PROJECT DEVELOPMENT AREA (PDA)
  - Recommendations and standards that coherently contribute to effective and efficient international trade procedures and customs aspects of trade facilitation and electronic business and Trade Facilitation Implementation Guide
    - National Trade Facilitation Bodies – Recommendation No 4.
    - Single Window related recommendations – No 33, 35, 36
Title: White Paper Encouraging private sector participation in national trade facilitation bodies (NTFB)

- Approved by Bureau in March 2021
- Project team first meeting 18 May 2021
- Total 8 team meetings
- Project team: 26 registered experts
- Scheduled submission of draft: November/December 2021
• Understanding that trade facilitation is characterised by
  • Cross-government responsibilities
  • Public – private dialogue and collaboration

• National Trade Facilitation Bodies are the main platform for
  organising the dialogue and collaboration

• Growing number of NTFBs, but

• NTFB are not “sure-fire success” and private sector
  engagement can not be taken for granted.
More operational, dynamic and sustainable NTFBs through better private sector engagement
Objectives

- The White paper should
  - Identify barriers for successful engagement
  - Collect input from private sector on their expectations from NTFB and TF
  - Collect experiences on successful PPD
  - Indicate practices, solutions and standards that can improve private sector engagement
- It complements UNECE Rec 4 and 40
• UNECE Rec 4 on National Trade Facilitation Bodies
• First version in 1974 but still highly relevant today
• Guidelines that provide
  • steps for establishing the NTFB
  • model terms of reference for an NTFB
  • non-exhaustive list of those stakeholders that should be represented in an NTFB
• Has been complemented by Recommendation No 40 on Consultation Approaches published in 2015
Reality of NTFB today

• Many NTFB have been set up worldwide
• UN Survey 2020 100 out of 142 countries have a fully established NTFB and 26 are partially established.
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Reality of NTFB today

- Many NTFB have been set up worldwide
- UN Survey 2020: 100 out of 142 countries have a fully established NTFB and 26 are partially established.
- UNCTAD repository 2021:
  - Most have a private–public dimension and have at least formal private sector membership at different levels
  - PP ratio varies from 5% to 83%
  - Only 6 out of 112 NTFB are chaired by private sector
PP ratio varies from 5% to 83%
• But do we really have an active private sector engagement?
  • Are the decisions relevant to the business community?
  • Does the business community have a voice regarding decisions and more over policies and legislation?
  • Are all sectors and members of the business community involved?
  • Do you have actually knowledge about the procedures and their impact?

• Formal set up and membership does not say much about how active the participation is.
Private sector engagement
Situation

Barriers

Private sector engagement
Culture and knowledge

- Different culture and mindset
- Knowledge and language gap – Recognising the « other side » issues and perspectives
- Different expectations of results – micro versus macro level, individual transaction versus policy level
- Messaging – lack of knowledge of tangible benefits of trade facilitation measures.
Organisational matters

- Time and resources allocation - Collaboration is resource intensive
- Lack of acknowledgement and correct representation of opinions
- Irregularity of meetings and inefficient meetings
- Lack of feedback and visibility of follow-up
- Right people for the right time (policy, managerial, technical level)
- Inclusiveness (SME, business outside capital)
Institutional arrangements

- Clarity and relevance of objectives
- Definition of membership and layers of memberships
- Relationship between Board, secretariat, plenary, Working groups
- Decision making process, voting rights, Agenda setting powers
- Lack of access for individual businesses
- Relationship with other committees / fora
• 2 layers of motivation: individual and group objectives
• Common or group interest
  • Reduction in “customs” release time
  • Decrease in cost of compliance
  • Improvement of mutual understanding of interests and perspectives.
• Incentives for individual members from private sector to engage
  • Private sector representatives value highly the ability to obtain first-hand information early about topics, projects and legislative projects.
  • Individual employee (a) enhance their knowledge & (b) professional development by expanding professional network on a global level.
Prerequisites

• But these drivers can only be triggered if
  • Business orientation is communicated and reflected in statements and mandate
  • Public sector expresses commitment and valuation for private sector engagement
  • NTFB is a respected entity where membership and participation is valued from within and by outside third-party stakeholders.
  • A trusted relationship can be built
1. MOTIVATION
   • Strengthen contribution
   • Strengthen the reputation and recognition of NTFB and time spent
   • Strengthen good governance

2. ACCESS
   • Strengthen access for relevant partners
   • Strengthen inclusivity and transparency

3. AWARENESS
   • Build knowledge
   • Raise public awareness
   • Strengthen dialogue

4. IMPACT
   • Strengthen performance measurement
   • Strengthen “business” relevance
• MOTIVATION
  • Right/ Opportunities to shape agenda
• ACCESS
  • Flexible and different layers of membership
  • Use of digital tools for communication
• AWARENESS
  • Adopt common semantics and models
  • Communicate achievements from private sector perspective
• IMPACT
  • Bottom up or business centric strategy
Next steps

• Validating, editing text
• Brainstorming on action areas
• Validating, editing text
• Submission to Bureau for comments

• Next Project team meeting: 19 October 2021

• To get involved: Birgitviohl@gmail.com
• 37th UN/CEFACT Forum Webinar: Strengthening Private Sector participation in National Trade Facilitation Bodies (NTFB)
• Investing into more relevant trade facilitation reforms
• 12 October 2021 13:30 - 16:00

• https://unece.org/trade/cefact/37thuncefactforum_webinar-PrivateSectorAndNTFB
Thank you