

UN/CEFACT – UNECE

Single Window Training

Tuesday, 16 January 2018

Beirut, Lebanon

Dr. Lance THOMPSON
UN/CEFACT Support Unit, UNECE

lance.thompson@unece.org

+41 22 917 12 98



UNECE

Trade Facilitation Roadmap



Trade Facilitation Roadmap = a journey

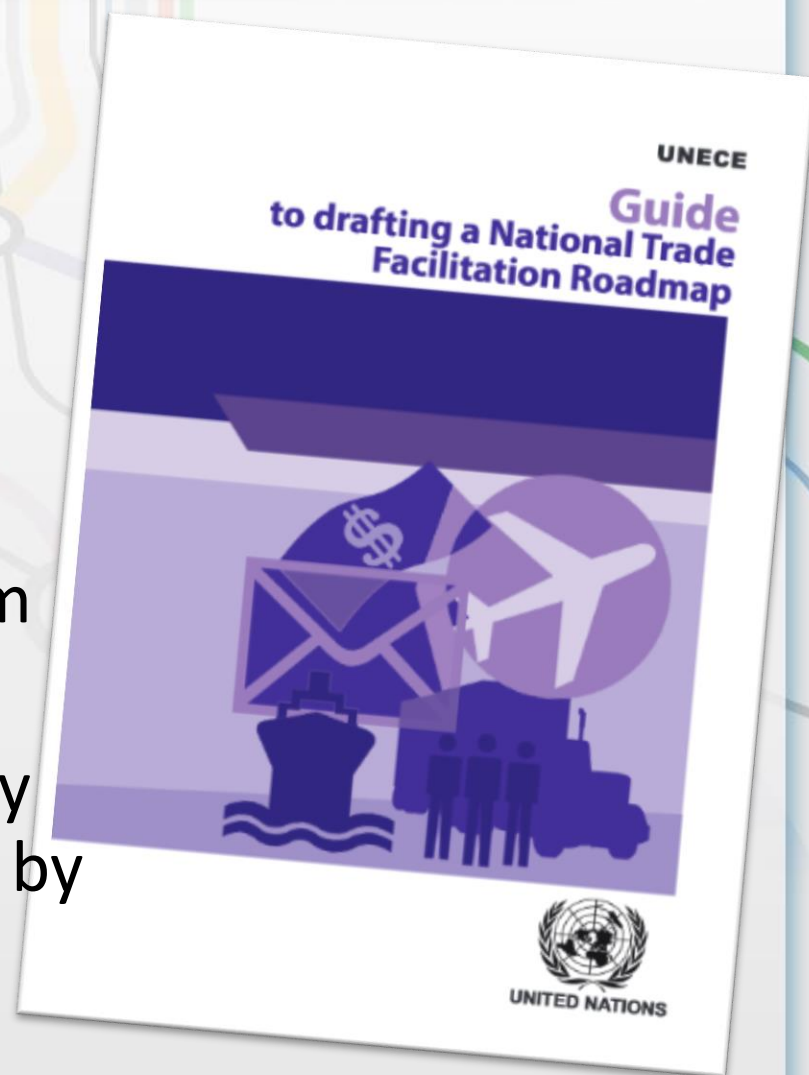
- You need to know
 - **WHERE** exactly you are going
 - **WHAT** is the best way to reach that objective
- Keep in mind the parties (economic operators, government agencies, etc.)
WHO are involved

Trade Facilitation Roadmap = a journey

- Many things can happen along the way:
 - You can run out of fuel (**financing**)
 - Your driver might leave you in the middle of your journey (**rotation of participants**)
 - Your members don't know how to read a map or do not want to ask for the way (**lack of engagement**)
- Establishing a Roadmap is not an easy task

What is a Roadmap ?

- In 2015 UNECE published a «Guide to drafting a National Trade Facilitation Roadmap»
- The Guide has tailor-made methodology for drafting a NTFR
- Based on lessons learned from experts around the world
- The TF Roadmap methodology has been successfully applied by Greece



What is a National Trade Facilitation Roadmap?

- Is a short but comprehensive **document**
- Laying down a **strategic vision for implementing TF reforms** in a country
- Within a **given period** (usually three to five years)
- Includes set of **Activities** in order to reach pre- defined **Goals** that will be measured
- With the help of **performance indicators**.

A TF Roadmap is NOT:



A **project proposal** for a particular measure



An **annual plan** for the National Trade Facilitation Committee or a particular agency (i.e. Customs)



A WTO TFA **Implementation Plan**





Example of Greece: Context

- The **Greek economic crisis** led to a **severe contraction of the internal market** and exporting was considered a key condition for economic recovery.
- However, Greek exporters **faced widespread administrative barriers to trade**. **Simplifying customs** and other trade procedures become a key objective of the Greek Government.
- In 2012, the Government developed a **national trade facilitation strategy** to support economic recovery by simplifying export procedures and reducing export time and cost.



Example of Greece: The Project

- In 2012, **UNECE supported the Greek Government to launch the Greek Trade Facilitation Roadmap 2013-2014**, a holistic trade facilitation reform programme including key performance indicators (KPIs) to measure progress.
- This Roadmap was approved by the Parliament and became part of the lending agreement between Greece and the international donors. **Its delivery was seen as a crucial milestone to establish trust in the Greek economy and to return to sustainable economic growth.**
- The Roadmap contained **25** specific reform programmes such as:
 - **Simplification** of export procedures,
 - **Reorganization of customs procedures and their automation,**
 - Implementation of **paperless trade**
 - **Reform of agriculture** trade procedures



Example of Greece

- The project had several deliverables. Some of the project results are:
- **A Operational Steering Committee and six Working Groups** to manage the different reform programmes were established
- **Substantive reform of Customs procedures initiated**, support to the automation of the customs procedures (ICISNet rollout) and implementation of an automated risk assessment system
- **Authorized economic operator scheme** rolled out
- More than **15 workshops and capacity building events** organized
- **Business Processes Analysis** and simplification undertaken using UNNEXT Business Process Analysis Method
- **Authorized Traders Scheme** established with over 40 exporters registered (accounting for 40% of the total exporting activity in fresh fruits and vegetables)
- Proposal for a **competitive agriculture export strategy (Greek Smarter Food) developed** pilot project for the implementation of a **Single Window launched**



- Since 2012, Greece has **improved** its ranking in the World Bank Doing Business study by **39** positions from position **100 to 61** in 2014.
- The competitive position of Greece in the Logistic Performance Index has improved by **22** positions. The concrete results for Customs are overwhelming with an improvement by **52** positions, **from 94 to 42**.
- The **time to export and import** has been **reduced** by **25% and 44%** respectively.
- The **cost to export and import** has **gone down** by approximately **10%**.

Benefits of a National Trade Facilitation Roadmap

- I. Provides a **common vision** to all TF stakeholders (Public and Private)
- II. Provides **continuity to public agencies** implementing reforms (change of Gov.)
- III. The Roadmap **complements other TF planning tools** (WTO TFA needs assessments)
- IV. **Support** the work of a National Trade Facilitation Committee and other TF implementation bodies.

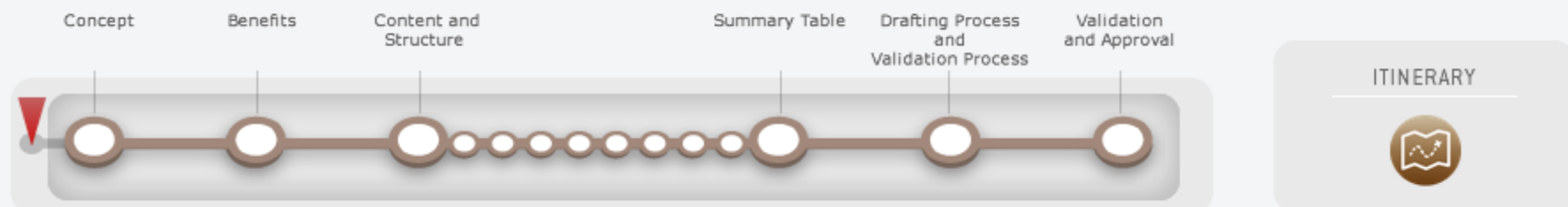
USEFUL RESSOURCE TO GET STARTED : TFIG

The screenshot shows the homepage of the Trade Facilitation Implementation Guide (TFIG). At the top left, the title "TRADE FACILITATION IMPLEMENTATION GUIDE" is displayed. To the right is the UNECE logo and a search bar with "Google Custom" and a magnifying glass icon. Below the header is a navigation menu with links for Home, About, Intro, Domains, Itineraries, Instruments, Organizations, Case Stories, and Training, along with a language dropdown set to "English". The main content area features a large graphic of colorful lines and nodes, followed by a welcome message: "Welcome to the Trade Facilitation Implementation Guide. A tool for simplifying cross-border trade." A button for "WTO TF Agreement" is visible. Below this is a section titled "Introduction to Trade Facilitation" with four main categories: Domains (represented by a network icon), Itineraries (represented by a path icon), Instruments (represented by gear icons), and Organizations (represented by a group of people icon).

USEFUL RESSOURCE TO GET STARTED: TFIG

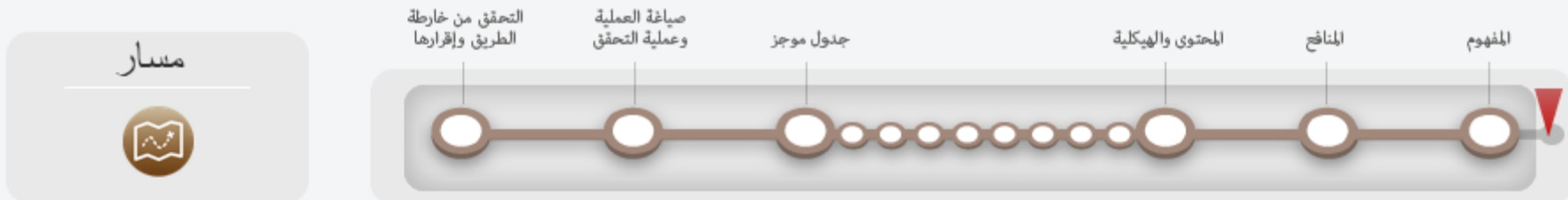
<http://tfig.unece.org/>

Developing a National Trade Facilitation Roadmap **itinerary**:



START. Click on the individual items of the graphic above to navigate the itinerary!

مسار تطوير خارطة طريق وطنية لتيسير التجارة :



البيداية. انقر على البند المراد من الرسم أ علاه لكي تتصفح المسار !



UNECE

Drafting A NTF Roadmap

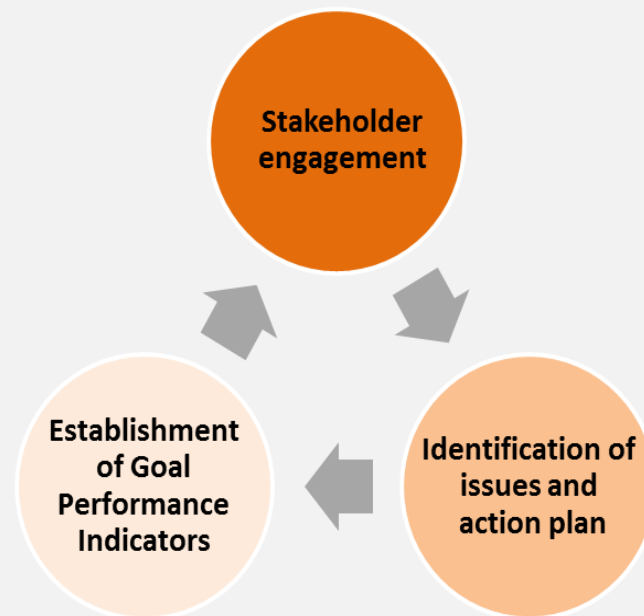


- PROCESS OF DRAFTING A TRADE FACILITATION IMPLEMENTATION ROADMAP

INITIATION
PHASE

**Mandate
and establishment of Drafting Team**

CONCEPTION
PHASE



VALIDATION
PHASE

Approval of the Roadmap

Initiation Phase – Mandate and establishment of the Drafting Team

1. A high level authority needs to **mandate** (request) the development of a document that describes the national trade facilitation reform programme.
2. This authority also needs to nominate the **Lead Editor or Drafting Team** that will lead the drafting process.

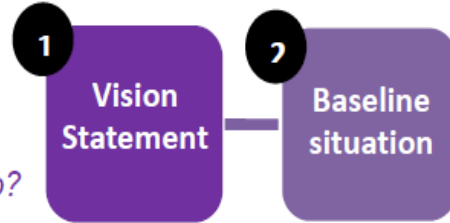
Conception Phase

- Stakeholder engagement
 - Identify → Communicate → Ensure support
- Identification of issues and action plan
- Establishment of Goal Performance Indicators

Drafting a Roadmap



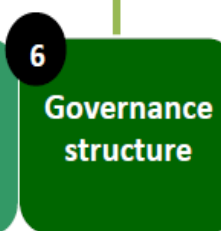
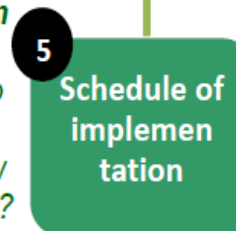
The Rationale:
 Why is the reform necessary? Where do we stand, where do we want to go?



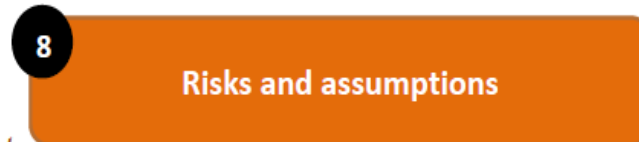
The Strategy:
 What do we want to do and how we will do it?



Implementation of the Roadmap: Who will do what? When? And how much will it cost?



Conditions:
 What are the risks and assumptions that need to be considered?



Validation Phase – Approval of the Roadmap

1. Drafting Team submit the **final draft** of the Roadmap to the project Sponsor for approval.
2. If draft is supported by Sponsor, Drafting Team organise a **public event** to inform a broader range of stakeholders.
3. Sponsor needs to ensure that Roadmap receives the **legislative and political approval**

Drafting a Roadmap – Vision Statement



- Summarizes the objectives of the trade facilitation reform and the benefits for the country.
- Express benefits of trade facilitation reform in a language that is more understandable to the general public ? help gather political support and commitment
- Provides guidance and direction for the reform process
- Serves as inspiration and a source of motivation.
- A vision statement should not be confused with a mission statement. A mission statement explains why the organisation exists, not what it wants to achieve in the future.

Drafting a Roadmap – Vision Statement

- It should be formulated in a clear and concise way, focusing on what and when - and not necessarily on how - this is going to be achieved.
- It should display the benefits to be achieved in quantifiable form (using figures) and timelines by which they should be achieved (dates).
- Or a vision statement including 2 or 3 of these types of vision description

Reaching results

- “By [date], the trade facilitation reforms in [country] will result in an increase/decrease of [indicator] by [percentage]”
- Indicators can be, for example, an increase in the Gross Domestic Product (GDP), exports, employment or a reduction in the time and costs required for import, export and transit.

Reaching benchmarks

- “By [date], [country] will rank among the Top XX countries of the world in [performance indicator]”.

High level policy objective, such as the implementation of a regional or global trade agreement or a key project

- “By [date], [country] will implement all provisions included in [trade agreement]”.
- “By [date], [project/trade reform] will be in place in [country]”.

Drafting a roadmap – Vision – Reaching a benchmark

- In 2016, (Country) was in position XX of the 189 countries ranked in the World Bank Doing Business – Trading Across Borders Ranking. Given the ongoing trade facilitation reforms in your country, in which position do you see (Country) in the next 5 years (i.e. Doing Business ranking of 2023)?
- a little bit worse than now, because other countries are improving faster
- no change in ranking
- a little bit better than now
- a lot better than now

Drafting a Roadmap – Vision – Reaching Results

- According to the 2016 World Bank Doing Business – Trading Across Borders report, the time to export in COUNTRY (the time for border compliance, which includes time for obtaining, preparing and submitting documents during port or border handling, customs clearance and inspection procedures) is XX days and XX hours. The average in REGION is XX. Considering this and the current capacity of implementing trade facilitation in XX, how much do you think that the time to export could be reduced In 5 years?

Answer Choices	Responses
I believe time will increase, not reduce in the next three years	0.00% 0
Reduction of time by less than 10% meaning time to export will be reduced by less than 1 day	6.90% 2
Reduction of time by 10% meaning average time to export equals 7 days and 21 hours	6.90% 2
Reduction of time by 20% meaning average time to export equals 7 days	6.90% 2
Reduction of time by 40% meaning average time to export equals 5 days and 6 hours	24.14% 7
Reduction of time by 50% meaning average time to export equals 4 days and 9 hours	10.34% 3
Reduction of time by more than 50% meaning average time to export will be less than 4 days and 9 hours	44.83% 13
Total	29

77% believe reduction by 40% or more



Drafting a Roadmap – Vision – Example of Greece

- “25 actions to reducing time to export by 50% and costs by 20% by the end of 2015, thus leading to at least 10% increase in exports’ value, 1.7% increase of the GDP and 80,000 new jobs”



Drafting a Roadmap – Vision – Example of Sudan

- The Sudan Trade Facilitation Implementation Roadmap will help mainstream trade facilitation in Sudan's development policy and improve the security and well-being of Sudanese consumers.
- Through the implementation of the actions included in this Trade Facilitation Roadmap, by the end of 2021 Sudan will reduce the time of import and export by 40% and remove unnecessary costs for traders, thus, leading to at least a 25% increase of exports' volume.
- It is expected that the implementation of this Roadmap will have a substantive positive impact on Sudan's Gross Domestic Product as well as on the country's position in international logistics rankings such as the World Bank Trading Across Borders.



Drafting a Roadmap – Baseline

2

Baseline
situation

- Self-assessment
- Look at the "as-is"
- Compare to the "to be"
- Basis to set up goal and activities

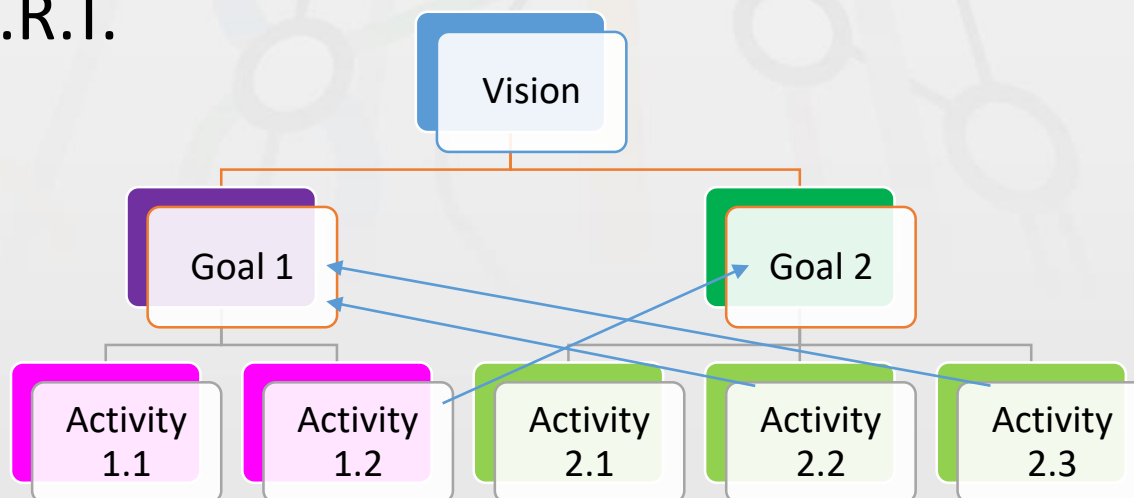
- What to look for?
 - Trade Policy environment, Ongoing initiatives, Competitiveness situation
- How to find information?
 - Desk research: reports, studies, global indicators
 - Gap analysis: Methodology to compare, clear desired outcome
 - Consultations and interviews
 - Business process analysis

Drafting a Roadmap – Goals

3

Goals
(and Goal
performance
indicators)

- define the future outcome that needs to be achieved.
- can go into detail about the results to be attained, building on the possible solutions to the previously described impediments detailed in the Baseline.
- goals contemplated in the strategy should be S.M.A.R.T.



Drafting a Roadmap – Goals

SMART GOALS

Definition



SPECIFIC

What exactly do you want to achieve?



MEASURABLE

Establish clear definitions to help you measure if you're reaching your goal.



ATTAINABLE

What steps can you take to reach your goal?
Outline the exact steps to accomplish your goal.



RELEVANT

How will meeting this goal help you? Does your goal relate to your mission?



TIME-BOUND

How long will it take to reach your goal?

Drafting a Roadmap – Goals – examples

- “Goal 1: To reduce transaction time by (percentage) by establishing paperless trade for exports by (date). Traders will be allowed to submit all documents requested for export electronically.”
- “Goal 2: To reduce release times by (percentage) for imports by upgrading the Customs risk management system and implementing risk management systems in other Agencies dealing with inspections such as the MoA and the Min of Health by (date).”

Drafting a Roadmap – Goals – Performance Indicators

Example of Goal
 Performance Indicator
with internal benchmark

Average import
 clearance time for
 ordinary
 containerized cargo in
 the sea-ports will
 decrease by [percent]

Example of Goal
 Performance Indicator
with external benchmark

Improvement of
 international ranking
 for the time to import
 as published in the
 World Bank Doing
 Business Index from
 position X in [year] to
 position Y in [year]

A GOAL

**WITHOUT
A PLAN
IS JUST A
WISH**

Drafting a Roadmap – Activities

- An Activity is a specific action or project that will implement a trade facilitation instrument or solution.
- An Activity can be, for example:
- “Activity 1: Introduce an electronic payment system for importers and exporters at Customs clearance points.”
- “Activity 2: Conduct a Business Process Analysis on the procedures and documents required for key national export products.”
- Including activities performance indicators

Drafting a Roadmap – Activities – 3 Groups

- **Quick wins:** Activities with low to medium effort, realised in the short term. Moderate impact.
- **Leverage:** Activities with medium to high effort, realised in mid term. Considerable impact.
- **Strategic:** Activities with greater effort, realised in the long term. High impact on Goals.

Drafting a Roadmap – Implementation Structure

5

Schedule of implementation

Start up phase

0-1 year

- Governance structure established.
- Preparation for delivery of actions (project plans, teams, etc)
- Quick win actions implemented.

Delivery phase

1-4 years

- Actions implemented.
- Completion of actions is reviewed using the performance indicators.
- At the middle of the Delivery Phase, KPIs should be monitored to make sure that the country is on the right track to achieve the identified Goals.

Closing phase

0-1 year

- Evaluation of the achievement of Goals using Goal Performance Indicators.
- Drafting of new Roadmap document for the next three to five years and ensure approval.

Drafting a Roadmap – Implementation Structure

START-UP PHASE

- Formal adoption of the Roadmap
- Identification of resources and finding financing for activities of the Roadmap
- Organise awareness raising meetings to inform key stakeholders of Sudan's development policy on the importance of trade facilitation
- Organise regular consultations with private sector to inform them on ongoing trade facilitation reforms
- Organise regular consultations with private sector to inform them on ongoing trade facilitation reforms

DELIVERY PHASE

- Organise training sessions for traders on trade facilitation matters
- Motivate the exporters to facilitate the financing of guarantees
- Ensure that all laws, regulations, fees, charges and procedures from ALL border agencies are published on the Internet
- Establish an enquiry point for traders in each border agency
- Revise fees and taxes for 10 key products so as to identify unnecessary costs to traders
- Analyse trade procedures for 10 key products to identify unnecessary steps and simplify procedures according to international standards
- Establish of SSMO, health, animal resources and agriculture laboratories at 3 entry points
- Review and update regulations and laws of Ministry of Environment, Health and Agriculture that could have an impact in trade facilitation
- Ensure that specific SPS requests for 10 key products are being implemented
- Identify which veterinary procedures could have an impact on trade facilitation
- Roll-out of pre-arrival processing procedures for SSMO to five more countries
- Ensure that other agencies are implementing the national standards already established by SSMO for food, agriculture, engineering, chemical and general goods.
- Implementing ISO standards that will support trade facilitation (22000, 9001, 17020) including ISO 17025 standard in laboratories of Customs and SSMO, Health, Agriculture, Animal Resources
- Roll out e-payment at all main border posts
- Improving internal border agency cooperation (i.e. cooperation at inspections and within all laboratories of different border agencies)
- Implementation of the Green Customs Strategy
- Come up with a plan to unify all channels to collect fees and charges
- Establish effective advance ruling
- Establish and promote electronic cargo manifest submissions
- Promote and foster the use and operationalization of the Authorised Economic Operation Scheme
- Implement Time Release Study every two years (mid-term and final review of Roadmap) to monitor progress and identify challenges
- Roll-up of Customs automated risk management at all border posts
- Implementation of Customs Valuation Code as indicated in Article 7 of GATT
- Harmonise documents and electronic systems to facilitate the interconnectivity of at least two border agencies so as to start the creation of Single Window for Import, Export and Transit procedures
- Create a plan to foster transshipment and transit in Sudan
- Create a specific plan to reduce delays in clearance at maritime ports

REVIEW PHASE

- Evaluation of current Roadmap and drafting of new Roadmap

Drafting a Roadmap – Governance Structure

- The NTF Roadmap should include a draft outline of the Governance Structure required to manage and implement the Activities.
- The governance structure depends on many factors:
 - Goals,
 - Activities,
 - Stakeholders,
 - Culture,
 - Past experiences,
 - Budget...
- The detailed governance structure and the name of the steering bodies will vary from country to country.

Drafting a Roadmap – Governance Structure

Should answer the following question:

**WHO WILL DO
WHAT?**

Drafting a Roadmap – Resources

- Resources need to be mobilized for the implementation of the Roadmap.

Financial



Human



- Should clearly spell out the **resources** (*human and financial*) **required for the implementation** of the different Activities and the **management and steering** of the implementation process, including resources required for the operation of the Secretariat.

Drafting a Roadmap – Risks and assumptions

- In the context of drafting a Trade Facilitation Roadmap,
- A risk is defined as:
 - An uncertain threat that, if it occurs, could have a **negative impact** in the completion of the Goal or Activity.
- An assumption, on the other side:
 - Is a condition that, will enable the **successful completion** of the Goal or Activity.
- Serves to assess whether the **Goals** and **Activities** proposed **are realistic and achievable** – and provides an **early indicator to potential danger** areas for the project
- General risks and assumptions
- Specific risks and assumptions

Drafting a Roadmap – Risks and assumptions

- General risks and assumptions can be either related to the overall implementation of the Roadmap or common to all Goals included in the Roadmap.
- Specific risks and assumptions will be related to a concrete Activity
 - i.e. a particular risk that could hinder the successful implementation of a concrete Activity or an assumption that is key to the implementation of a specific Activity.

Defining a Roadmap – Risks and assumptions

GENERAL RISKS AND ASSUMPTIONS

can be either related to the overall implementation of the Roadmap or be common to all Goals included in the Roadmap.

GENERAL RISKS

— An uncertain threat that, if it occurs, could have a negative impact in the completion of the Goals.



GENERAL ASSUMPTIONS

+ A condition that, sine qua non, will enable the successful completion of the Goals.

SPECIFIC RISKS AND ASSUMPTIONS

Specific risks and assumptions are related to a specific Activity.

SPECIFIC RISKS

— An uncertain threat that, if it occurs, could have a negative impact in the completion of a particular Activity.



SPECIFIC ASSUMPTIONS

+ A condition that, sine qua non, will enable the successful completion of a particular Activity.

Defining a Roadmap – Risks and assumptions

General risks	General Assumptions
Lack of political commitment / support.	There is political commitment /support.
There is resistance to change.	There is no resistance to change.
Lack of necessary financial and human resources.	The necessary financial and human resources are available.
Environmental event (typhoon, tsunami, etc).	There is environmental stability.

Thank you for your attention.

Tuesday, 16 January 2018

Beirut, Lebanon

Dr. Lance THOMPSON
UN/CEFACT Support Unit, UNECE

lance.thompson@unece.org

+41 22 917 12 98