



International
Trade
Centre

TRADE IMPACT
FOR GOOD

Effective participation of private sector: a recipe for success of NTFCs

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ITC MAKES TRADE HAPPEN

Joint agency of the UN and WTO

Fully dedicated to helping businesses - especially SMEs - to trade



Rules of Trade



Trade policy research and consensus



Help businesses trade

Policy Makers

TISIs

Private Sector



Advisory services

Capacity building

Trade and market intelligence

Market linkages

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Private sector must be a natural partner of policymakers in the area of TF



Private sector is at the **core of border regulatory agencies' mission**

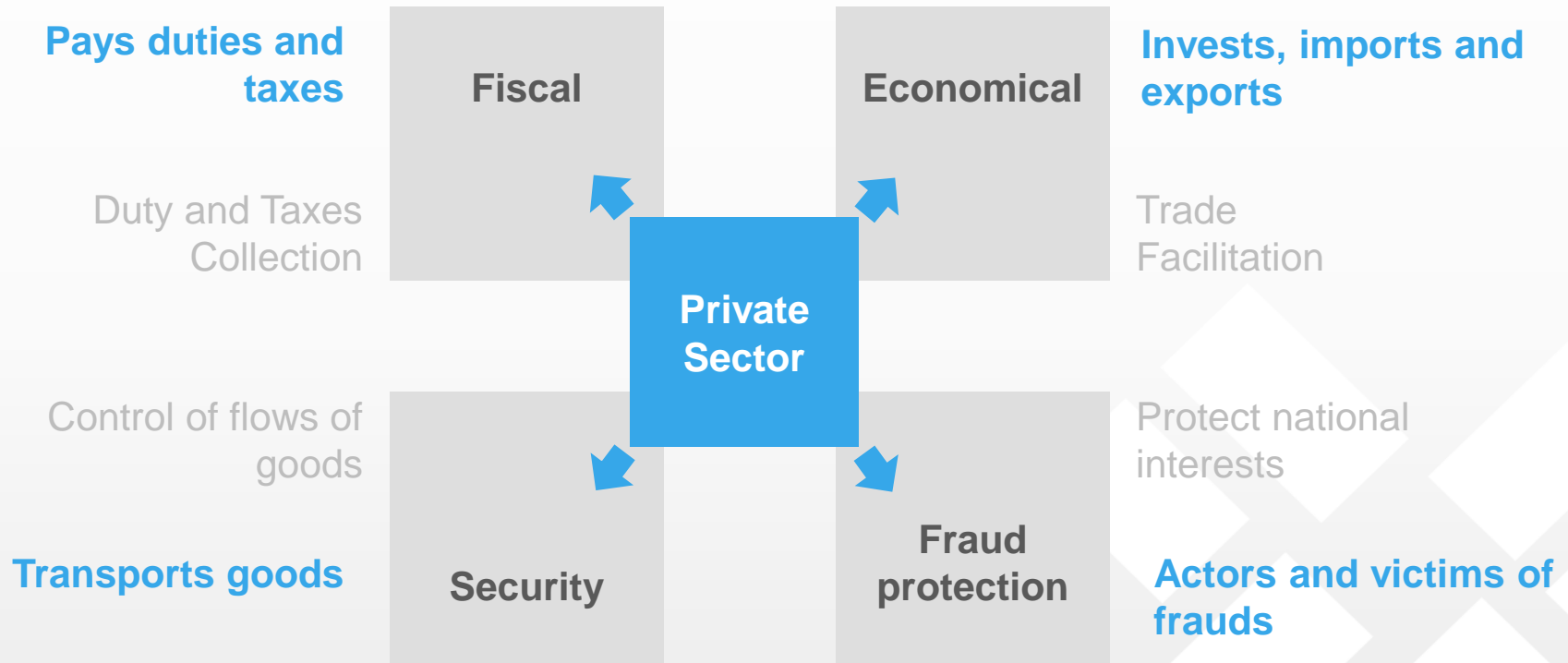


Private sector is the **main victim** of cross-border procedures inefficiencies



Private sector is the **main beneficiary** of the implementation of the WTO Trade Facilitation Agreement

Private sector is at the core of border regulatory agencies missions



Businesses are the main users/clients of the border regulatory agencies and they should be involved in their reforms

Public-private dialogue must be leveraged at each stop of policy making process

Structured dialogue ▶ **Workable reforms** ▶ **Reforms that work**

Diagnostic

Solution Design

Implementation

Monitoring and evaluation

- Engagement
- Definition
- Empowerment

- Consensus building
- Filtering

- Ongoing support
- Watchdog
- Resources

- Watchdog
- Feedback loop

PPD contributes to all steps of reform process

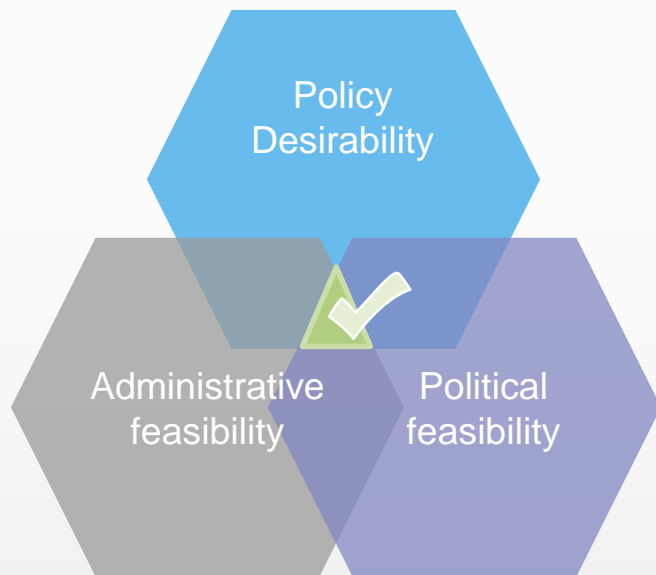


Source: International Finance Cooperation

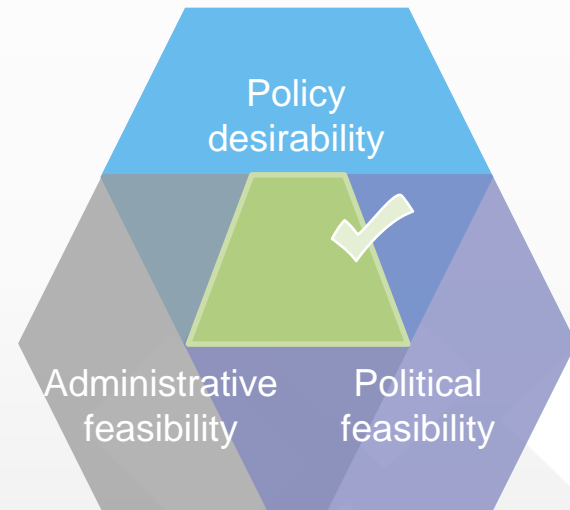
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PPD enhances the benefits of trade policy formulation

Impact of reforms when the private sector IS NOT involved



Impact of reforms when the private sector IS involved



- Raising the importance of issues on the government's agenda
- Increasing the policy desirability and feasibility of these reforms
- Building a constituency for reform
- Officials are exposed to exchange of experiences

Private sector faces challenge to engage in PPD

Information

- Lack of awareness on the existing PPD mechanisms
- Lack of information on the potential impact of lobbying activities

Expectations

- No guaranties on the results of the advocacy activities
- Long term effects vs. Short term business operational requirements

Resistance to change

- Some actors are satisfied by the status quo and are not favorable to reforms

Coordination

- Need to mobilize a large number of businesses to legitimize advocacy activities (and business coordination is not spontaneous)

Resources

- Lack of resources to crystalize a common private position

3 provisions of the TFA specifically provide for strengthened PPD

Art. 2.1

Opportunity to Comment and Information before Entry into Force

Art. 2.2

Consultations

Art. 23.2

National Committee on Trade Facilitation

6 key principles for consultation

1

Partnership and trust

- Understanding of each side's needs and point of view
- Return on investment for both Trade and Government
- Trade and Government should come to the table as equal partners

2

Transparency

- Early availability of information for all stakeholders
- Opportunity to prepare for consultation
- Concept should not be fully agreed to prior to consultation

3

Managing differences of interests

- Interest of all parties are represented
- Avoid bias toward any majority
- The protection of minority interest should also be taken into account

6 key principles for consultation (con'd)

4

Results oriented

- Each stakeholder must clearly identify key initiatives and priorities
- Dialogue must be driven to focus on achievable results
- Each side must understand the need for collaboration and compromise

5

Iterative process

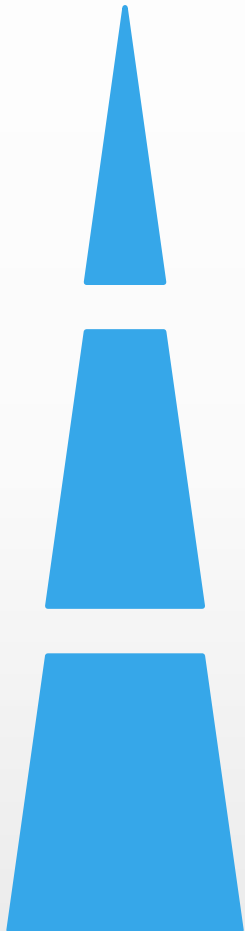
- Parties have to meet consistently
- Discussions should not be a singular event but approached as systematic
- Ensure «touching base» routing with stakeholders

6

Accountability and responsibility

- Keep record of the changes to be implemented and results achieved
- Truthfully and faithfully report back
- Establish a formal reporting structure

3 distinct levels of participation



Strategic

- Discussions would include trade facilitation policy issues taking into account regional and international obligations and agreement.
- Participants should include senior official and senior decision maker of MNC and national companies

Operational

- Discussion would include the development of legislation and official procedures and practices to allow the smooth implementation of measures
- Participants include senior government officials and business managers

Technical

- Focus on specific technical tasks to achieve a higher strategic objective (e.g. change management, communication, trainings...)
- Participants include all organization, companies and individual involved in the development of solution to support the implementation

3 key principles for NTFC set-up



ITC assistance to support the establishment of NTFCs

- ▶ Define ToRs and draft legal instrument accordingly
- ▶ Define Membership, including private sector participation
- ▶ Design the governance and reporting structures
- ▶ Define sustainable funding mechanisms
- ▶ Define the NTFC work programme
- ▶ Setup a permanent secretariat
- ▶ Setup thematic working groups and related work plans

ITC support to strengthen and operationalize NTFCs

- ▶ Organize trainings for NTFCs' Members
- ▶ Organize study tours for steering committee Members
- ▶ Assist in documents and formalities reviews (i.e. 10.1)
- ▶ Conduct specific studies to inform NTFC discussions
- ▶ Facilitate working groups and NTFC meetings

ITC assistance to strengthen private sector participation to NTFCs

- ▶ Dedicated methodology to assess and improve PPD
- ▶ SME Training module on the TFA to allow for informed and effective business participation to PPD
- ▶ E-learning curriculum on export management for SMEs delivered through a train-the-trainers approach

Ongoing ITC assistance to NTFCs

Tajikistan

- Capacity building towards NTFC Members and Secretariat
- Advisory services to develop a detailed TFA imp. roadmap

Sri Lanka

- Capacity building towards NTFC Members and Secretariat
- Advisory services to develop a detailed TFA imp. roadmap
- Support to businesses to effectively advocate for TF reforms

Afghanistan

- Build NTFC Member capacity on the TFA and TF reforms
- Build private sector capacity to advocate for TF reforms

UEMOA RTFC

- Establishment of a regional trade facilitation committee
- Develop recommendations for the harmonized implementation of selected measures of the TFA

Thank you for your attention

