



Trade Facilitation

IN BRIEF

The ITC Trade Facilitation Programme works with businesses, particularly small and medium-sized enterprises (SMEs) and border regulatory agencies in developing countries, to ensure that trade facilitation rules aimed at cutting red tape at borders and facilitating the flow of trade respond comprehensively to business needs.

THE PROBLEM AND ITC SOLUTION

Exporting businesses in developing countries can face burdensome import and export-related procedural obstacles that increase their transaction costs and negatively impact their competitiveness. SMEs are disproportionately affected because they export in smaller volumes and have higher per-unit costs. Quick and easy processing of trade transactions is critical to the international competitiveness of businesses, especially SMEs.

The World Trade Organization's (WTO) Trade Facilitation Agreement (TFA) provides a unique opportunity to reduce the time and the cost of international cross-border processes. Businesses need to build their capacity to comply effectively with new procedures and to benefit from the obligations and commitments undertaken by their governments. To this end, ITC is mobilizing the private sector to ensure the business perspective is a core part of trade facilitation reforms.

ITC is seeking to ensure a regional approach to the implementation of the TFA, building on the existing drive towards regional integration by working with the West African Economic and Monetary Union (UEMOA), the Economic Community of West African States (ECOWAS)

and the Organization of Eastern Caribbean States (OECS), among others.

The programme also involves intensive capacity-building work with SMEs to enable them to take full advantage of the opportunities presented by the TFA, including assisting in the 'formalization' of informal cross-border trade, notably in East Africa.

Collaboration with other development partners and private sector agencies supporting trade facilitation is at the heart of ITC's Trade Facilitation Programme. Accordingly, ITC is partnering with other trade facilitation agencies and the private sector to build synergies, and collaborate and share information to avoid overlap and duplication.

Publication of a training manual for SMEs on the TFA, in collaboration with the United Nations Conference on Trade and Development (UNCTAD), the Economic Commission for Europe (ECE) and the International Chamber of Commerce (ICC) is a good example of United Nations organizations 'Delivering as One', including in partnership with the private sector.

IMPACT

Examples of ITC's support include the following.

With support from ITC, four developing countries have ratified the Protocol of Amendment to WTO Agreements to include the TFA, and 19 countries have been able to notify the WTO of their category A commitments under the agreement. Category A provisions are those that countries must apply from the moment the agreement comes into force, which will be when two thirds of the WTO membership have ratified it. These countries are among the 40 WTO members (in addition to non-WTO members assisted by ITC) that ITC helped to prepare for the ground-breaking agreement.

More than 1,200 private sector representatives from 50 countries have benefitted from ITC awareness-raising and capacity-building activities to help them understand the business implications and new opportunities created by the laws, regulations and processes envisaged under the TFA.

Assisted by ITC, almost 500 women informal cross-border traders in the East African Community became 'formal' exporters by complying with import-export procedures. Similarly, with the help of ITC, 20 women's associations at borders in East Africa now provide help-desk services to women traders, further contributing to the formalization of cross-border trade.