

# ESTABLISH/STRENGTHEN NATIONAL TRADE FACILITATION COMMITTEES

## BACKGROUND

The WTO's December 2013 Trade Facilitation Agreement (TFA) represents a concerted international effort to strengthen the global economy by improving the transparency and simplifying the procedures associated with cross-border trade. The TFA is well on its way to entry into force.

USAID, through the Balkan Regional Economic Development Initiative (B-REDI), seeks to promote broad based, inclusive, and sustainable economic growth and greater economic integration within the Western Balkan region. USAID and the World Bank Group's (WBG) Trade and Competitiveness (T&C) Global Practice have supported Trade Facilitation Self-Assessments (TFSAs) in all CEFTA Parties.

These self-assessments utilized a WTO methodology to assist countries in evaluating their ability to comply with the provisions of the TFA. Key officials from the public and private sector in each Party reviewed their specific situation regarding each provision of the agreement, and developed a roadmap to reach compliance with the TFA. USAID has continually aggregated the data from these individual reports to present a composite picture of the region.

Though each Party's results were different, the most identified deficiencies in TFA provisions were associated with the need to create and/or strengthen mechanisms for improving intra-governmental coordination and to better integrate the private sector's voice into the process of implementing trade facilitation reforms, referred to in the Agreement as National Trade Facilitation Committees (NTFCs). USAID's proposal to provide assistance the establishment/strengthening of NTFCs in all CEFTA Parties was welcomed by the Parties and other development partners at the donor coordination meeting in February 2015.

## OVERALL OBJECTIVE

The overall objective of the assistance programme is to:

- Create and/or strengthen National Trade Facilitation Committees in CEFTA Parties in conformance with the WTO Trade Facilitation Agreement
- Strengthen the ability of business associations and chambers to effectively advocate on trade facilitation issues and create space for a productive public private dialogue on trade-related issues.

## ACTIONS AND ACTIVITIES

### Activity 1 – Assessment and Workshop on National Trade Facilitation Committees and methods for engaging the private sector in trade facilitation reforms

A detailed analysis of the current state of affairs and offer recommendations relating to the establishment and/or strengthening of the mechanisms for interagency coordination and public-private dialogue in the area of trade facilitation has been carried out in each CEFTA Party.

All CEFTA Parties participated in a workshop on best practices in establishing/strengthening NTFCs and incorporating the private sector into implementation. Participants exchanged experiences on current practices and discussed the terms of reference of a model NTFC for the region, including techniques for building sustainability into the institutions and the process. The Parties also began work on individual action plans that will identify the measures they will undertake to achieve full compliance with the TFA provisions.

### Activity 2 - Technical assistance to complete action plans

The WBG is currently working with three CEFTA Parties under the WTO TFA Trade Facilitation Support Program, including providing support for the establishment of NTFCs. Other CEFTA Parties are working with the USAID B-REDI mechanism to implement additional technical as-

sistance in trade facilitation, including support for the establishment of NTFCs.

All Parties should chart a path from the current state to full compliance including major actions, timeline, needed changes to laws/regulations, and the budget required. Plans should ensure consultation with all stakeholders and will articulate requirements for assistance to fully implement relevant TFA provisions. It is envisaged that further coordinated support will be provided through other donors and mechanisms, including bilateral and regional USAID projects where feasible.

### Activity 3 - Technical assistance to fully implement action plans

After each CEFTA Party develops and accepts its action plan, the available technical assistance will be determined

by each donor/project and mechanism. CEFTA Parties will receive assistance corresponding to the availability of funds in the respective countries.

### IMPACT ON CEFTA

- Improved intra-governmental trade facilitation coordination through National Trade Facilitation Committees and better integration of the views of the private sector into the process of implementing the TFA agreement
- CEFTA Parties better able to meet the challenge of comprehensively implementing both the WTO TFA and CEFTA.

## SUMMARY PROJECT INFORMATION

Dates:	2015 - 2016
Budget:	<i>n.a.</i>
Partners:	USAID, World Bank Group and CEFTA
Financiers:	USAID and World Bank Trade and Competitiveness Global Practice
Beneficiaries:	Ministries of Trade/Economy, Customs, and other government agencies involved in international trade controls; private sector

### CONTACT PERSON/FURTHER INFORMATION

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