

2. Steps to Establish and Implement TTFMM

This section proposes a step-by-step approach to establishing and implementing TTFMM. While Step 1 “Establish or designate the executive body” takes place only once, all other steps (2 to 4) should be repeated on a regular basis. One important decision to be taken, once the first baseline BPA+ study has been conducted, is how often to conduct follow-up BPA+ studies and update performance indicators.⁹

Step 1. Establish or designate the executive body

A country can either designate or establish an executive body for TTFMM. Although it may be led by one existing agency (or one public agency and one private sector organization), the body should comprise representatives of all key stakeholders in trade and transport facilitation, such as ministry of commerce, ministry of transport, customs, chamber of commerce, industry associations, traders, logistics and transport operators, freight forwarders and customs brokers. Therefore, if a National Trade and Transport Facilitation Committee (NTTFC) – or a similar institutional arrangement - is functional in the country, the NTTFC may be designated to be the executive body of TTFMM.¹⁰ If there is no NTTFC in a country, the lead agency for trade and transport facilitation can be designated to be the executive body of TTFMM and establish a multi-stakeholder committee to oversee the operations of TTFMM.¹¹

The executive body should in principle be assisted by a technical secretariat, which may be composed of at least one qualified staff from the lead agency, as well as of other technical staffs “on loan” from key stakeholder organizations.

Step 2. Preparation for conducting the (baseline) study

Once the executive body of TTFMM is set up, it needs to make a detailed plan to undertake the (baseline) BPA+ study. The following sub-steps are often important, especially when the countries conduct studies for the first time.

2A. Define the scope of study

The executive body needs to decide the detailed scope of the BPA+ study. This includes, among others, (1) selection of products for which import or export processes will be evaluated; (2) selection of specific trade and transport corridors/routes or/and mode of transport; (3) border-crossings to be covered. If this is the very first time BPA is conducted, the country may start with two to four products which are strategically important for national

⁹ This should be based on the expected pace of reform, but updating the BPA+ study results on annual basis may be considered initially.

¹⁰ If a country is in the process of establishing a NTTFC, it is proposed that one of the core functions of the NTTFC should be to operate the ‘System’.

¹¹ See ADB/ESCAP 2009 (page 142/143) for a discussion on lead trade facilitation agencies. If there is no clear lead agency for trade facilitation, the National Planning Commission or other similar agency under the direct supervision of the Prime Minister’s office may be designated.

development, and analyze the time and procedures involved for their import or export along one route leading to - or starting from – the most important border-crossing point.¹²

If a national trade facilitation strategy already exists, it should be taken into account when deciding on the scope. If BPA studies have been already conducted earlier, the executive body may consider taking these studies as a first baseline, and focus on updating the results (and time and cost estimates), including by conducting TRS and TCD.

2B. Set up the study team(s)

While BPA+ study will generate an integrated set of output, three (sub-) teams need to be set up to conduct BPA, TRS and TCD studies, respectively, in a coordinated manner. For BPA study, the study team typically comprises a project leader and process analyst(s).¹³ The BPA project leader may also be tasked to coordinate the work of the three (sub-)teams, under the overall supervision of the Executive Body and related inter-agency committees.

For the TRS, the World Customs Organization (WCO) Guide on TRS¹⁴ suggests that a TRS working group be established and include the following members.

- A Custom official at the senior management level should head and chair the working group.
- The working group should consist of between 5 to 10 members (often custom officers) to make it efficient
- There should be one or two specialists in each of the following fields in the working group: 1 specialist in Customs procedures; 1 specialist in organizational matters and administrative structures; 1 statistician; and 1 computer specialist.

For the TCD, the key issue is to record the data of cargo movement, which is often conducted by drivers along the corridor. The study team typically includes:

- One specialist in TCD who is in charge of the design of the form for data collection (that form will be given to the drivers to record the data). The specialist can also undertake the task of data analysis.
- A number of drivers, depending on the number of shipment to be traced.
- At least one senior management staff from trucking association who coordinates data collection (e.g., communicate with drivers and their companies, hand out the forms for data collection).

To the extent possible, at least some of the study team members should be part of one or more other teams, as this will facilitate coordination and synergies among the studies. Similarly, data analysis for all studies may be conducted by the same (group) of specialists. Finally, subject to adequate capacity building, the specialists to be included in the study team may come from relevant national agencies or research institutions – including the NTTFC Secretariat or Chamber of Commerce.

¹² Scope may then be expanded, depending on feedback received and the resources available to support the studies.

¹³ The number of project analysts varies depending on the scale of the project. For a small scale project, the project manager and process analyst can be the same resource person/consultant/expert, while for a large project with time constraint, several analysts may be required.

¹⁴ See Guide to Measure the Time Required for the Release of Goods, Version 2, 2011, World Customs Organization.

2C. Train the Study Team(s)

This is an important step, at least in the early stage of implementation of TTFMM. Adequate time and resources should be allocated to this. For reference, standard national BPA, TRS and TCD workshops each take 2 to 4 days.

2D. Test run

If the study is conducted for the first time in the country, it is recommended a test run should be arranged. This is important to ascertain that the data collection is done exactly as prescribed. It also provides an opportunity to remedy any problems that might be encountered due to a lack of understanding by the personnel collecting and recording the data.

For a TRS, the WCO Guide recommends half-day test run for data collection, although more time will be needed to analyze the data collected and check whether it was collected exactly as prescribed. For the TCD, the duration of test run may be at least one journey time from cargo origin to destination. Overall, 2 to 7 days may be required for test runs.

2E. Review and finalization of study design and planning

Based on test run, the initial study design and planning may have to be revised, improved and finalized.

Step 3. Implementation of (baseline) study

Implementation of the BPA+ study should generally follow the Guides of the underlying three methodologies, as shown in table 2.

Table 2. Implementation Guides of BPA, TRS and TCD studies

Methods	Guide
BPA	Business Process Analysis Guide to Simplify Trade Procedures, Updated September 2012, (http://www.unescap.org/tid/publication/tipub2558new.asp)
TRS	Guide to Measure the Time Required for the Release of Goods, version 2, 2011 (http://www.wcoomd.org/en/topics/facilitation/~/media/WCO/Public/Global/PDF/Topics/Facilitation/Instruments%20and%20Tools/Tools/Time%20Release%20Study/Time_Release%20Study_ENG.ashx)
TCD	Transport Route Analysis and UNESCAP's Time/Cost Methodology (http://www.unescap.org/ttdw/index.asp?MenuName=RouteStudiesWelcome)

It would generally be preferable that these activities take place within a similar time period so the results of TRS and TCD in particular can be compared and used to verify relevant time and cost estimates identified during the BPA. Three months may be needed to generate and compile all final draft study outputs.¹⁵

Step 4. Finalize recommendations

The study team leaders together with the Executive Committee of TTFMM should work together to ensure that a consistent set of recommendations emerges from the analysis of the data collected through BPA, TRS and TCD.

¹⁵ This is just an indicative time frame as actual time needed for study implementation will depend on scope as well as experience and resources available to those conducting the study and operating the System.

While the conduct of BPA itself involves a significant amount of consultations with a wide array of stakeholders, it is strongly recommended that national consultation(s) be also held to validate the results of BPA+, with a focus on endorsing prioritizing recommendations put forward by the Executive Committee.

Recommendations emerging from BPA+ should be linked to on-going and planned trade facilitation reform and projects to increase the likelihood that they will be implemented in a timely manner. While the Executive Committee of TTFMM should have a good and comprehensive understanding of the various trade facilitation reforms taking place in the country, specific consultations with trade and transport facilitation project managers and organizations supporting them (including bilateral donors and international financial institutions) may be particularly useful at that stage.

Step 5. Communicate the results and recommendations

Once the study is finalized, the Executive Committee of TTFMM (e.g., the NTTFC) needs to communicate relevant results and recommendations to target audiences and stakeholders. In line with the general principle of transparency, as much of the study results as possible should be made publicly available. At the same time, the Executive Committee, in consultation with the relevant study teams and working groups (e.g., TRS working group) may decide to only release part of the results and performance data - or to release them in a more aggregated form.

Key recommendations and brief summary of study report should be presented to high-level policy and decision makers. The buy-in and political support from them is not only essential for sustainability of TTFMM but also to ensure that the recommendations generated by TTFMM can be translated into concrete actions and reforms (see Box 1).

Other Relevant Issues

Some countries, especially least developed countries and landlocked developing countries, may face difficulties in putting TTFMM in place on their own and may need to be provided technical and financial assistance, at least in the first few years of establishment and operation.

While TTFMM is of national scope, some countries, particularly landlocked developing countries, are very much dependent on other countries in facilitating trade (e.g., transit countries). In such cases, bilateral or sub-regional mechanisms will be needed to enable sharing of information and to conduct cross-border BPA+ studies for monitoring progress and identifying reforms needed along the trade route.