



# National Trade Facilitation Committees

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UNCTAD

**ESCAP-ARTNET-ITD Online Course  
on Trade Facilitation for  
Sustainable Development  
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# Objectives



Better understand  
the concept  
of National Trade  
Facilitation  
Committees  
(NTFCs)



Identify the key  
elements that will  
contribute to the  
sustainability of  
the committee



# National Trade Facilitation Committees

1

**Concept**

2

**Brief  
history**

3

**Key  
elements**

4

**Lessons  
learned**



# What is a National Trade Facilitation Committee?

A Trade Facilitation Committee is a multi-agency permanent platform where relevant stakeholders from the public and private sectors discuss and coordinate trade facilitation measures at a national level



# Why countries need a National Trade Facilitation Committee?

**Carrying out trade facilitation reforms requires:**

- a great deal of coordination and cooperation among the various public and private stakeholders

**This is not an easy task**

- different stakeholders have different interests
- trade facilitation measures may be complex in their design and operation
- they require the participation of public and private actors



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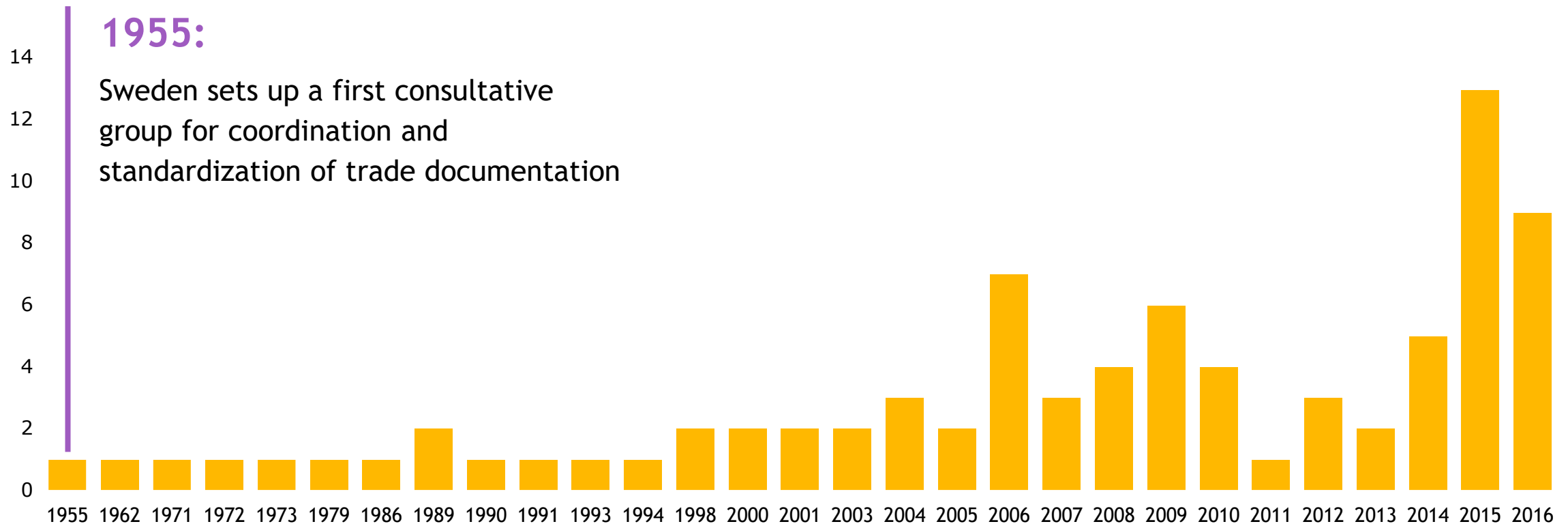
4

**Lessons  
learned**



# Trade Facilitation Bodies over the past 60 years

As of Number of Trade Facilitation Bodies over the past 60 years

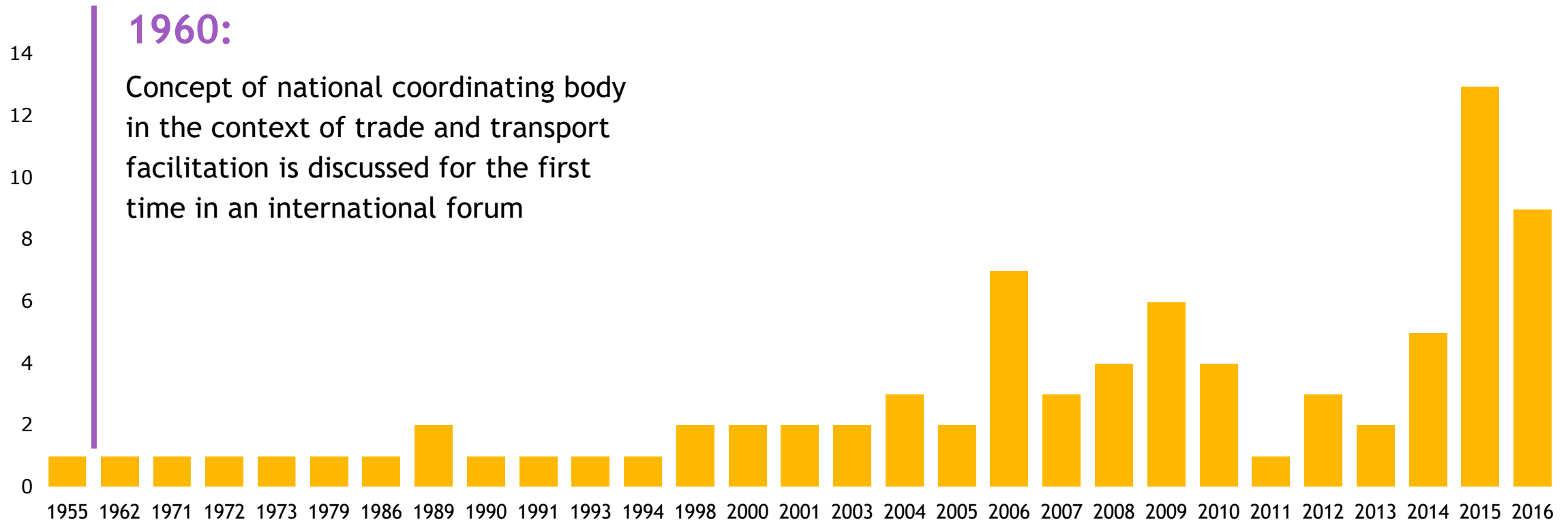


Source: UNCTAD



# Trade Facilitation Bodies over the past 60 years

As of Number of Trade Facilitation Bodies over the past 60 years



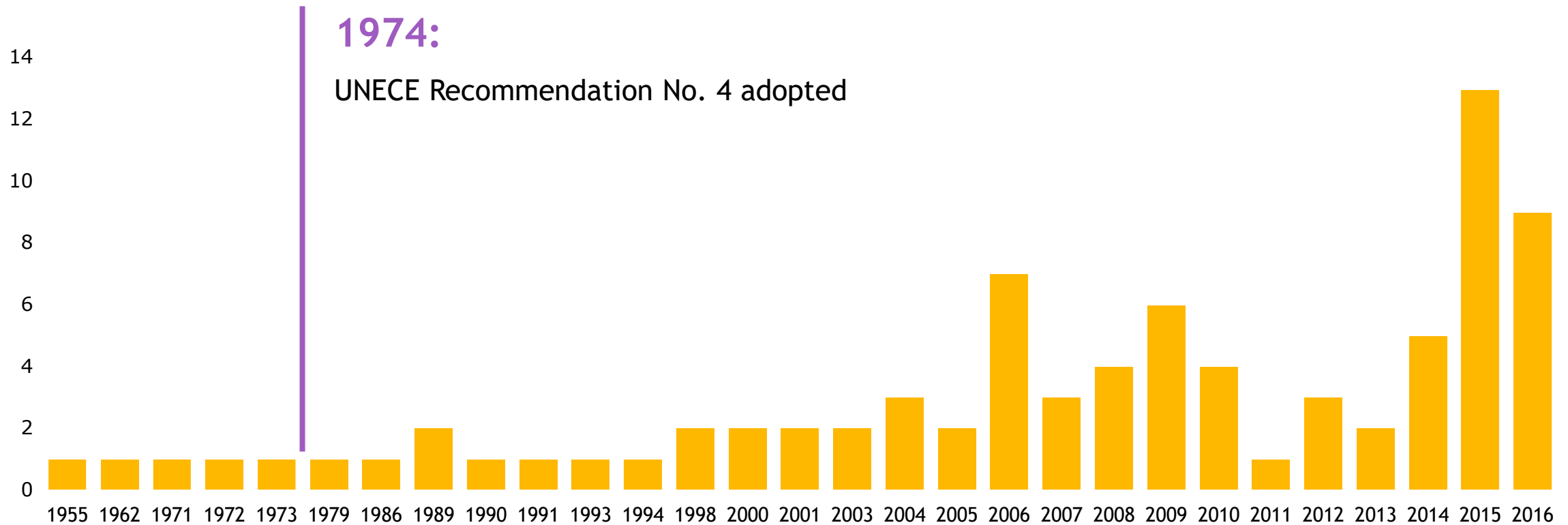
Source: UNCTAD





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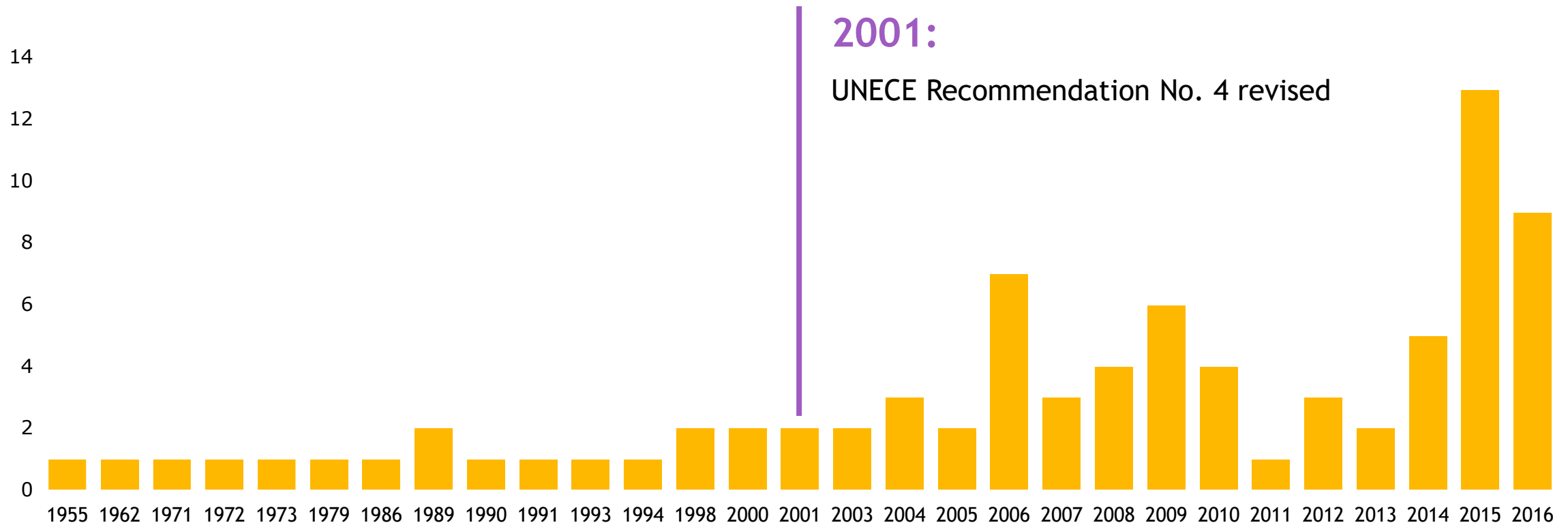


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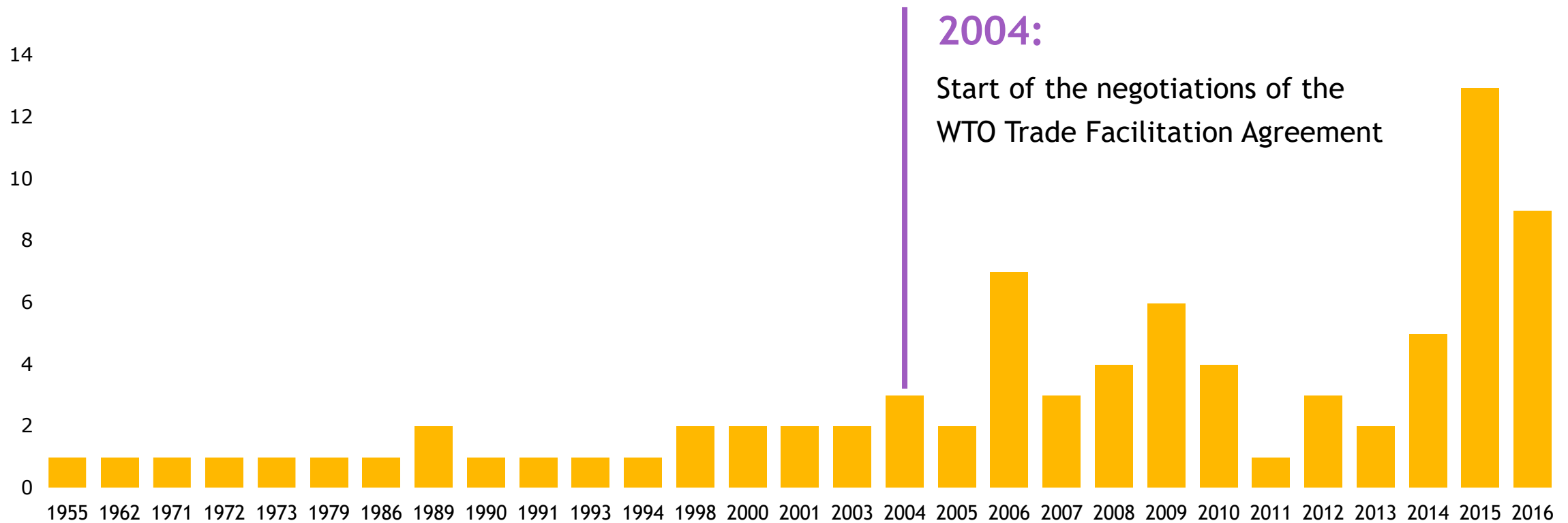


Source: UNCTAD



# Trade Facilitation Bodies over the past 60 years

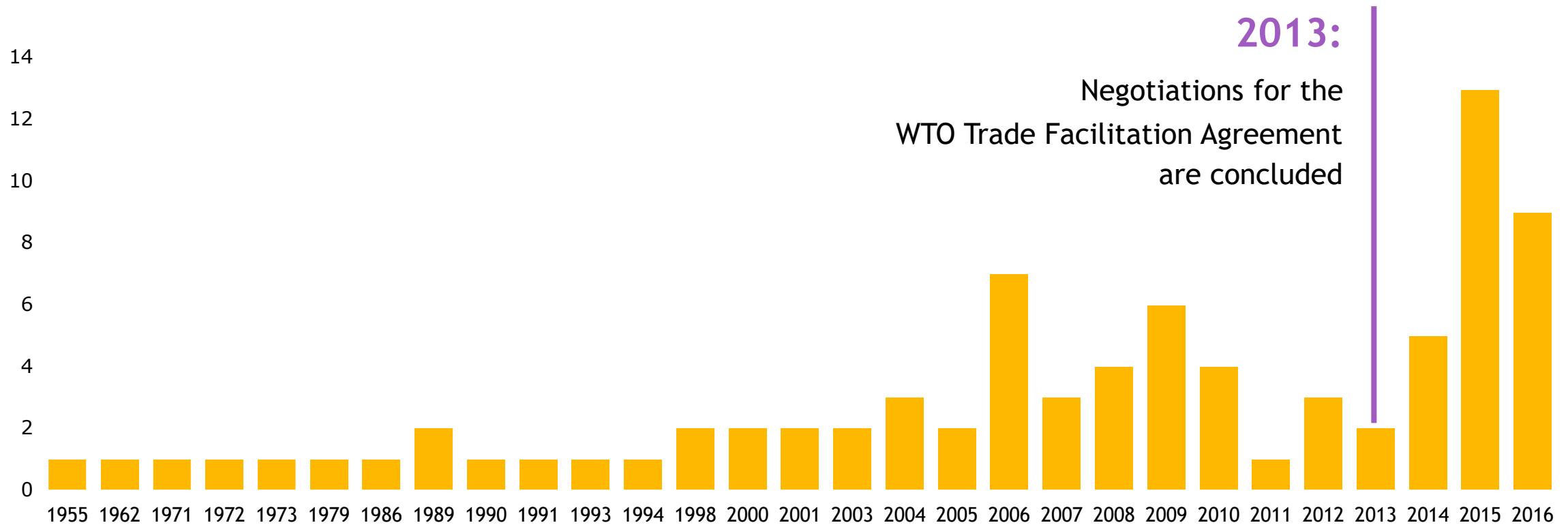
As of Number of Trade Facilitation Bodies over the past 60 years



Source: UNCTAD

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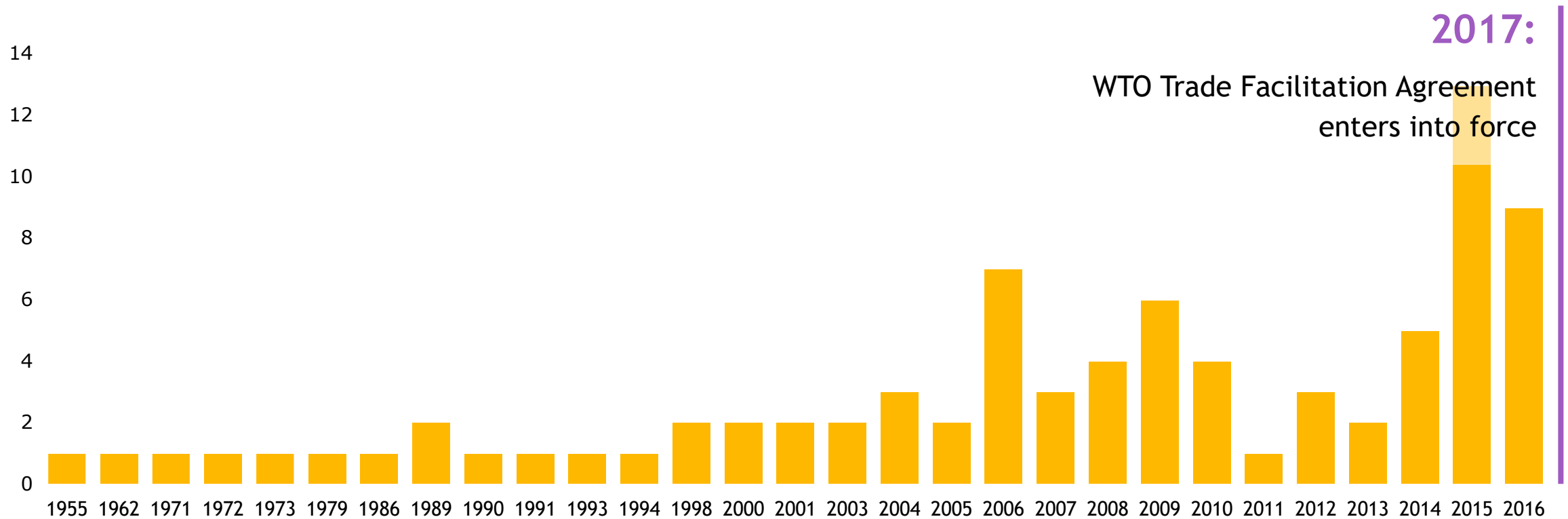


Source: UNCTAD



# Trade Facilitation Bodies over the past 60 years

As of Number of Trade Facilitation Bodies over the past 60 years



Source: UNCTAD

## According to the WTO Trade Facilitation Agreement

“Each Member **shall establish and / or maintain** a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of the provisions of this Agreement” (Art 23.2)

No details are given on the formal status, nature, type and composition of the National Trade Facilitation Committee



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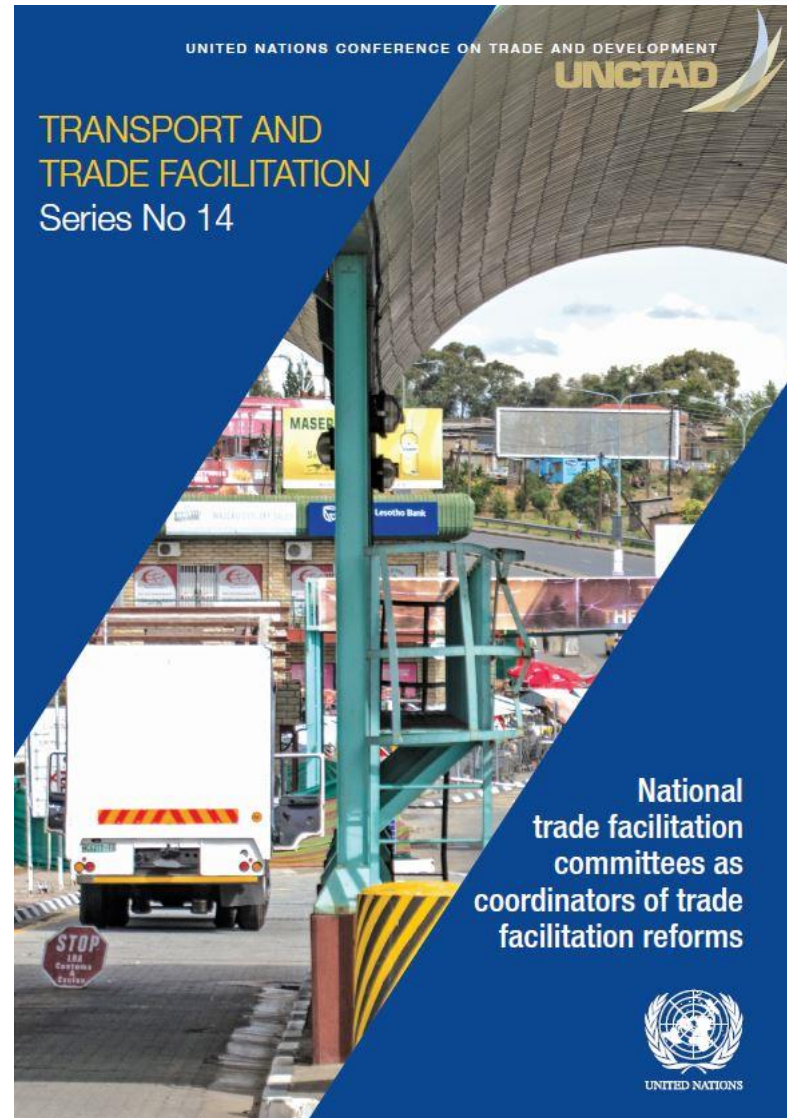
Lessons  
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# Key elements

The statistics presented are the results of a study published by UNCTAD in 2020

It includes information and good practices from 52 country-cases collected from July to September 2019 via a standardized questionnaire developed by UNCTAD



You can find the full report under: <https://unctad.org/tfc>



## Key elements



Scope of  
action



Degree of  
institution-  
alisation



Terms of  
reference



Work plan  
& monitoring



Coordinating  
agency &  
permanent  
secretariat



Regularity &  
frequency of  
meetings



Composition



Communication



Financing



Concrete  
operational  
outcomes



**Is the scope of action  
of National  
Trade Facilitation  
Committees  
currently limited  
to issues related  
to the WTO  
Trade Facilitation  
Agreement?**

Sample: 59 countries

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/nafc>





National Trade Facilitation Committees, even those created in the context of the WTO Trade Facilitation Agreement, should **address issues and aim at reaching results beyond the implementation of this Agreement**



### 3 Key elements



Scope of action

## Scope



71%



**Monitoring**  
implementation of WTO  
Trade Facilitation Agreement



69%



**Advise Government/make**  
recommendations



60%



**Collect and disseminate**  
information /raise  
awareness

Sample: 59 countries

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/nffc>





## Key elements

### Objectives & Scope of action

By defining a broad scope of action from the beginning, National Trade Facilitation Committees are flexible to promptly **adapt to the changes that new international/regional agreements and priorities** might bring in the future

This is essential for the **sustainability** of the Committee over the years



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## Are National Trade Facilitation Committees usually institutionalized?



Sample per level of development: developed countries (3), developing countries (39), least developed countries (17)

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/ntfc>



## Key elements

### Degree of institutionalisation

Each country decides on the **degree of institutionalization** that is beneficial for a trade facilitation committee based on its own **administrative culture and political priorities**





## Key elements



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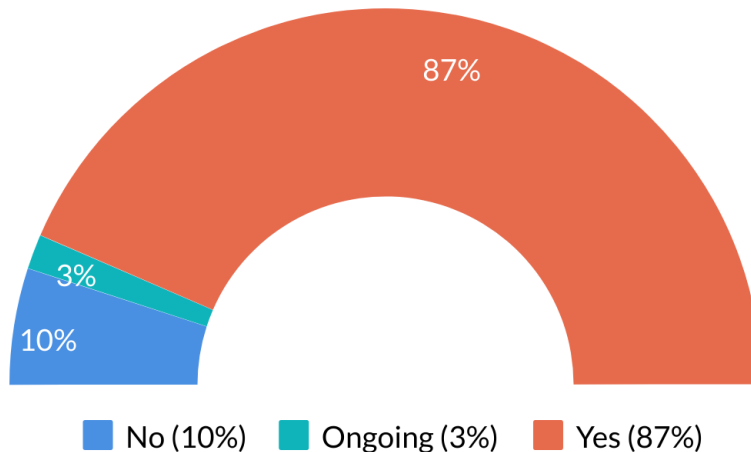
Concrete  
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## Terms of reference

The basis for a common understanding among the parties involved in a trade facilitation committee

**Does the National Trade Facilitation Committee has Terms of Reference?**



## Key elements



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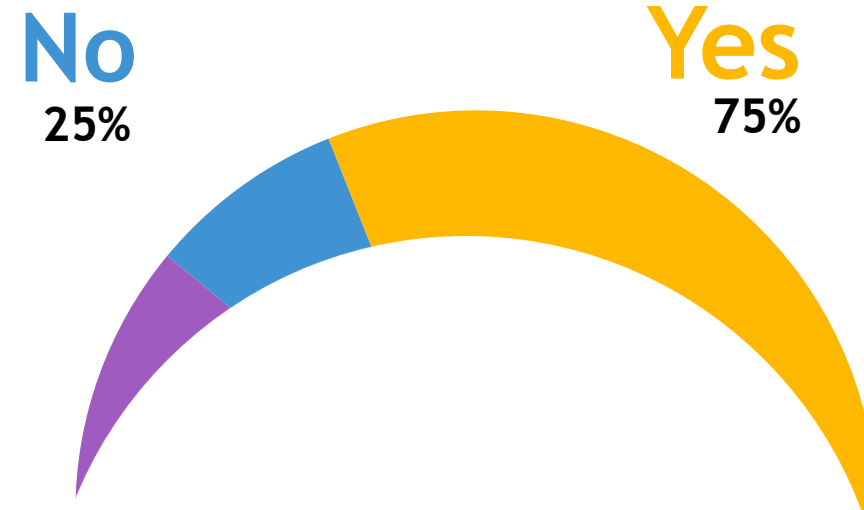
Concrete  
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## Do National Trade Facilitation Committees have a work plan?

A work plan is a strategic tool that enables a project owner to assign and track tasks within a given timeline. It helps identifying workflows and responsibilities

Having a defined work plan and a tool to monitor its progress is a key factor for ensuring the successful implementation of trade facilitation reforms



Sample per level of development: developed countries (3), developing countries (38), least developed countries (17)

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/tfc>. Sample: 58 countries

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## Key elements

Coordinating agency & permanent secretariat

# Coordinating agency and permanent secretariat

### Coordinating agency:

- leads the efforts of the Committee
- the chairperson or vice-chairperson of the committee might come from that agency

### Permanent secretariat:

- sends invitations
- prepares the agenda
- drafts the meeting minutes, reports, among others

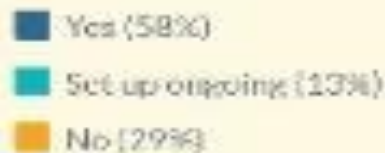






## PERMANENT SECRETARIAT

**58% of National Trade Facilitation Committees have a permanent secretariat**



**On average, 4 people work at the permanent secretariat**

**29% of National Trade Facilitation Committees do not have a permanent secretariat because...**

1



Lack of financial resources  
75%

2



Lack of human resources  
17%

3



Lack of political support  
8%



## ORGANISATION HOSTING THE PERMANENT SECRETARIAT



Ministry of Trade  
73%



Customs  
13%



Chamber of Commerce  
9%

**73% of permanent secretariats are held by the Ministry of Trade**

## FINANCING



- No budget (45%)
- Domestic resources (29%)
- Donor / Development Partners (24%)
- Private sector (2%)

**45% of permanent secretariats do not have a dedicated budget**





## Key elements

Coordinating agency & permanent secretariat



**Provide the National Trade  
Facilitation Committee with  
a permanent secretariat**



## Key elements



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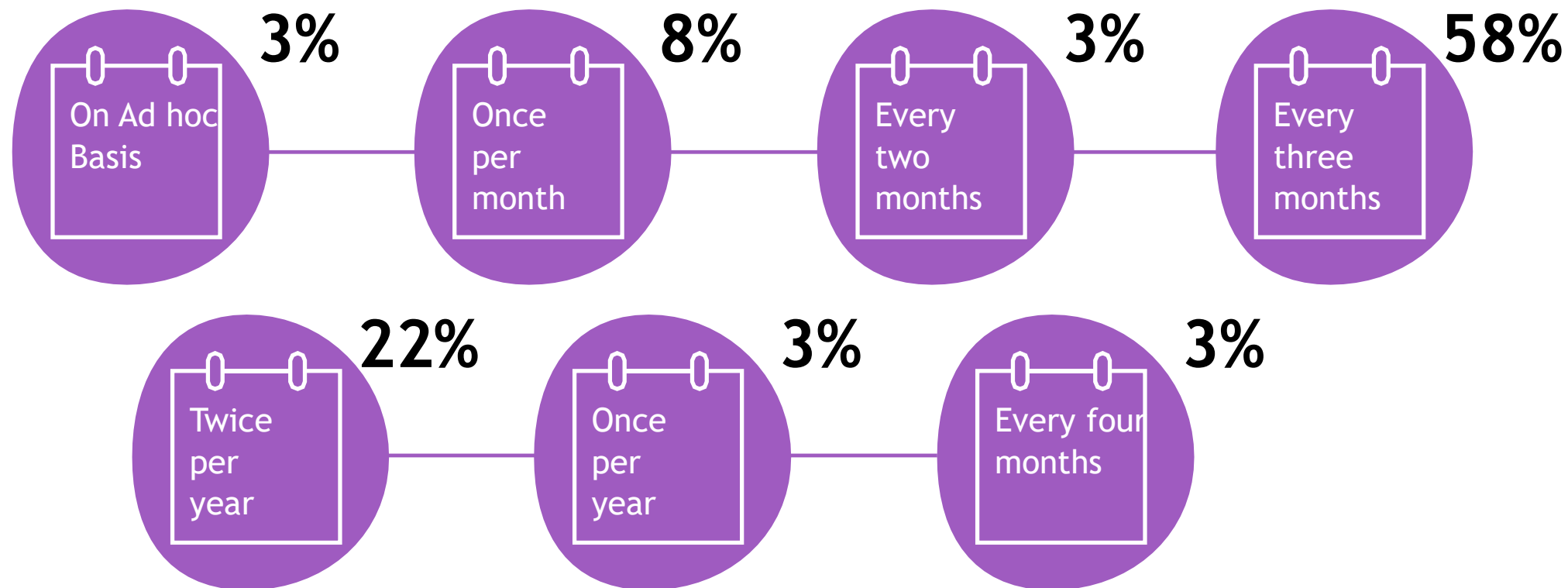
# Regularity and frequency of meetings

- Trade facilitation committees are permanent institutions which require to meet regularly
- Ensuring domestic coordination is essential and it can be done with the help of frequent meetings





## Frequency of meetings of National Trade Facilitation Committees



Sample: 58 countries

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/nftc>



## Key elements

Regularity and frequency of meetings



Meet regularly



## Key elements



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# Public-private representation

The average membership for National Trade Facilitation Committees is 18 members



Public



Private



**Average number of public and private members in a National Trade Facilitation Committee**

Sample per level of development: developed countries (3), developing countries (39), least developed countries (17)

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/tfc>. Sample: 59 countries

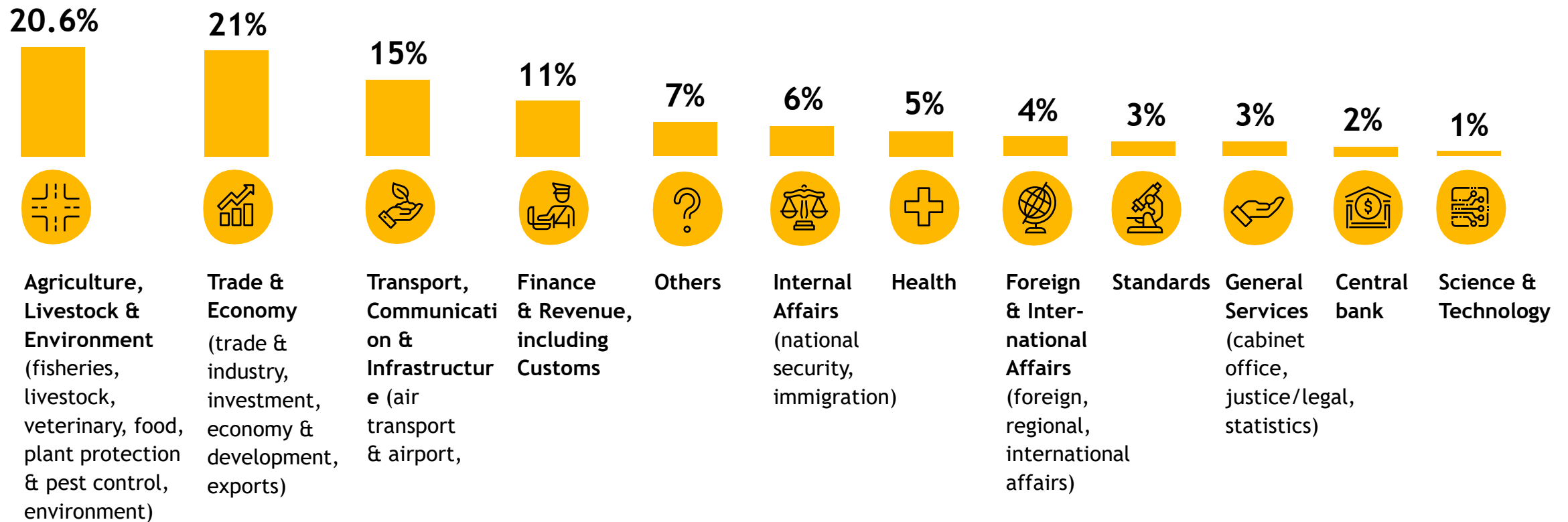


### 3 Key elements



Composition • Private Public Composition

## Members of the National Trade Facilitation Committees from public entities



Sample: 59 countries

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/nafc>

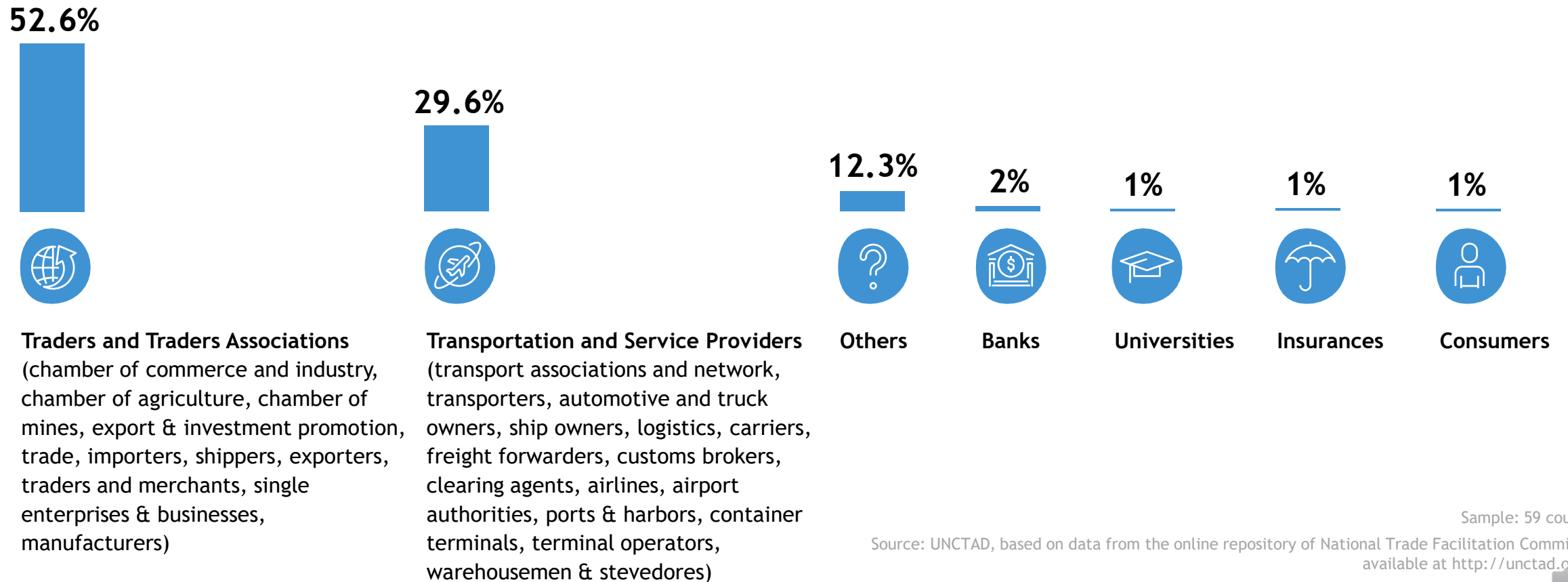


### 3 Key elements



Composition • Private Public Composition

## Members of the National Trade Facilitation Committees from private entities



Sample: 59 countries

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/nafc>



**Be inclusive - trade facilitation  
is a cross-divisional and  
cross-sectorial endeavour**





# Gender mainstreaming





## Key elements

Composition • Gender mainstreaming

# Average gender distribution in National Trade Facilitation Committees



Women (37%)



Men (63%)



Sample per level of development: developed countries (5), developing countries (28), least developed countries (6)

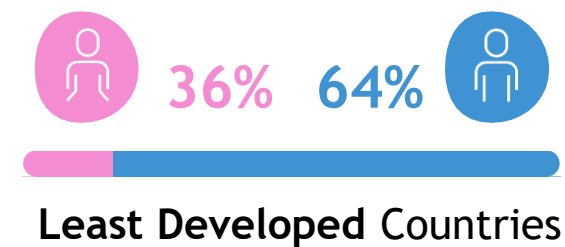
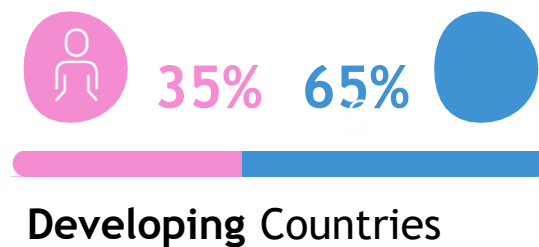
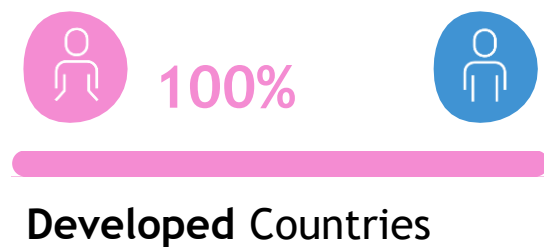
Source: UNCTAD





# Percentage of National Trade Facilitation Committees where their Chairman, President or Vice President is a woman

By level of development



Sample per level of development: developed countries (5), developing countries (28), least developed countries (6)

Source: UNCTAD





# Reasons why the National Trade Facilitation Committees have never taken a decision or action to mainstream gender in trade facilitation



21%



Lack of awareness  
on gender mainstreaming



58%



Gender mainstreaming  
not relevant at this stage



21%



Gender mainstreaming  
not considered a priority





**National Trade Facilitation Committees should make concrete steps to address gender equality, regarding both the composition of the committee and the substance of its work**

Start out by mainstreaming trade facilitation in national trade policies, as it helps to formalize the informal traders, who are often women, and support women entrepreneurs in accessing foreign markets



## Key elements



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## Main communication channels

Communicating with stakeholders is essential to the successful implementation of the Committee's work plan and objectives

A communication channel may be defined as the instrument used to convey a message from a sender to a recipient

In the context of trade facilitation bodies, the committees are the senders and their members and direct stakeholders are the recipients of the message





## Percentage of National Trade Facilitation Committees that mention these aspects as communication channels to keep stakeholders informed



E-mail



Administrative letters  
/ Official communication



Meetings

Sample: 58 countries

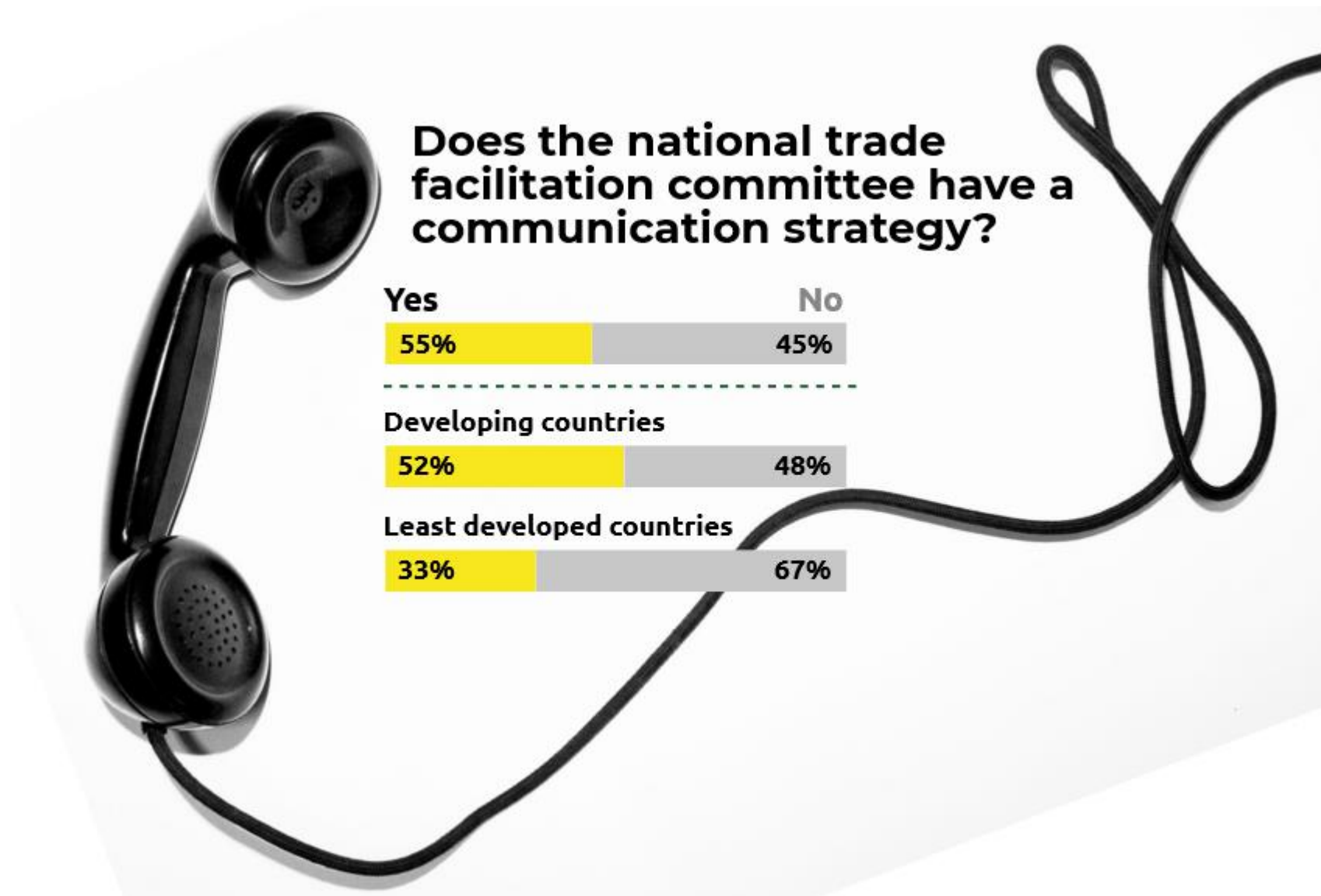
Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/nffc>





## Key elements

Communication • Interaction with other groups



## Key elements



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# Financing National Trade Facilitation Committees

With an allocated budget, trade facilitation committees can cover operational needs such as:

- office rental and equipment
- software tools
- reproduction and publications services
- telephones and facsimile machines
- translation services
- meeting organization
- training sessions
- public information provision and media outreach
- secretariat employee salaries







## KEY FACTS ABOUT FINANCING

### *the National Trade Facilitation Committee*



#### Is there a budget available for the National Trade Facilitation Committee?





## Who finances the National Trade Facilitation Committee?

On average, 75% of National Trade Facilitation Committees, that do have a budget for its activities, are financed by **domestic resources**



Developed countries



Developing countries



Least developed countries





Provide the National Trade Facilitation Committee with the necessary resources





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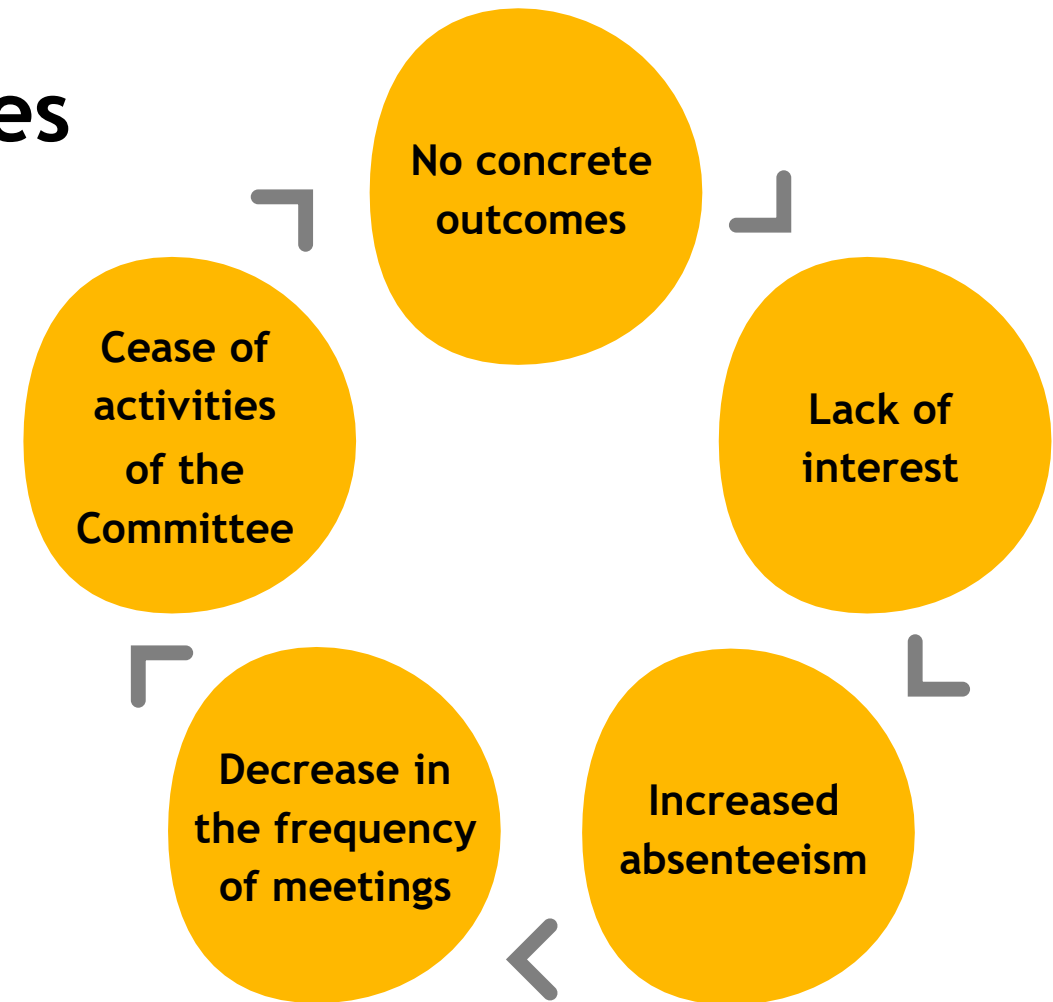


## Concrete operational outcomes of National Trade Facilitation Committees

Make sure that results are being achieved and that participants are aware of those outcomes

It is crucial to show them:

- the impact of their work and
- the return on their investment to join the meetings of the Committee





## Percentage of National Trade Facilitation Committees that mention these aspects as concrete operational outcomes or impact

**73%**

**Developed an implementation plan for the WTO Trade Facilitation Agreement**

**75%**

**Improved coordination**

**77%**

**Ratification / notifications of the Trade Facilitation Agreement sent to the WTO**



Sample: 56 countries

Source: UNCTAD, based on data from the online repository of National Trade Facilitation Committees, available at <http://unctad.org/nffc>



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## Success factors for National Trade Facilitation Committees

Success factors are elements that positively contribute to attaining the objectives set by a trade facilitation committee and that help to effectively develop its activities





## Main success factors for National Trade Facilitation Committees

**57%**

Commitment from members  
/ high participation

**57%**

Political commitment

**57%**

Financial assistance  
/ adequate resources

**55%**

Private sector involvement



Sample: 55 countries

Source: UNCTAD, based on data from the online repository of nAtional Trade Facilitation Committees, available at <http://unctad.org/tfc>





## Main obstacles for National Trade Facilitation Committees

- Obstacles are elements that might hinder or delay the implementation of measures and thereby the achievement of the goals set by a trade facilitation committee
- Obstacles will negatively influence the effective development of the activities of the committee





## Percentage of National Trade Facilitation Committees that mention these aspects as their greatest obstacles

**71%**

Lack of funding / resources

**53%**

Lack of awareness

**47%**

High level support

**47%**

Resistance to change

**39%**

Maintain engagement

**37%**

Incorrect representation





## Two messages

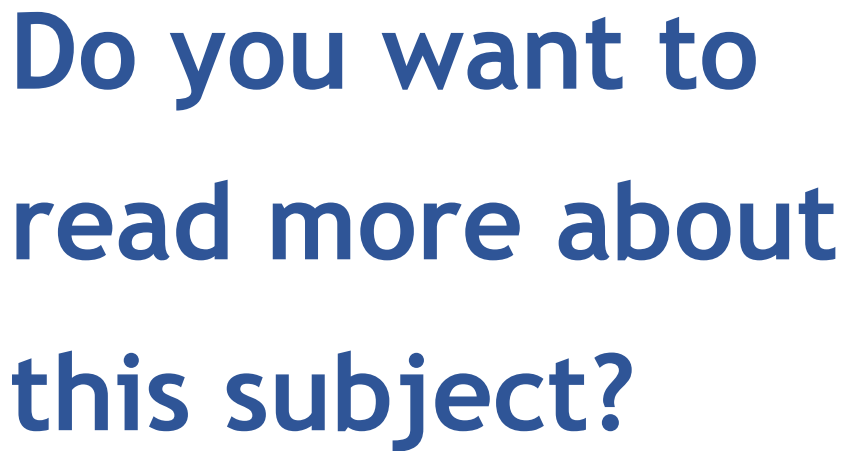


**For policy makers:**  
Include private sector in  
the TF committees



**For private sector:**  
Participate actively in  
trade facilitation reforms





# Thank you!



For additional information, contact:  
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