



India's experience of National Committee on Trade Facilitation

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By:-

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Problem Statement

Twin requirement of faster clearances with lower costs and more compliance to address issues of security, safety, health etc.

Requires all players in the supply chain to coordinate optimally

Need an effective platform to bring all of them together

Solution: NCTF mandated under Article 23.2 of TFA



Challenges faced to effective NCTF

Multiplicity of stakeholders

Lack of political support and commitment

Need for coordination among stakeholders

No/ Inadequate
decision making
power

Limited awareness

No inclusive approach

No public private partnership

No ownership by stakeholders



NCTF Structure Design Principles

Wide Representation

TFA requires multiple stakeholders to come together in order to ease bottlenecks and facilitate cross border trade.



Coordination

NCTF facilitates/coordinates with various agencies at various levels to achieve common goals.



Flow of Information

NCTF facilitates the flow of information and knowledge sharing between different agencies and regions.



Decision Making Authority

NCTF facilitates decision making processes w.r.t. various stakeholders.

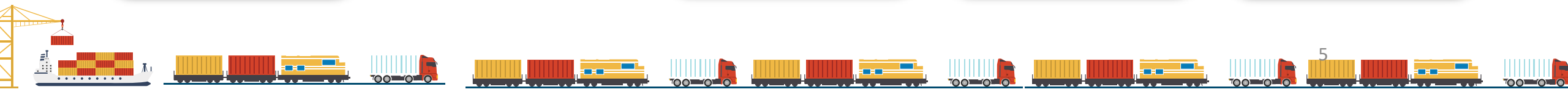
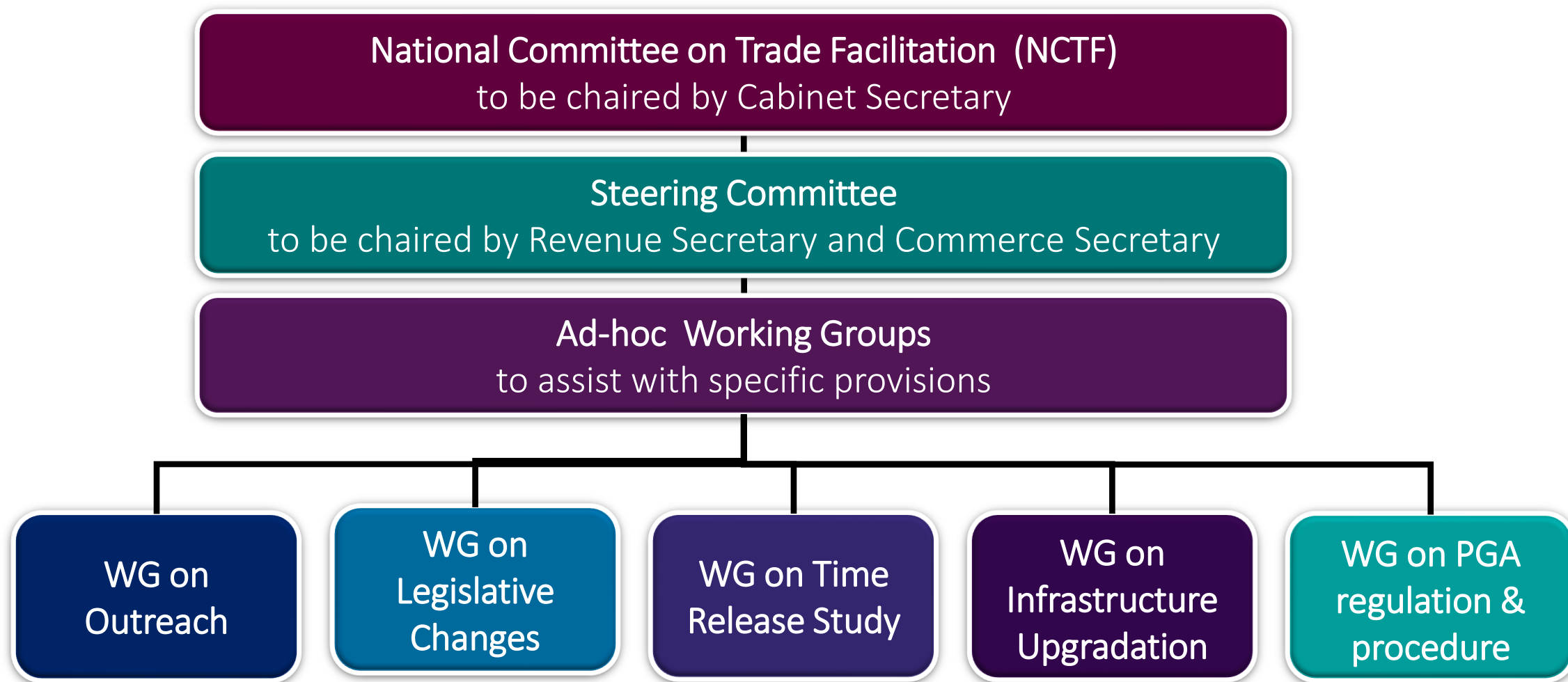


Public and Private Ownership

NCTF has representation from both public and private stakeholders.



Implementation Institutional mechanism



Border clearance ecosystem

Responsibility matrix

- Customs (Ministry of Finance)
- DGFT (Ministry of Commerce)
- FSSAI and CDCSO (Ministry of Health)
- Animal and Plant Quarantine (Ministry of Agriculture)
- Bureau of Standards (Ministry of Consumer Affairs)
- Textile Committee (Ministry of Textiles)
- Wireless Planning and Coordination (Ministry of Communication and IT)
- Wildlife Crime Control Bureau (Ministry of Environment and Forests)

Regulatory Framework and Cross Border Procedures

Infrastructure and Logistics Support

- Ministry of Shipping
- Ministry of Civil Aviation
- Ministry of Railways
- Ministry of Road Transport and Highways
- Ministry of Home Affairs
- Ministry of Commerce
- Ministry of Finance



NCTF developed an agile tool to map implementation and undertake monitoring of TFA



Tracking

- Dashboard for birds-eye view
- Ministry and Agency level compliance tracking
- Customized reports
- Article wise compliance status



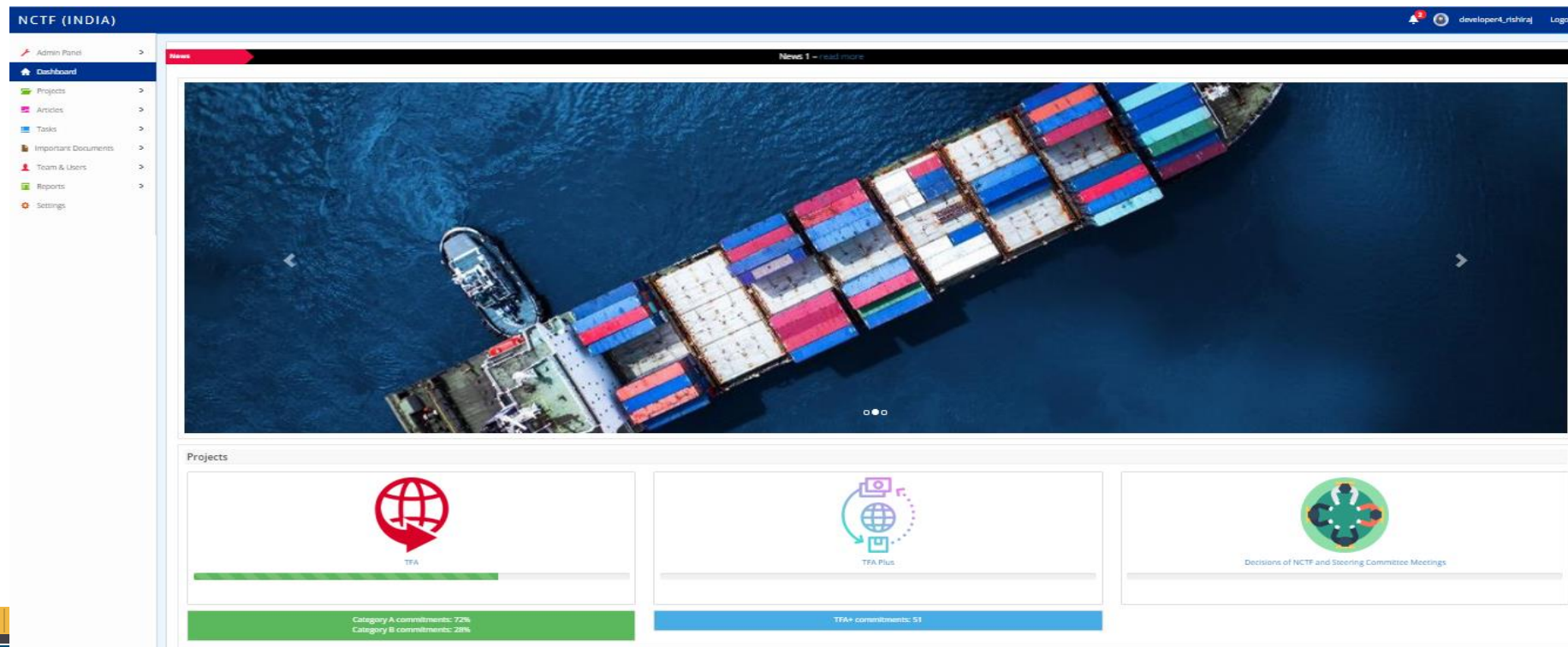
Monitoring

- Highlight delays and time overrun
- Reminders for task completion
- Repository of supporting documents
- Verification of information at Ministry and NCTF levels



Collaborating

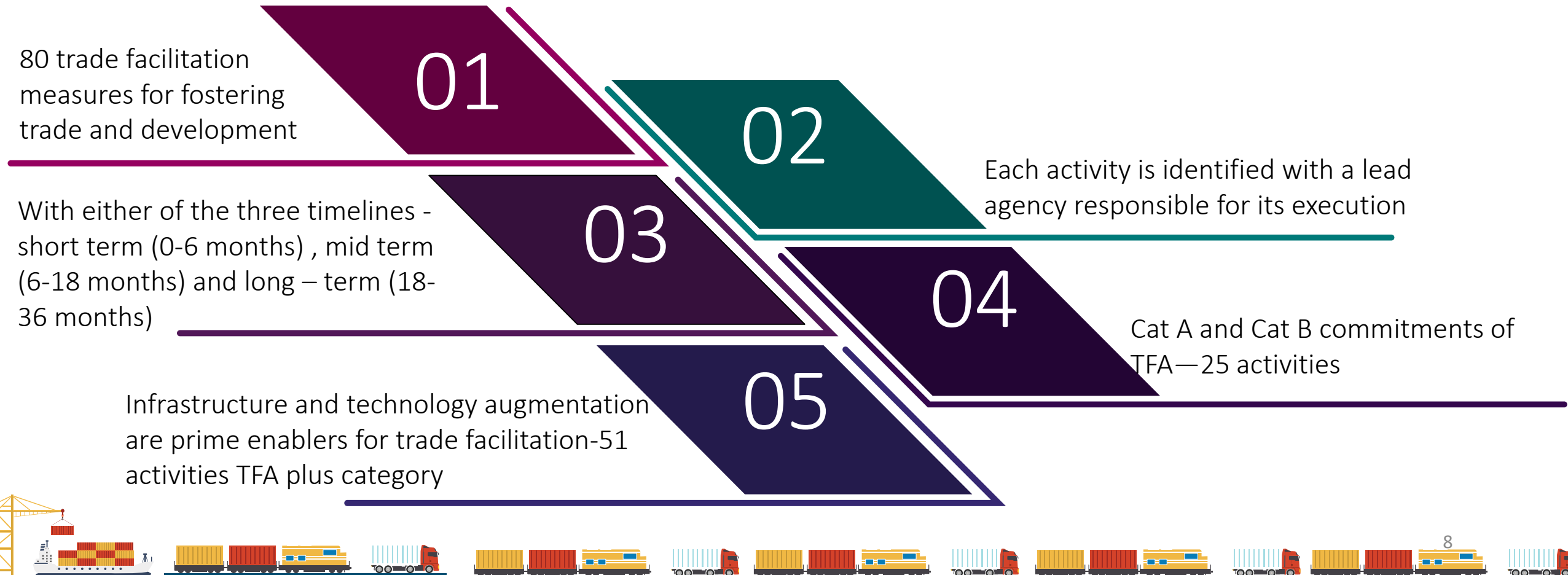
- Real time MIS
- Easier to update the status
- Delegation of duties from NCTF/ Ministry
- Single repository of all TFA compliances



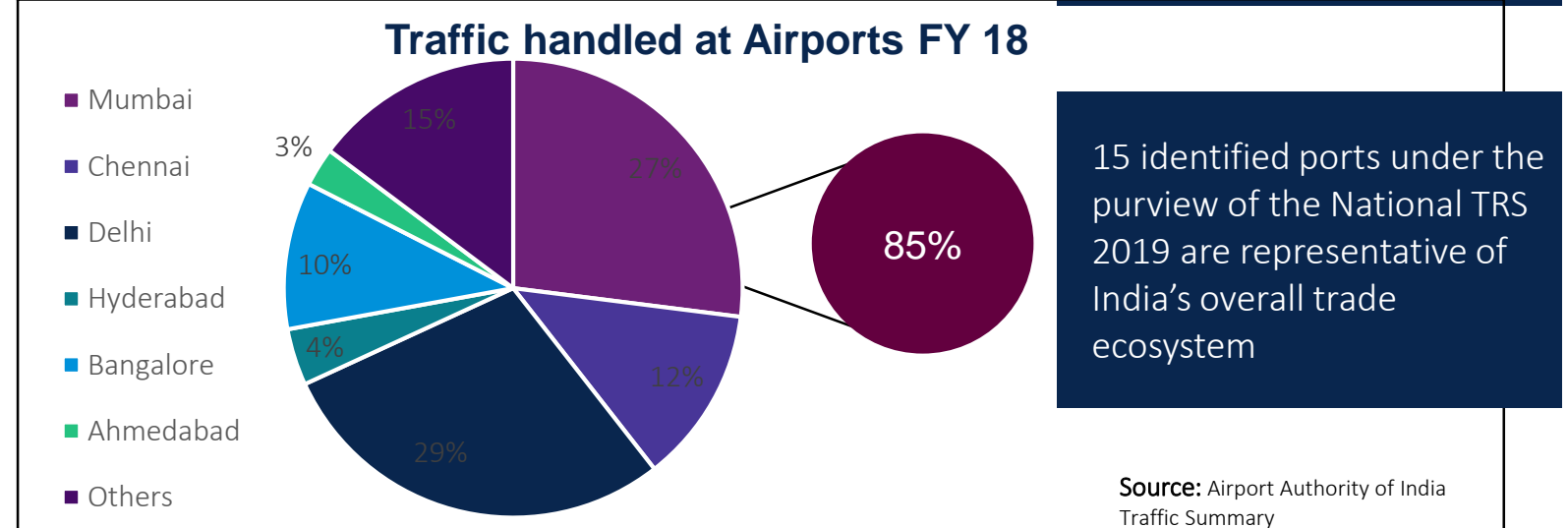
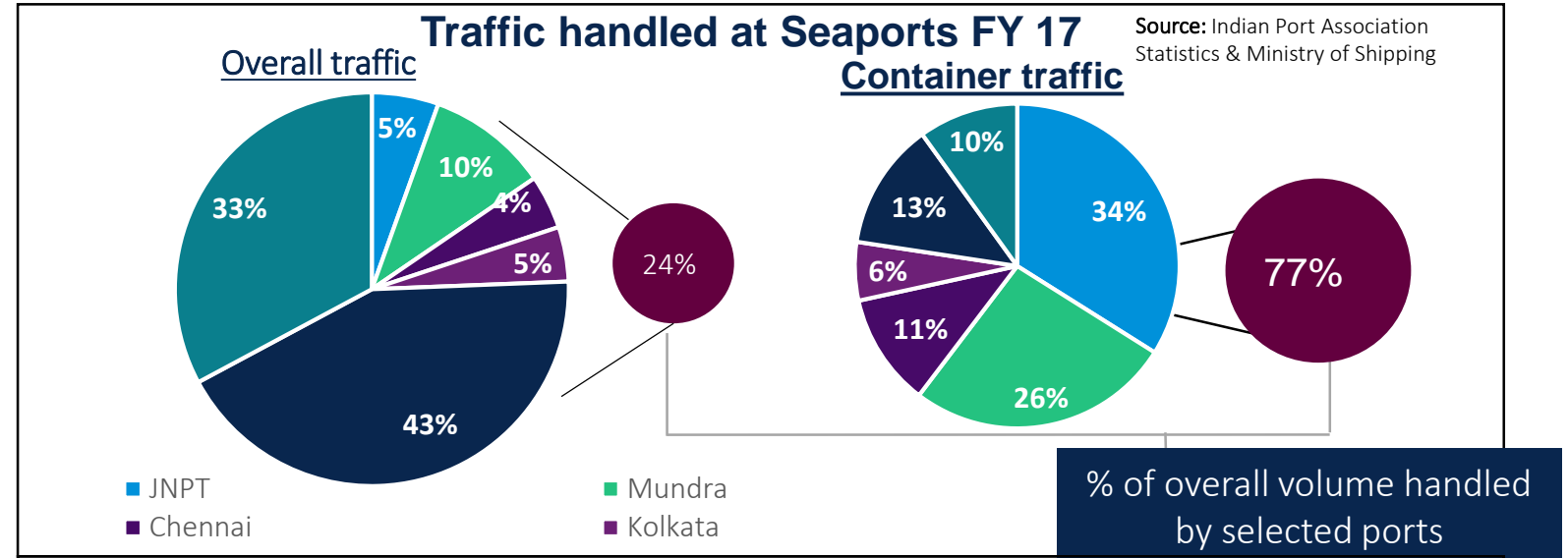
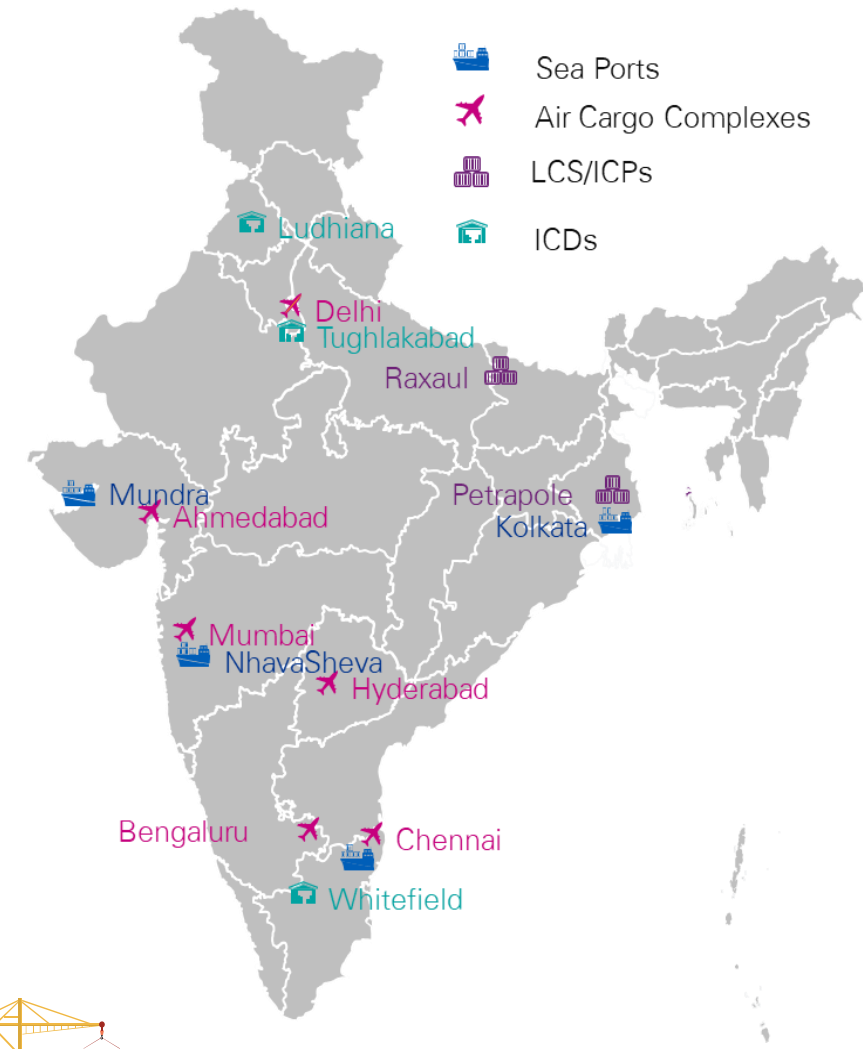
As a step further to facilitate trade, NCTF developed a national trade facilitation action plan (NTFAP)

The NTFAP is aligned to the TFA and aims at improving:

- inter- ministerial co-ordination for successful implementation of TFA
- participation of small and medium-sized enterprises in global value chain



NCTF undertook National Time Release Study (TRS) 2019



Conclusion

- In the modern era, Trade Facilitation and enforcement effectively go hand in hand.
- It is thus important to include Technology augmentation and Integrated Risk Management as effective strategies.
- Intensive engagement between the regulatory authorities and trade with trust based approach is a step in this direction





Thank you

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Learnings of Trade Facilitation Committees around the world (1/2)

	India	Australia	South Africa
Greatest Obstacles	<ul style="list-style-type: none"> Inclusion of all stakeholders 	<ul style="list-style-type: none"> Maintaining engagement during intersessional periods Availability of all stakeholders at meets to obtain unified view Ensuring engagement on long term strategic issues rather than tactical and minor regulatory issues 	<ul style="list-style-type: none"> Lack of alignment of enabling legislation to facilitate trade; Lack of alignment among departments or agencies in discharging their mandates in trade facilitation; and Insufficient capacity
Lessons learned from past experience	<ul style="list-style-type: none"> Structure and Terms of Reference need to be well defined. 	<ul style="list-style-type: none"> Trade Facilitation contributes to economic prosperity and business-government participation 	<p>Trade facilitation does not have the same meaning to every stakeholder. Trade facilitation is a very involved process that can be quite costly, if it is to be efficient.</p>



Learnings of Trade Facilitation Committees around the world (2/2)

	United States of America	China	France
Greatest Obstacles	<ul style="list-style-type: none"> Ensuring the correct level of participation from customs and other border agencies and entities involved in trade facilitation. 	<ul style="list-style-type: none"> Conflict of interest among different Government agencies. 	<ul style="list-style-type: none"> The availability of members and their geographical distance. Some members even participate by video or audio conference.
Lessons learned from past experience	<ul style="list-style-type: none"> Be as inclusive as possible. 	<ul style="list-style-type: none"> Establish and maintain communication channel between Government and private sectors. 	<ul style="list-style-type: none"> Dialogue helps to resolve tensions; There are no universal simplification rules, but rules tend towards the same vision; Facilitations offered by the country are only accessible if they are known; and Trainings for future trade operators study superficially facilitation and simplification, thus these rules are under-employed.

