

The Commonwealth



54 nations
one community

Trade Facilitation

- ❖ Trade facilitation is a cornerstone in the Commonwealth's goal to promote export competitiveness
- ❖ The aim is for member countries to reduce the costs of doing business and, as signatories to the WTO, to meet their international obligations in this area

Areas of Interventions

- ❖ Benchmarking and time release studies to assess the competitiveness of a country's trade facilitation capacity
- ❖ Improving the business climate
- ❖ Comparative studies on the impact of transport
- ❖ Evaluate relative port efficiency
- ❖ Audit supply chains



Benchmark Studies on Trade Facilitation Systems and Process

Sri Lanka & Bangladesh – Key findings

Sri Lanka Benchmark Study

❖ Objective

- ❖ to carry out a trade facilitation benchmarking study that will assist the Government of Sri Lanka to assess its trade facilitation efforts against best practice countries and international standards, and develop a strategy to address gaps identified in the consultancy report

❖ The study was conducted in May to Sept 2009

Sri Lanka Indicators -2009

❖ Poor ranking (2009)

- ❖ Doing Business-101 (out of 178)
- ❖ LPI -92 (out of 150)
- ❖ Global Enabling Trade Report -78 (121)
- ❖ Doing Business - Trading Across Borders-66(178)

❖ Reflects

- ❖ poor business environment
- ❖ poor infrastructure(port operations)
- ❖ cumbersome customs procedures
- ❖ inefficient delivery of key services (including telecommunications, financial services and transport)

Trading across Borders – 2009 Indicators

❖ Export

❖ Documents (no) -8.5

❖ Time (no. days) -21

❖ Cost(US\$ per
container) -865

❖ Imports

❖ Documents (no) -6

❖ Time (no. days)-20

❖ Cost(US\$ per
container) -895

Sri Lanka-Export-Import

Details of Trading Across Borders in Sri Lanka		
Nature of Export Procedures	Duration (Days)	Cost (USD)
Documents preparation	12	310
Customs clearance and technical control	3	285
Ports and terminal handling	3	155
Inland transportation and handling	3	115
Totals:	21	865
Nature of Import Procedures	Duration (Days)	Cost (USD)
Documents preparation	12	340
Customs clearance and technical control	3	285
Ports and terminal handling	3	155
Inland transportation and handling	2	115
Totals:	20	895
Export Documents		Import Documents
Bill of lading		Bill of lading
Certificate of origin		Certificate of origin
Collection order		Commercial invoice
Commercial invoice		Customs import declaration
Consular invoice		Import license
Customs export declaration		Packing list
Export license		
Terminal handling receipts		

Recommendations

No.	Recommendation	Time Frame	Degree of Impact	Investment (USD) million	Effort
1	Establish at the highest level a Presidential Commission Government-Business Trade Facilitation Committee	Short-Term	5	0.20	Low
2	Eliminate paper submission and establish 100% online submission of CUSDEC	Short-Term	5	1.50	Medium
3	Extend entry receiving beyond 3.00pm to facilitate Customs Declaration	Short-Term	3	0.50	Low
4	Standardisation of tariff classification	Short-Term	3	0.20	Low
5	Provide all customs-related information readily available to all interested parties	Medium-Term	3	0.20	Low
6	Establish pre-arrival CUSDEC submission	Medium-Term	3	0.30	Medium
7	Review the licensing procedures & reduce application on per consignment basis	Medium-Term	4	-	Medium
8	Conduct study for a public-private partnership model for trade facilitation system	Medium-Term	3	0.23	Medium
9	Online application and approval of OGA license and permit	Medium-Term	4	2.50	High
10	Establish port community system	Medium-Term	5	4.00	Medium
11	Eliminate duplication of sampling by Customs and OGAs	Long-Term	3	1.00	High
12	Establishment of a national value-added network framework	Long-Term	5	5.00	High
13	Implementation of Single Electronic Window	Long-Term	5	10.00	High
Notes: Degree of Impact (1 - Lowest ----- 5 - Highest)				25.63	

Bangladesh Benchmark Study

- ❖ Objective :Carry out a trade facilitation benchmarking study against international best practices that will assist the Government of Bangladesh to improve its competitiveness and develop a strategy to implement the changes.
- ❖ The study was conducted in October in 2011

Bangladesh Indicators -2011

❖ Poor ranking

- ❖ Doing Business-119 (out of 178)
- ❖ LPI -79 (out of 155)
- ❖ Doing Business - Trading Across Borders-107(178)

❖ Reflects

- ❖ Poor business environment
- ❖ poor infrastructure(port operations)
- ❖ cumbersome customs procedures
- ❖ inefficient delivery of key services (including telecommunications, financial services and transport)

Trading across Borders – 2010 Indicators (Bangladesh)

❖ Export

❖ Documents (no) -6

❖ Time (no. days) -23

❖ Cost(US\$ per
container) -920

❖ Imports

❖ Documents (no) -8

❖ Time (no. days)-29

❖ Cost(US\$ per
container) -1375

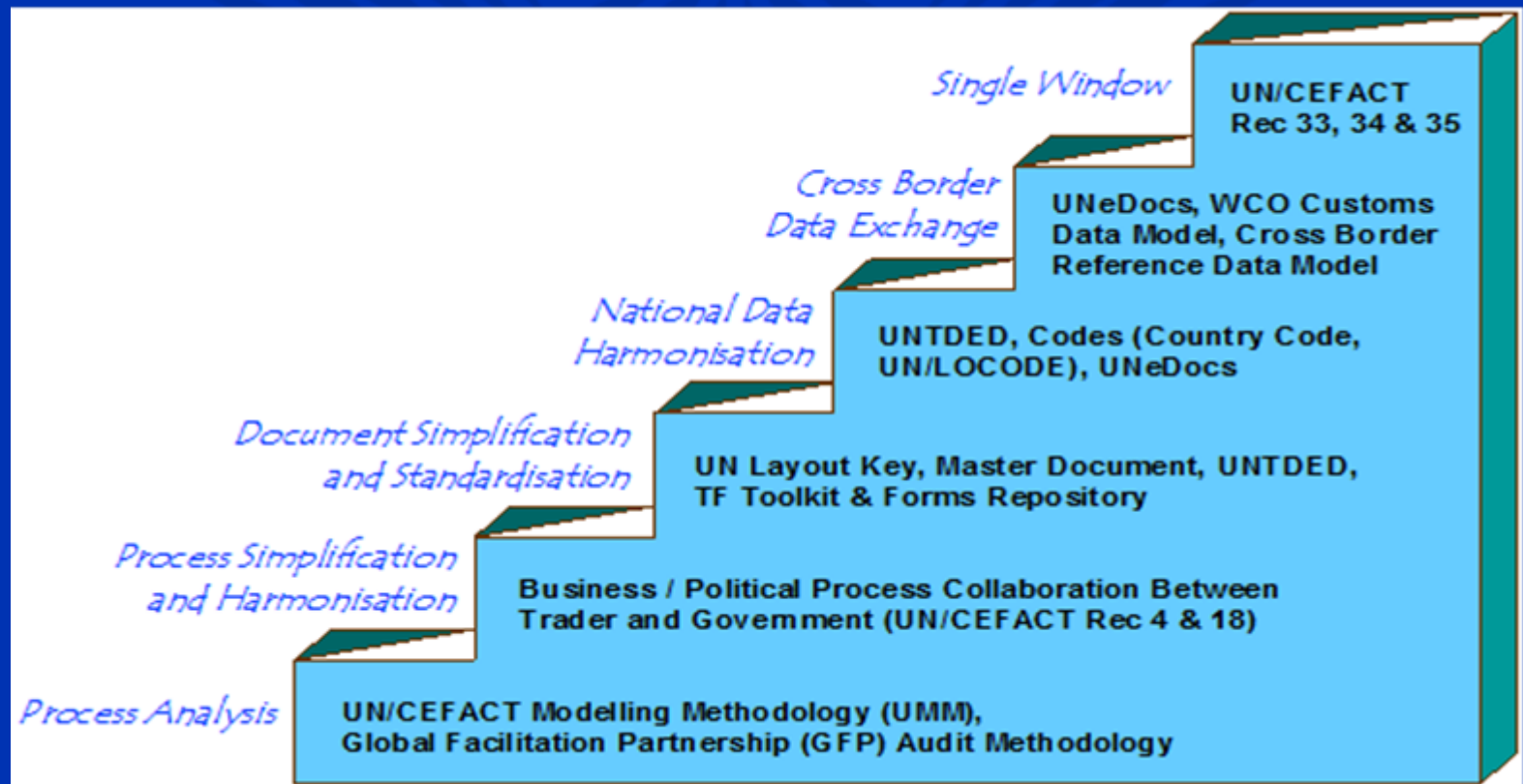
Bangladesh- Export- Import

Details of Trading Across Borders in Bangladesh - 2010		
Nature of Export Procedures	Duration (Days)	Cost (USD)
Documents preparation	12	290
Customs clearance and technical control	3	120
Ports and terminal handling	5	420
Inland transportation and handling	3	140
Totals:	23	970
Nature of Import Procedures	Duration (Days)	Cost (USD)
Documents preparation	20	455
Customs clearance and technical control	3	135
Ports and terminal handling	4	585
Inland transportation and handling	2	200
Totals:	29	1375
Export Documents		Import Documents
Bill of lading		Bill of lading
Certificate of origin		Cargo release order
Commercial invoice		Certificate of origin
Customs export declaration		Commercial invoice
Packing list		Customs import declaration
Preshipment inspection clean report of findings		Packing list
		Technical standard/health certificate
		Terminal handling receipts

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International Standards and Country Best Practices



Findings

❖ Common problems

- ❖ Lack of transparency / awareness of regulatory issues
- ❖ Inefficient clearance of goods at Customs
- ❖ Burdensome customs documentation
- ❖ Variations in cross-border standards and regulations

❖ Proposed actions

- ❖ Accelerate establishment of National Single Window system for advanced data sharing between customers and government / regulatory agencies.
- ❖ Intensify and broaden Business-to-Customs co-operation
- ❖ Develop self programs for cargo screening security requirements; high risk assessment data



❖ Clear Vision

- ❖ to guide development and prioritize needs

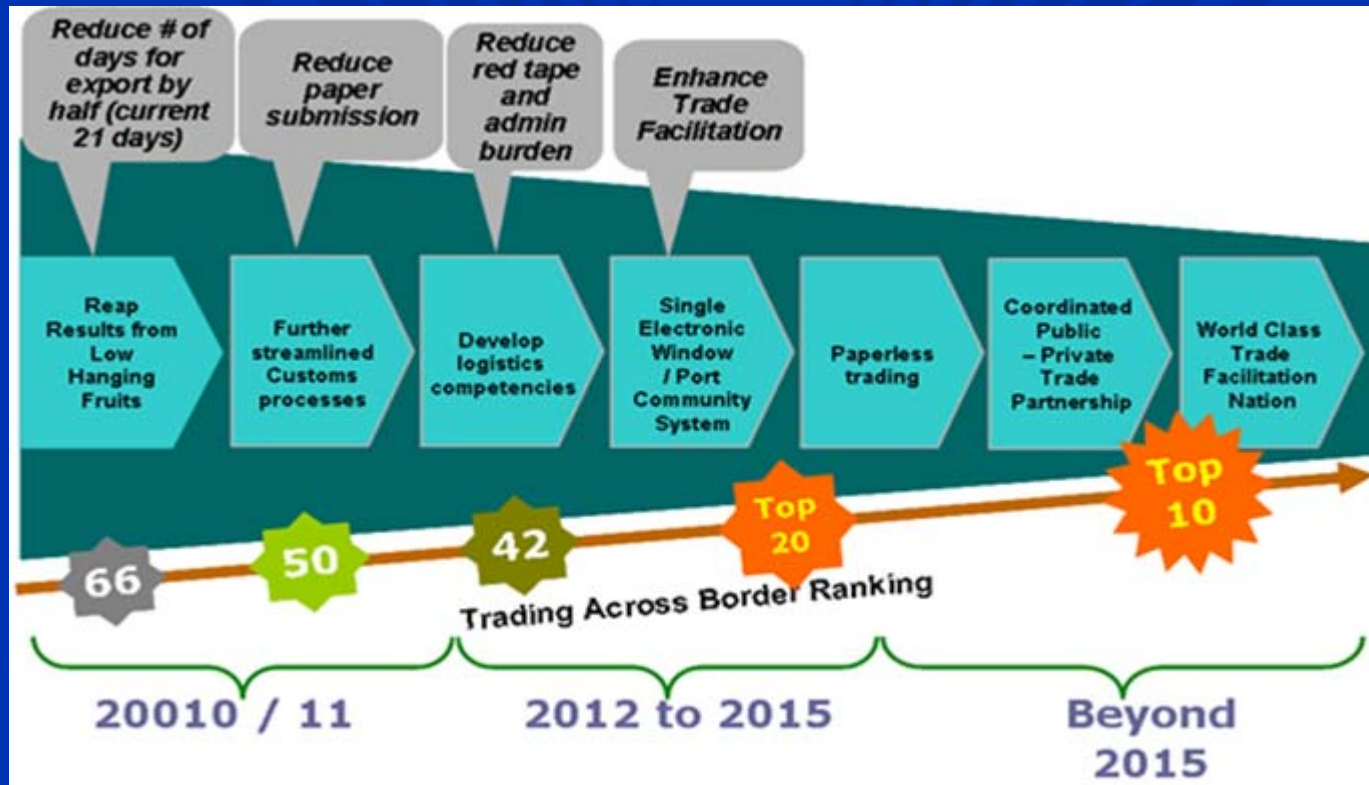
❖ Quick Wins

- ❖ to meet immediate needs and sustain organizational interests

❖ Sustained Development

- ❖ to ensure continued enhancements and relevance

Way forward





Thank You