

**TİCARETİN
KOLAYLAŞTIRILMASI
KURULU**

**NATIONAL COMMITTEE ON TRADE FACILITATION
EXPERIENCE OF TURKEY**

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Presentation Plan

- I. National Committees on Trade Facilitation – what are they and what are their use?**
- II. Board of Trade Facilitation of Republic of Turkey**
- III. Work of Board of Trade Facilitation**
- IV. Conclusion and The Way Forward**



National Committees on Trade Facilitation – What are they and What are their Uses?

NCTF's and their Benefits

❑ Art. 23.2 of World Trade Organization Agreement on Trade Facilitation

«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.»

❑ UNECE Recommendation No: 4

«...Governments and the trading community should adopt trade facilitation as an indispensable component of trade policy formation and should aim to establish a National Trade Facilitation Body (NTFB) which embraces the views and opinions of all stakeholders and pursues agreement, cooperation and collaboration...»

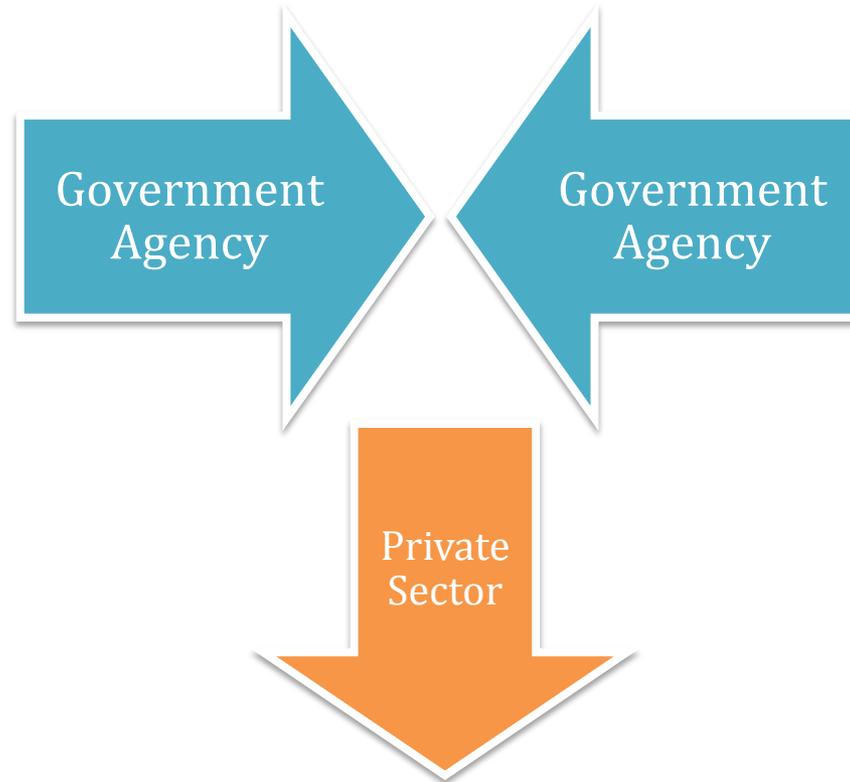
«...An NTFB encompasses all trade facilitation issues including regulatory, operational, customs, multimodal transport, transit, logistics, banking and finance, agriculture, sanitary and phytosanitary, health, and electronic business issues, among other related topics...»





National Committees on Trade Facilitation – What are they and What are their Uses?

Cooperation



- ❑ *Better coordination among government agencies responsible for trade facilitation and at large, foreign trade*
- ❑ *Cooperation between government agencies and private sectors (and other stakeholders)*



Board of Trade Facilitation of Republic of Turkey

Establishment of the Board

WTO TRADE FACILITATION AGREEMENT Art. 23/2



- Joint meetings between Ministries of Economy and Customs and Trade*
- Preparation of Draft Circular*
- Sending Draft Circular to Prospective Members for their respectable remarks*
- Amendments to Draft Circular*
- Sending Draft Circular to Prime Ministry for publishing*

**CIRCULAR OF PRIME MINISTRY
ESTABLISHING
BOARD OF TRADE FACILITATION**



Board of Trade Facilitation of Republic of Turkey

Structure of the Board

Co-Chairs



Ministry of Customs
and Trade



Ministry of Economy

Members

- Ministry of Science, Industry and Technology
- Ministry of Environment and Urbanization
- Ministry of Foreign Affairs
- Ministry of Economy
- Ministry of Food, Agriculture and Livestock
- Ministry of Customs and Trade
- Ministry of Development
- Ministry of Health
- Ministry of Transport, Maritime Affairs and Communications
- Turkish Standards Institution
- Foreign Economic Relations Board
- Small and Medium Sized Industry Development Organization
- Turkish Exporters Assembly
- The Union of Chambers and Commodity Exchanges of Turkey
- International Transporters' Association
- Association of International Forwarding and Logistics Service Providers
- The Banks Association of Turkey
- Associations of Customs Consultancy

«Observers»

- Maritime Association of Shipowners and Agents
- Chamber of Shipping
- Turkish Industry and Business Association
- Turkish Airlines
- Railway Transport Association



Board of Trade Facilitation of Republic of Turkey

Structure of the Board

Board of Trade Facilitation

- Tasked with agency coordination and establishing a trade facilitation strategy.

Technical Committee

- Coordinating the technical work being done within Board.

Working Groups

- Main bodies for doing technical work.

Logistic
and
technical
support

Secretariat





Board of Trade Facilitation of Republic of Turkey

Objectives of the Board

- ❑ *Overseeing implementation of Trade Facilitation Agreement in the Turkish Customs Area,*
 - ✓ Harmonized implementation of WTO TFA
 - ✓ Going beyond WTO TFA
- ❑ *Coordinating implementation procedures among related government agencies,*
 - ✓ A policy coordination mechanism for government agencies
- ❑ *Being a platform for public-private sector partnership in the area of trade facilitation,*
 - ✓ Dialogue between government agencies and private sector stakeholders for solving foreign trade problems



**PRIVATE
SECTOR**

Vision of the Board;

«Making Republic of Turkey one of the best countries within the areas of foreign trade costs, transaction speed and simplification.»



Work of the Board of Trade Facilitation Meetings

From its establishment in 2016, different bodies of the Board came together on different occasions;

- ✓ Board
 - ❖ Three meetings have been held.
 - ❖ Decisions for beginning the work for preparing a Trade Facilitation Strategy, establishing a Trade Information Portal for future was taken in these meetings.

- ✓ Technical Committee
 - ❖ Three meetings have been held.
 - ❖ Coordinated technical work for the decisions of Board.





Work of the Board of Trade Facilitation Trade Facilitation Strategy of Turkey

- ❑ Trade Facilitation Strategy is the roadmap for the work of Board of Trade Facilitation. Strategy was created through extensive technical work done by National Strategy Working Group, which was established on 1st meeting of the Board.
 - ✓ National Strategy Working Group held 22 different meetings between 6th of June 2017 and 3rd of August 2017.
 - ✓ Extensive attendance of stakeholders were one of the most important side of these meetings.
 - ✓ Results of aforementioned meetings were enriched with a Trade Facilitation Workshop held between 2nd and 5th of October, 2017.
- ❑ Finally, Trade Facilitation Strategy of Turkey entered into force by approval of Board in 8th of March, 2018.





Work of the Board of Trade Facilitation Trade Facilitation Strategy of Turkey

There are eight main goals of the Strategy;

- 1- Documents and information needed for foreign trade transactions will be published in open, understandable, easily reachable manner.
- 2- Mechanisms for inclusion of private sector and other stakeholders will be provided in the area of law making processes and procedures on amendment of regulations.
- 3- Documents, fees and charges demanded by government agencies will be reevaluated and their numbers will be lowered.
- 4- Infrastructure of customs bonded areas will be improved and procedures of government agencies will be harmonized.
- 5- Red line ratios of customs control will be lowered in line with providing control-simplification equilibrium.
- 6- Freedom of transit and transit procedures will be improved.
- 7- Customs procedures for import, export and transit will be simplified and all of the government agencies' actions on customs control will be coordinated.
- 8- Improvements will be made for increasing competitiveness of private sector in area of foreign trade.



Work of the Board of Trade Facilitation Trade Facilitation Strategy of Turkey

- ❑ Strategy includes 81 actions which are grouped under five main pillars;
 - ✓ Provision of Transparency;
 - ✓ Simplification;
 - ✓ Reduction of Costs;
 - ✓ Improving Cooperation;
 - ✓ Capacity Building

- ❑ Each of the actions have time plan for implementation, which are short term (in 2018), mid term (between 2018 and 2020) and long term (until 2022)

- ❑ Currently, Strategy's implementation covers five years.

- ❑ Strategy includes ten different Working Groups; eight ad-hoc, two permanent.



Work of the Board of Trade Facilitation

Trade Facilitation Strategy of Turkey

Two of the examples of actions included in Strategy;

Under the pillar of Provision of Transparency:

| | | | |
|--|-----------------------------------|---|------------------|
| 1.5. Establishment of Trade Information Portal | Ministry of Customs and Trade (R) | A technical note will be prepared by Web Site Working in year of 2018 including financial resources, cooperation areas between Members and establishment of Trade Information Portal in the year of 2019. | Goal 1 Goal 2 |
|--|-----------------------------------|---|------------------|

Under the pillar of Simplification:

| | | | |
|---|--|---|------------------|
| 3.4. Provision of presentation of customs declaration and supportive documents before arrival of goods to Turkish Customs Area and introduction of new legislation and technical infrastructure for allowing pre-arrival declaration. | Ministry of Customs and Trade (R) International Transporters' Association, Association of International Forwarding and Logistics Service Providers, Chamber of Shipping, Maritime Association of Shipowners and Agents(C) | Until the end of year of 2020, legal and technical regulations will be completed by Ministry of Customs and Trade and ongoings will be reported to National Strategy Working Group and Technical Committee on yearly basis. | Goal 7 Goal 8 |
|---|--|---|------------------|



Conclusion and The Way Forward

- ❑ NCTF's as a facilitator for comprehensive and inclusive implementation of trade facilitation measures and at large, effective policies of foreign trade.
 - ✓ Coordination, cooperation and understanding among all stakeholders
- ❑ Board of Trade Facilitation is a new and democratic platform for policymaking.
 - ✓ Solving problems arising from customs transactions for private sector and coordinating the joint operations of government agencies.
- ❑ Trade Facilitation Strategy will bring new action areas for getting over bottlenecks in customs and foreign trade transactions of Republic of Turkey.
 - ✓ Actions covering every area of transactions (procedures, documents, infrastructure...)
 - ✓ Coordinated implementation by all stakeholders



Conclusion and The Way Forward Challenges

- ❑ Comprehensive and inclusive attendance from stakeholders
 - ✓ «How is this topic related to our agency/institution?»
 - ✓ Seeing work of the Board as «extra workload»
 - ✓ Private sector as «troublemaker/naysayer»

- ❑ Stakeholders' view of trade facilitation measures
 - ✓ Different meanings: «abolishing all control»
 - ✓ A threat to national security, national health etc.

- ❑ Differing priorities between government agencies
 - ✓ Some of the agencies are more oriented towards domestic trade control

- ❑ Financial Resources
 - ✓ Currently, only financial resources are Ministry of Customs and Trade's budget



Conclusion and The Way Forward

- ❑ There are applications for membership by different areas of foreign trade.
 - ✓ Maritime Association of Shipowners and Agents, Chamber of Shipping, Turkish Industry and Business Association, Turkish Airlines, Railway Transport Association
 - ✓ TURKTRADE (Turkish Foreign Trade Association) applied for attending all meetings of the Board
 - ✓ Board itself considers inviting Republic of Turkey Ministry of Finance as full member
- ❑ All of the work of the Board between 2018 and 2022 will cover implementation of Strategy and Action Plan.
 - ✓ First measurement of implementation results will be made for short term actions in 2019
 - ✓ Reevaluation and reconsideration for revision of Strategy and Action Plan for arising needs and requirements



**Thank you for your attention.
Questions?**

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