Trade facilitation analysis at the OECD: Mapping opportunities and challenges in the implementation of the WTO TFA

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Mapping implementation progress and challenges through the OECD Trade Facilitation Indicators (TFIs) database

Recent analysis quantifying economic benefits of TF reforms

What next? TF and supply chains resilience
OECD Trade Facilitation Indicators (TFIs) dataset

- policy tools: 11 policy areas & 155 measures (full spectrum of border procedures) & 163 economies & 4 years, since 2012

<table>
<thead>
<tr>
<th>TRANSPARENCY AND PREDICTABILITY</th>
<th>FORMALITIES STREAMLINING</th>
<th>BORDER AGENCY CO-OPERATION</th>
<th>GOVERNANCE</th>
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<tr>
<td>(A) Information availability</td>
<td>(F) Documents</td>
<td>(I) Domestic border agency co-operation</td>
<td>(K) Governance and impartiality</td>
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<td>(B) Involvement of the trade community</td>
<td>(G) Automation</td>
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<td>(C) Advance rulings</td>
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<td>(D) Appeal procedures</td>
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<td>(E) Fees and charges</td>
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- strongly linked to the areas covered by the WTO Trade Facilitation Agreement
- variables seek to reflect both the regulatory framework and delve to the extent possible into the state of implementation of trade facilitation measures
TFIs dataset: Mapping state of play and implementation challenges in selected areas automating and streamlining border processes

Source: OECD Trade Facilitation Indicators (TFIs) (2020).
TFIs visualisation tools: Mapping implementation progress, challenges and areas for action

Compare your Country

Policy Simulator
Mapping the evolution of Aid for Trade Facilitation

USD million, 2019 constant prices

Aid for Trade Facilitation, commitments, 2002-19

Recent analysis quantifying economic benefits of TF reforms

- Comprehensive trade facilitation reforms – in areas covered by the WTO TFA -- can reduce trade costs by between 10%-18%

- Even modest improvements across selected areas -- transparency and predictability, automating and streamlining procedures, border agency cooperation -- can each enhance trade in goods sectors such as agro-food, pharmaceuticals and chemicals, machinery by up to 4%
Recent analysis quantifying economic benefits of TF reforms

- Even small improvements in the trade facilitation environment can increase the probability of an MSME becoming an exporter by up to 3% in both developing and developed countries.
- Areas such as automation of border procedures can increase MSMEs exports by between 4.5%-6.5%.
- Continued improvements in trade facilitation policies such as transparency, automation and streamlining of processes at borders, as well as border agency cooperation can each enhance parcel exports -- including those that are digitally ordered -- by between 6% - 14%.
What next? TF as a key to resilient supply chains

Keys to resilient supply chains: Policy tools for preparedness and responsiveness

International tools: Keep markets open

While governments can take various actions at the national level, ensuring resilient global supply chains can require efforts at the international level. This can involve a full range of international economic co-operation tools, from multilateral, plurilateral and bilateral agreements, to softer forms of policy coordination and peer review.

Transparency is critical in helping governments manage fast-evolving crises. This includes sharing lessons learned, building confidence in supply and trust in global markets, and helping to avoid harmful policy choices such as panic buying or hoarding. Lowering barriers to trade and investment for essential products, as well as their main inputs, can maximise sourcing opportunities and access for all countries. Strengthening the resilience of key global value chains, however, may require new cooperation commitments from countries to prevent disruptions to markets, such as those observed during the COVID-19 pandemic.

Governments also play a pivotal role through trade facilitation measures, as these ensure the swift movement of goods across borders. Measures designed specifically for crises, such as fast clearance procedures or accelerating the certification processes, can help mitigate disruptions that affect international trade flows. Trade facilitation measures have generally proven to be more efficient when they are coordinated across countries, and even more so when they are included in a series of initiatives taken to promote cooperation, regulatory convergence, and the harmonisation of rules.

Click on the doors to find out more about international policy actions that keep markets open:
What next? Update cycle 2021-22 TFIs

- Finalisation of individual datasheets based on information from publicly available sources; factual check and gap filling stage until early 2022

- Accompanying report by March-April 2022
  - Thematic focus on domestic and external border agency co-operation, including its role during the COVID-19 pandemic

- Visualisation tools – Q2 2022

- Using updated dataset to renew estimates of costs savings from TF reforms in progress - in 2022
What next? Delving into specific sectors

- Feasibility assessment (*October 2021*) identifying specific TFIs of relevance to **agro-food products**, including: documentation requirements or border controls related to sanitary and phytosanitary measures and technical barriers to trade, automation and streamlining of border formalities
Thank you for your attention!

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Access all of the information from the Trade & Agriculture Directorate at:

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