



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

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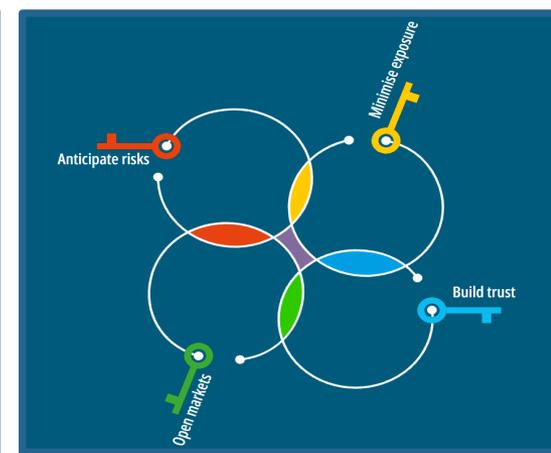
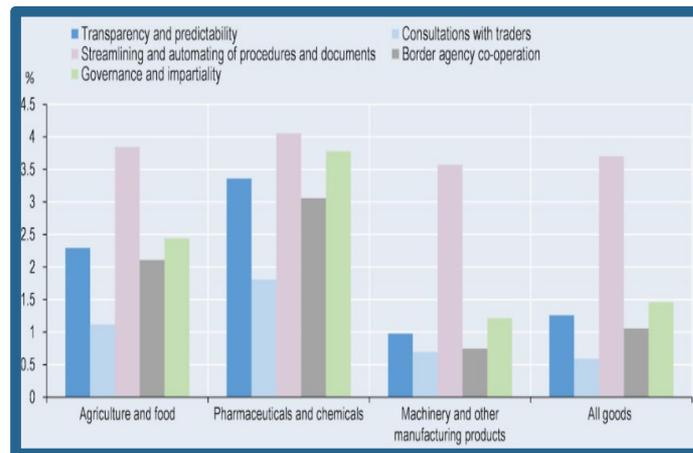
WTO Committee on Trade Facilitation
Dedicated Session on Assistance and Capacity Building
21 October 2021

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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

TRANSPARENCY AND PREDICTABILITY

- (A) Information availability
- (B) Involvement of the trade community
- (C) Advance rulings
- (D) Appeal procedures
- (E) Fees and charges

FORMALITIES STREAMLINING

- (F) Documents
- (G) Automation
- (H) Procedures

BORDER AGENCY CO-OPERATION

- (I) Domestic border agency co-operation
- (J) Cross-border agency co-operation

GOVERNANCE

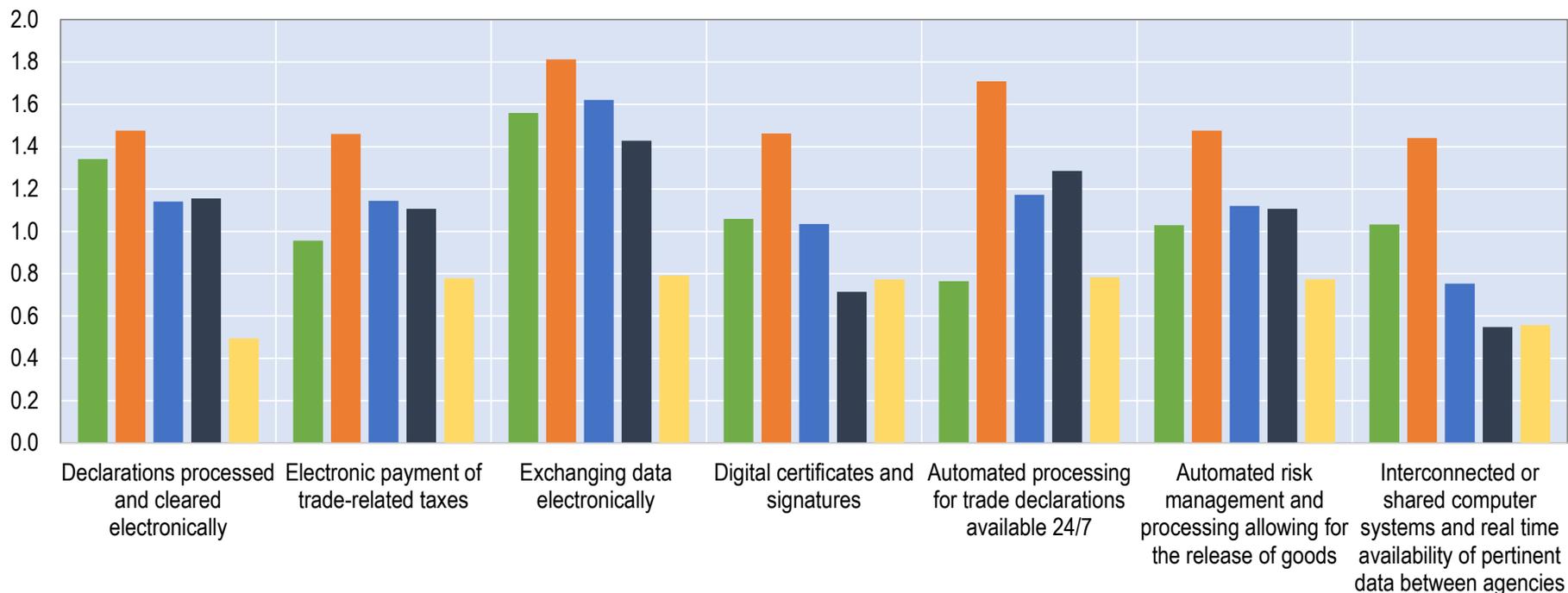
- (K) Governance and impartiality

- 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

■ Asia-Pacific
 ■ Europe and Central Asia
 ■ Americas
 ■ Middle East and North Africa
 ■ Sub-Saharan Africa

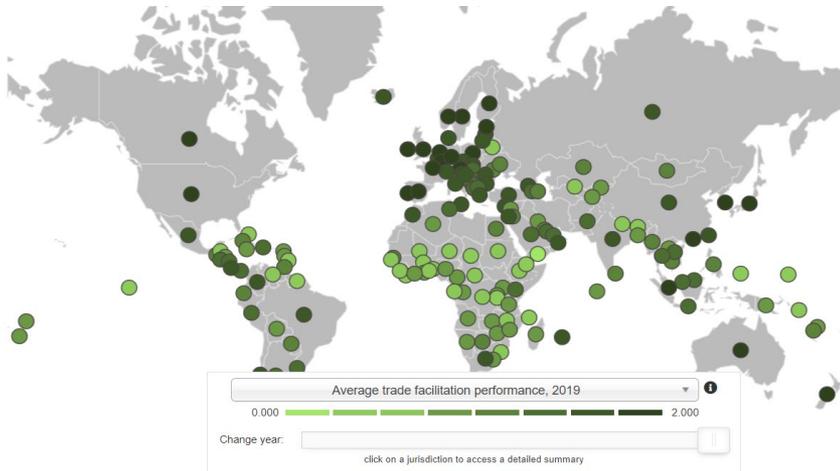
2 = maximum performance



Source: OECD Trade Facilitation Indicators (TFIs) (2020).

TFIs visualisation tools: Mapping implementation progress, challenges and areas for action

Compare your Country



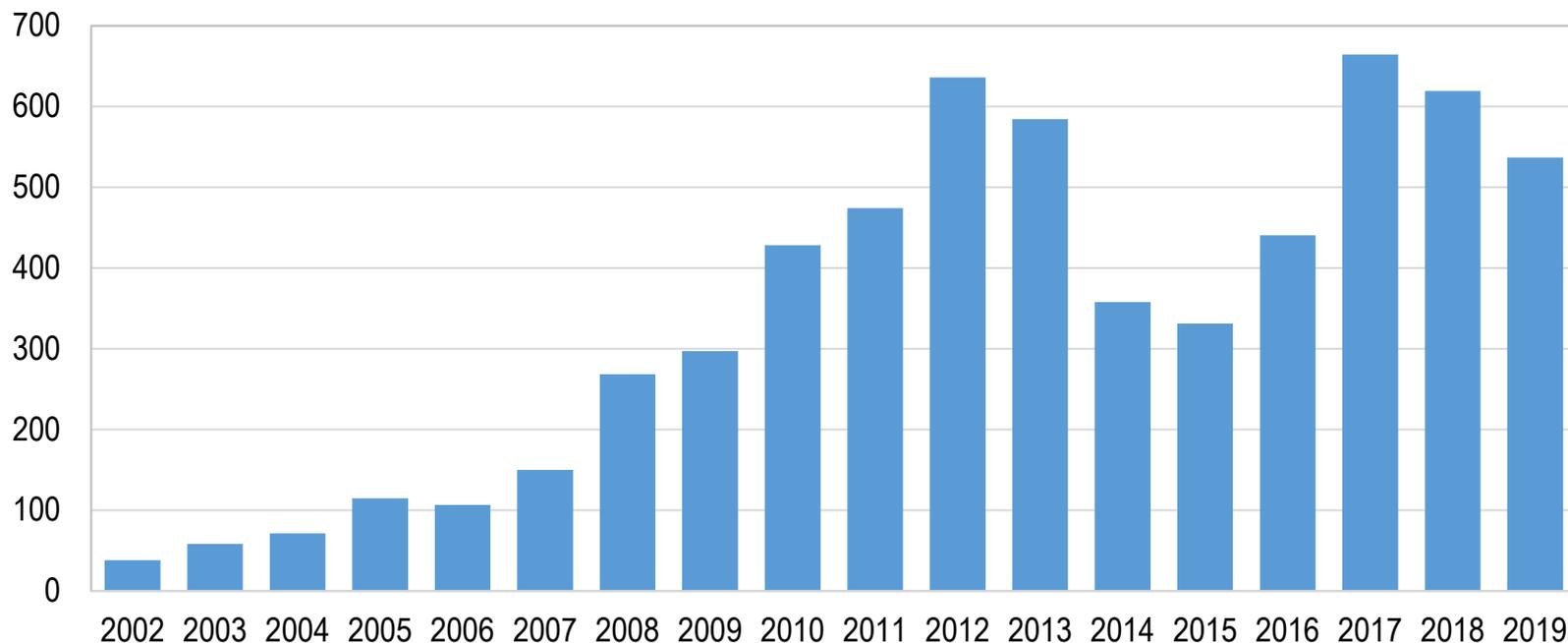
Policy Simulator



Mapping the evolution of Aid for Trade Facilitation

Aid for Trade Facilitation, commitments, 2002-19

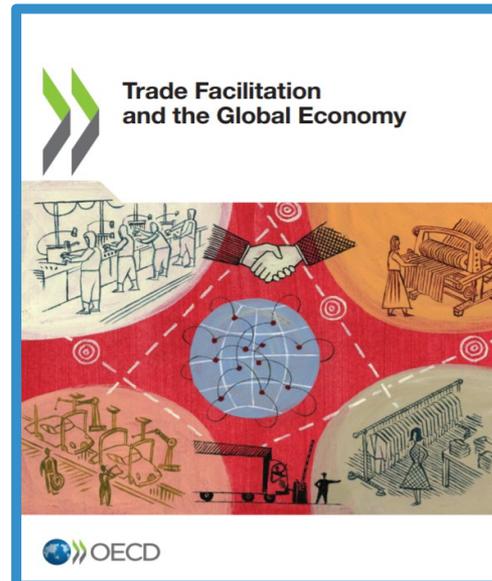
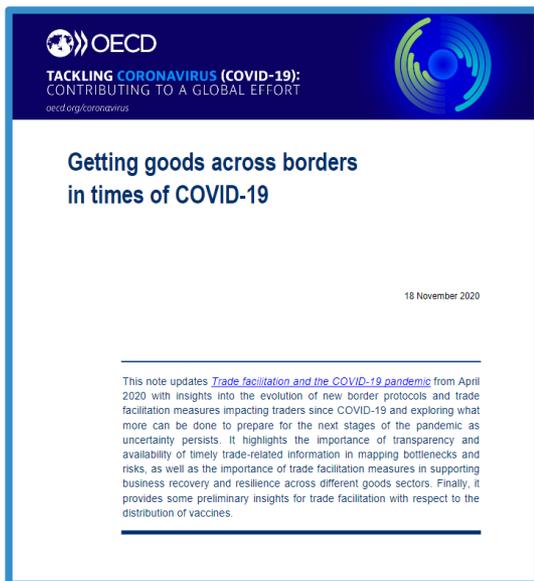
USD million, 2019
constant prices



Source: OECD Query Wizard for International Development Statistics(2021), stats.oecd.org/qwids.

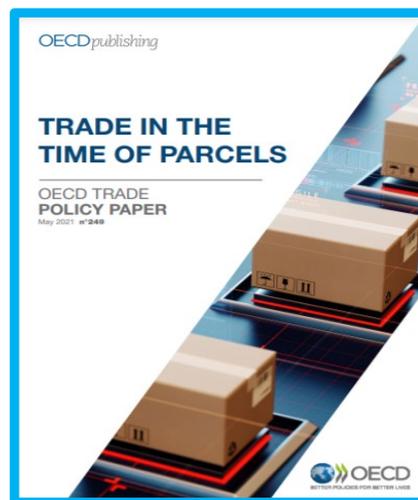
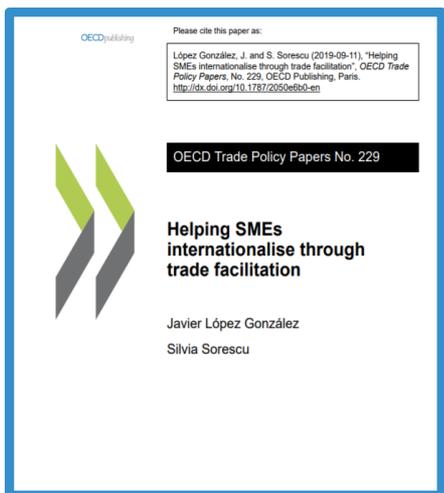
Recent analysis quantifying economic benefits of TF reforms

- 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 co-operation -- **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

Keys to resilient supply chains

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:

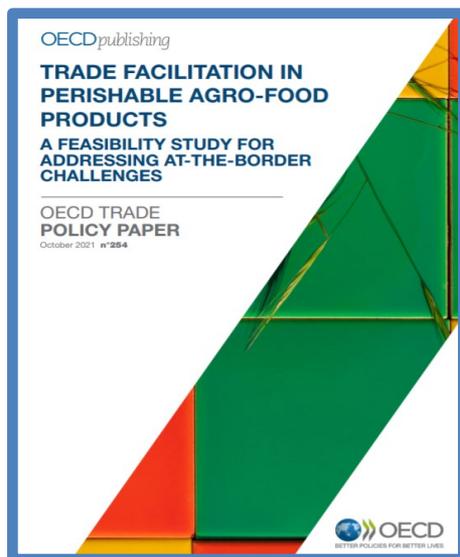


» What next? Update cycle 2021-22 TFIs

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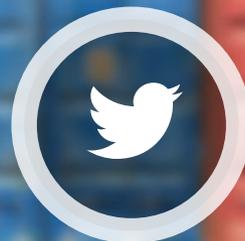
Access all of the information from the Trade & Agriculture Directorate at:

www.oecd.org/tad



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tad.contact@oecd.org



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