

Trade Facilitation: How Differences in Regulations can be Reduced









3 main types of trade obstacles

SPS and TBT Related

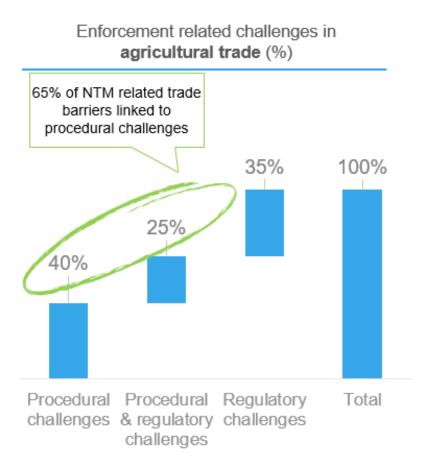
Procedural or enforcement related

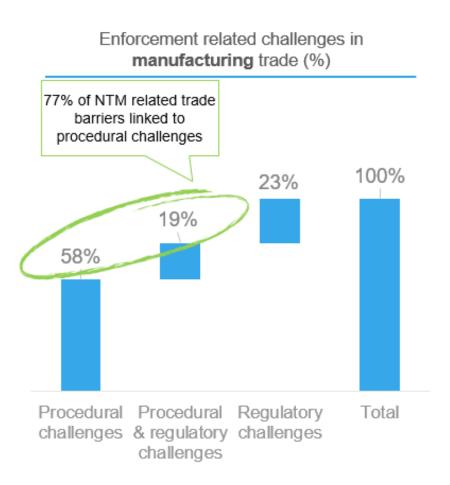
State interventions

e.g. unjustifiable pesticide residue content or labelling requirements) or from conformity assessment that fail to credibly demonstrate compliance resulting in tests being repeated in the destination country with risks of rejection

e.g. delays encountered by traders in obtaining a compulsory certificate of import or export due to a lack of human resources to process paper based application in a timely manner, excessive and not coordinated inspections by various border regulatory agencies... e.g. subsidies, tariff measures, contingent trade-protective measures, government procurement restrictions....

Procedural obstacles are the most frequent barrier to trade





Trade facilitation reforms addresses procedural obstacles to trade



ENHANCE TRANSPARENCY



PROMOTE COOPERATION



FOSTER EFFICIENCY



IMPROVE TRADERS' COMPLIANCE

Instruments available to shape their regional trade facilitation agenda

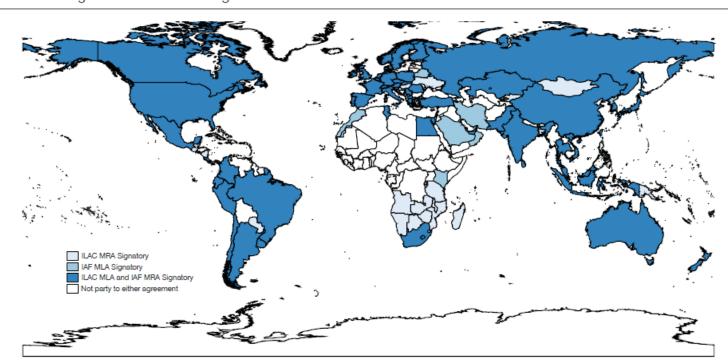
Legal Instruments

- **Legal unification tools** i.e. regulations and decisions. These are binding in their entirety and directly applicable to all member states.
- Legal harmonization tools i.e. directives. These bind member states vis-àvis the outcomes to be achieved, but provide flexibility on the means and form of implementation.
- Mutual recognition tools i.e. a Mutual Recognition Agreement. This rests on an agreement between two or more states recognizing the adequacy of each other's regulations and supervision.
- Non-binding decisions i.e. recommendations, explanatory notes or guidelines. These complement legal acts and provide details on implementation of legal norms.
- Cooperation tools i.e. regional consultations, information- and experiencesharing, peer reviews, training.
- **Public activities** i.e. financial instruments provided by the REC that member states can use to implement community policies.

Non-legal Instruments

Mutual recognition across the globe

FIGURE 42 Signatories to mutual recognition accords



Source: ITC.

Example of regional approaches to trade facilitation reforms: trade information portals

Regional trade information portal



Including with harmonized information on trade processes?



Facilitating trade

... by finding pragmatic solutions to overcome differences