



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

OECD REGIONAL FORUM:

MAXIMISING THE DEVELOPMENTAL BENEFITS OF TRADE FACILITATION

**A joint event organised by the OECD Trade and Development Co-operation Directorates,
in collaboration with the Government of Cameroon**

DRAFT ANNOTATED AGENDA

Wednesday 27 and Thursday 28 September 2006

**MONT FEBE HOTEL
Yaoundé, Cameroon**

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<http://www.oecd.org/dac/trade/cameroon2006>

BACKGROUND

1. Introduction

Trade facilitation can have a significant impact on economic development and poverty reduction. Studies by the OECD show that the benefits of trade facilitation reforms are multiple and occur on different fronts and for different stakeholders (*i.e.* government, private sector and consumers). More efficient international trade procedures and customs operations can significantly reduce trade transaction costs, which results in increased volumes of trade and welfare gains, particularly for developing countries. They can also increase competitiveness and the attractiveness for foreign investors, enhance collection of trade taxes and help prevent corruption and smuggling. Hence, committing resources to support such reforms is a sound and cost-effective investment that can have multiplier effects for development.

Notwithstanding these well known benefits, trade facilitation reforms may sometimes be complex and their cost implications have been a significant concern for developing countries from the outset of the WTO negotiations in this field. While the 2004 WTO General Council Decision (*i.e.* the “July Package”) acknowledged that trade facilitation is important to make the process of trading smoother and simpler and to strengthen the participation of developing countries in the global economy, some countries argued that the disproportionate costs of trade facilitation may be difficult to justify in the light of other development priorities.

Accordingly, Annex D of the July Package indicates that negotiations on trade facilitation “*shall also address the concerns of developing and least-developed countries related to cost implications of proposed measures*”. In addition, Annex D of the July Package and Annex E of the 2005 Hong Kong Ministerial Declaration emphasise the vital importance of technical assistance and capacity building for developing and implementing a set of multilateral trade facilitation commitments, **and invite the OECD and other international organisations** to “*assist Members in (the) process ... of identifying individual Members’ trade facilitation needs and priorities and the cost implications of possible measures*” and to ensure that technical assistance and capacity building for trade facilitation is effective, operational and coherent. The *OECD Regional Forum on Trade Facilitation* is undertaken as part of the OECD Trade and Development Co-operation Directorates collaborative efforts to respond to this invitation.

Finally, the event is closely linked to the ongoing OECD work on aid for trade, which examines the amount of aid that donors already provide in support of trade; how effective these programmes are; and how aid for trade can be made an effective tool for helping developing countries, particularly LDCs, to fully benefit from trade liberalisation and WTO Agreements. This work responds to the WTO invitation to contribute to current discussions of the *WTO Task Force on Aid for Trade* and to the Director-General’s consultations on this subject (as is called for by the Hong Kong Ministerial Declaration, para.57).

2. Purpose

The *OECD Regional Forum* aims to bring together key public and private sector stakeholders involved in trade facilitation in **Western and Central Africa** – including delegates involved in WTO negotiations, policymakers and practitioners engaged in trade facilitation reforms on the ground, donors and multilateral and regional agencies providing TA/CB for trade facilitation and private sector stakeholders contributing to reforms and assistance for the latter.

This Forum follows the *OECD Global Forum on Trade Facilitation* that was organised in Sri Lanka in October 2005 (information can be found on <http://www.oecd.org/ech/facilitation>).

The main objectives are to examine and discuss in an informal setting the:

- Benefits and costs of implementing trade facilitation measures;
- Tools and approaches for assessing needs and capacity gaps in trade facilitation;
- Lessons learned in formulating and conducting trade facilitation Action Plans or reforms;
- Good practices in designing and delivering technical assistance and capacity building (TA/CB) for trade facilitation; including the role of the private sector and regional organisations; and
- Options for funding, co-ordination and monitoring and review of TA/CB for trade facilitation.

In brief, the *OECD Regional Forum* will provide the opportunity to:

1. Exchange lessons learned from practical (national and regional) experiences with trade facilitation reforms and TA/CB for the latter;
2. Foster a national and regional dialogue around core policy and operational issues related to the negotiations, and more generally, to trade facilitation reforms and donor assistance for the latter; and
3. Discuss completed and ongoing OECD work on trade facilitation with non-Members.

3. Organisation

The *OECD Regional Forum* is organised by the OECD's Development Co-operation and Trade Directorates, in collaboration with the Government of Cameroon. The Regional Forum will be held on **Wednesday 27 and Thursday 28 September 2006** in Yaoundé, Cameroon.

The presentations and discussions will be held in French and English and interpretation in both languages will be available.

The Forum will be structured as follows:

Session I – *The economics of trade facilitation* – will set the stage by presenting key findings of recent studies on the benefits and costs of trade facilitation for governments, businesses and the economy in general. It will provide the opportunity to discuss key challenges in the design and implementation of trade facilitation measures for the concerned administrations. Session I will also focus on the perspective of the private sector seeking to improve market access opportunities for their products.

Session II – *Devising policy responses: needs assessment, capacity gap analysis and implementation of reforms* – will then examine tools and countries' practical experiences with assessing needs, priorities and capacity gaps in trade facilitation. It will also focus on the sequence and coherence of relevant actions as well as the means to ensure the active participation of all relevant stakeholders (including the private sector) and to link trade facilitation to broader reform programmes (*e.g.* tax reform/enhanced revenue collection).

Session III – *Roundtable discussion*: Participants will subsequently be invited to discuss the issues considered in Sessions I and II and their implications for WTO negotiations on trade facilitation, in

particular, with a view to identifying the ways and means to ensure that developing country commitments in the area of trade facilitation match their capacities.

Session IV –*Design and delivery of effective assistance for sustainable capacity building*- will examine how developing countries, bilateral donors, multilateral agencies, and regional organisations can make sure technical assistance and capacity building (TA/CB) for trade facilitation is effective and takes account of the principles of the **Paris Declaration on Aid Effectiveness**.¹

Session V – *Funding and co-ordinating technical assistance and capacity building (TA/CB)* – will explore the adequacy of existing funding and co-ordination schemes at field and headquarters level (e.g. the Integrated Framework for Trade Related Assistance) for trade facilitation. Participants will also be invited to discuss the role of the private sector and regional development banks in financing TA/CB for trade facilitation.

Session VI – *Reviewing progress – mutual accountability for results* – will consider how developing countries and donors can best monitor results of reforms and TA/CB to support the latter, at field and at global (WTO) levels.

Session VII- Wrap-up day 2

¹ The principles of the aid effectiveness agenda can be summarised in five broad themes:

Ownership. Partner countries commit to exercise effective leadership over their development policies and strategies, translate these strategies into results-oriented operational programmes, and co-ordinate development actions. Donors commit to recognise and promote these rights and responsibilities.

Alignment. Donors commit to align their development assistance with the development priorities and results-oriented strategies set out by the partner country. In delivering this assistance, donors will progressively depend on partner countries' own systems, providing capacity-building support to improve these systems, rather than establishing parallel systems of their own. Partner countries commit to undertake the necessary reforms that would enable donors to rely on their country systems.

Harmonisation. Donors commit to streamline and harmonise their policies, procedures, and practices; avoid duplicative field and diagnostic reviews; intensify delegated cooperation; increase the flexibility of country-based staff to manage country programmes and projects more effectively; and develop incentives within their agencies to foster management and staff recognition of the benefits of harmonisation. Partner countries commit to provide views on donors' comparative advantage and indicate how to achieve donor complementarity at country or sector level.

Managing for Results. Partner countries commit to embrace the principles of results-based management, starting with their own results-oriented strategies and continuing to focus on results at all stages of the development cycle—from planning through implementation to evaluation. Donors commit to rely on, and support, partner countries' own priorities, objectives, and results, and work in co-ordination with other donors, to strengthen partner countries' institutions, systems, and capabilities to plan and implement projects and programmes, report on results, and evaluate their development processes and outcomes (avoiding parallel donor-driven mechanisms).

Mutual accountability. Donors and partners are committed to enhance mutual accountability and transparency in the use of development resources. Partner countries commit to reinforce participatory processes, by systematically involving a broad range of development partners when formulating and assessing progress in the implementation of national development strategies. Donors commit to provide timely, transparent and comprehensive information on aid flows.

For further information, please visit the following website: <http://www.oecd.org/dac/effectiveness/parisdeclaration>

4. Relevant OECD background material

Relevant OECD background material can be downloaded from <http://www.oecd.org/ech/facilitation> and from <http://www.oecd.org/dac/trade/facilitation>. Relevant material for example includes:

- The study on the costs of introducing and implementing trade facilitation measures; and
- The review of past technical assistance and capacity building for trade facilitation.

5. Participants

The *Regional Forum* is of interest to:

- West and Central African and OECD trade officials from headquarters and delegates to the WTO Trade Facilitation Negotiating Group,
- West and Central African officials involved in development co-operation,
- Development experts and bilateral aid agency staff from headquarters and field level missions, including those involved with the Integrated Framework for Trade-Related Assistance (IF) and the Joint Integrated Technical Assistance Programme (JITAP),
- Representatives from multilateral organisations, *e.g.* the World Trade Organisation (WTO), the World Customs Organisation (WCO), the International Monetary Fund (IMF), the World Bank, UN Conference on Trade and Development (UNCTAD) and the UN Economic Commission for Europe (UNECE).
- Representatives from regional organisations and development banks, *e.g.* the African Development Bank, West African Economic Union (WAEMU); Economic Community Of West African States (ECOWAS), Economic and Monetary Community of Central Africa (CEMAC), Common Market for Eastern and Southern Africa (COMESA), Southern African Customs Union (SACU) and the New Partnership for Africa's Development (NEPAD), and the United Nations Economic Commission for Africa (UNECA).
- Customs experts and staff,
- Private traders and trade support service providers, and
- West and Central African and OECD business associations.

DRAFT ANNOTATED AGENDA

DAY 1: WEDNESDAY 27 SEPTEMBER 2006

WELCOMING AND OPENING REMARKS

9:00 – 9:30 *H.E. Antoine Manga Massina*, Director-General, Cameroon Customs Authority
Mr. Anthony Kleitz, OECD Secretariat

SESSION I- THE ECONOMICS OF TRADE FACILITATION

9:30-12:30 This session will set the stage by providing key findings of recent studies on the benefits and costs of implementing trade facilitation measures, for both the governments and the private sector. It will also provide the opportunity to discuss concrete country experiences and lessons learned.

Issues to consider include:

- What is the potential impact of trade facilitation measures on trade and investment flows and on countries' productivity and export competitiveness?
- What are the cost implications and challenges of trade facilitation measures for developing and least-developed countries?
- What is the perspective of the private sector seeking to facilitate trade and improve market access opportunities for their products?
- Are there particular challenges for Africa?

Chair: *H.E. Antoine Manga Massina*

Lead speakers: *Ms. Evdokia Möisé, OECD Secretariat, The costs and challenges of trade facilitation*

Ms. Anne-Marie Geourjon, IMF, The challenges of trade facilitation for the African economies

Discussion

10:45-11:00 **Coffee break**

Lead speakers: *Mr. Martin Abega, GICAM, The views of the private sector*
Mr. Ibrahima Diagne, GAINDE 2000, Senegal, Lessons learned from Senegal's experience with trade facilitation and South-South co-operation

Discussion

12:30-14:00 **Lunch break**

SESSION II – DEVISING POLICY RESPONSES : NEEDS ASSESSMENT, CAPACITY GAP ANALYSIS AND IMPLEMENTATION OF REFORMS

14:00-16:00 This session will examine existing tools for identifying developing country needs and priorities in trade facilitation and for assessing capacity gaps. It will review practical country experiences and lessons learned with assessing needs, priorities and capacity gaps and with steps taken for formulating coherent reforms.

Issues to consider include:

- How can governments and donors reflect the particular circumstances and needs of reforming countries so as to ensure ownership and sustainability of reforms?
- What instruments are available for measuring the gaps between a country's situation and the efforts required in the context of a future WTO trade facilitation agreement?

Chair: *Mr. Frans Lammersen, OECD*

Lead speaker: *Mr. Régis Brieu, ADETEF, Securing and simplifying the international logistics chain: strategies for reinforcing Customs capacity*
Mr. Thierry Piraux, WCO, Needs analysis in trade facilitation
Mr. Norbert Belinga, Cameroon Customs, The experience of Cameroon

Discussion

16:00 – 16:15 **Coffee Break**

SESSION III (ROUNDTABLE DISCUSSION)– IMPLICATIONS FOR WTO NEGOTIATIONS : MATCHING COMMITMENTS AND CAPACITIES

16:15-17:30

This session will offer the opportunity to discuss the implications of the previous discussions for the WTO negotiations and, in particular, how to ensure that future developing country commitments match their capacities.

Issues to consider include:

- Taking into account the cost implications and challenges of trade facilitation measures, how can future commitments be best linked to the implementation capacities of WTO Members?
- What Special and Differential Treatment provisions can best ensure that potential benefits from a trade facilitation agreement will be fully reaped by all WTO Members?
- How can built-in flexibilities appropriately reflect the costs and complexities of trade facilitation measures, as well as their potential benefits?

Chair: **Mr. José María Rubiato, UNCTAD**

Lead speaker: **Mr. Jonathan Claridge, DG Trade, European Commission**

**Mr. Koffi Gnakadja, West African Economic and Monetary Union
(WAEMU/UEMAO)**

Mr. Eloi Laourou, Permanent Mission of Benin to the WTO

20:00

Cocktail Reception for all participants

DAY 2: THURSDAY 28 SEPTEMBER 2006

SESSION IV –DESIGN AND DELIVERY OF EFFECTIVE ASSISTANCE FOR SUSTAINABLE CAPACITY BUILDING

10:00 – 12:30

This session will explore how partner countries can encourage bilateral donors, multilateral organisations and regional agencies to collaborate in order to ensure that technical assistance and capacity building (TA/CB) for trade facilitation be “*precise, effective, and operational and reflects the trade facilitation needs and priorities of developing countries and LDCs*” (as is called for by Annex E of the 2005 WTO Hong Kong Ministerial Declaration). Participants will be invited to examine how assistance provided to implement the results of the negotiations can help build sustainable capacities in the area of trade facilitation.

Issues to consider include:

- How can the Paris Declaration’s aid effectiveness principles be applied in the area of trade facilitation?
- What have we learnt from past experience with TA/CB for trade facilitation?
- How can donors and recipients best address capacity gaps in their own administrations?
- How can developing countries best link their trade facilitation strategies with more general development and poverty reduction strategies?
- What are the benefits (and difficulties) with designing and delivering TA/CB for trade facilitation on a *regional* basis?

Chair: Ms. Christina Rahlén, Swedish Ministry of Foreign Affairs

Lead speakers: Ms. Caroline Lesser, OECD Secretariat, Lessons learnt from past TA/CB

Mr. Evariste Munyampundu, Rwanda Revenue Authority, Applying the Paris Declaration’s aid effectiveness principles to trade facilitation

Mr. Mark Pearson, The COMESA experience: benefits and challenges of regional approaches to TA/CB

11:00-11:15

Coffee Break

Discussion

12:30 -14:00

Lunch Break

SESSION V – FUNDING AND CO-ORDINATING TA/CB FOR TRADE FACILITATION

14:00-15:30

This session will examine in more detail how all relevant stakeholders can best fund and co-ordinate TA/CB for trade facilitation at the country, regional, donor headquarters' and WTO levels, in view of enhancing synergies and transparency and ensuring efficient use of available resources (as is called for by a number of WTO proposals).

Issues to consider include:

- How relevant are existing co-ordination and financing mechanisms, *e.g.* the Integrated Framework, JITAP, as well as Consultative group meetings and Roundtable meetings around PRSPs?
- What can we learn from other WTO agreements and Committees?
- How can regional development banks and organisations best contribute to the financing and co-ordination of TA/CB?
- What is the role of the private sector and what are the benefits of public-private partnerships for financing TA/CB for TF?

Chair: **Mr. Malcolm McKinnon, SITPRO**

Lead speakers: **Mr. Evans Marowa, USAID Southern Africa Global Competitiveness Hub, Trade facilitation activities in the Southern African Development Community: involving the private sector**

Dr. Jeffrey Cochrane and Mr. Andy Cook, USAID West Africa Regional Programme, Co-ordination with regional economic communities

Mr. Michel Bua, Embassy of France in Yaoundé, Donor co-ordination

Mr. Matthias Meyer, Praximundo, Donor co-operation in Trade Facilitation

Discussion

15:30 -15:45

Coffee Break

SESSION VI – REVIEWING PROGRESS: MUTUAL ACCOUNTABILITY FOR RESULTS

15:45-17:30

Regularly monitoring and reviewing the progress of domestic and regional reforms and donor support for the latter is essential for ensuring effective capacity building in the area of trade facilitation. Such a review mechanism will also be crucial in determining whether a developing country has acquired the capacity to enter WTO obligations after a certain period of time.

Issues to consider include:

- How can developing countries and donors best jointly monitor and evaluate results of reform programmes and donor assistance for trade facilitation at field level?
- What indicators could be used for that purpose?
- Who should be involved in those reviews?
- How should the results of these reviews be channelled to the WTO (*e.g.* future Committee on Trade Facilitation)?
- Should such a review process be linked to wider (aid) assessments? How?

Chair: *Ms. Brigitte Cuendet, Swiss State Secretariat for Economic Affairs (SECO)*

Lead speakers: *Ms. Fleurette Målaka Miangozara, Ministry of Trade, Enterprise Promotion and Handicrafts, Burkina Faso, Monitoring results of capacity building programmes*

Mr. Yao Gbevope Adzigbey, Sub-Saharan African Transport Programme, World Bank

Discussion

SESSION VII - SUMMING UP AND WAYS FORWARD

17:30-18:30

This session will summarise the main conclusions emerging from the discussions in Session I to VI.

Chair: *Mr. Anthony Kleitz, OECD Secretariat*

Discussion