



PROPOSAL ON THE SIX PRINCIPLES OF SHARED PRACTICE OF SUCCESSFUL NATIONAL TRADE FACILITATION COMMITTEES (NTFCS)

COMMUNICATION FROM THE UNITED STATES

The following communication, dated 10 March 2023, is being circulated at the request of the delegation of the United States.

Further to the U.S. notification of experience sharing entitled the *Structure and Role of the U.S. National Trade Facilitation Committee* ([G/TFA/W/5](#)), and the Four-Year Review of the Trade Facilitation Agreement, the United States shares the following communication.

1 INTRODUCTION

1.1. Since the entry into force of the Trade Facilitation Agreement (TFA), Members of the Committee on Trade Facilitation have shared their experiences about key elements essential for a well-functioning National Trade Facilitation Committees (NTFC) capable of implementing the TFA. Each Member is required to establish or maintain an NTFC consistent with Article 23.2 of the TFA:

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.

1.2. Since 2017, Members and international organizations have submitted over 25 presentations and papers about NTFCs. While the experiences put forward in these presentations and papers are specific to each NTFC and reflect their different structures, priorities, and needs, the United States has identified key cross-cutting principles shared by most successful NTFCs.¹

2 KEY ELEMENTS OF SUCCESSFUL NTFCS

2.1. Three cross-cutting principles for NTFCs were highlighted almost universally among the experience sharing:

- High-level political support for the NTFC, with a clear structure to the committee: Some Members created their NTFC by, and had the structures of their NTFC set forth in, Presidential Proclamations, legislative actions, or government orders. Some Members emphasized the importance of the NTFC being led by a high-level official in an effort to impart authority to the NTFC's decision-making processes. In most cases, successful NTFCs had clear structures established at high political levels.
- Wide participation and representation by border authorities and other government ministries: Some NTFCs name the agencies and organizations required to participate in the committee structure, while others use pre-existing mechanisms. Some NTFCs are led by a department of commerce or a ministry of trade, while others are led by customs administrations. Some NTFCs include port infrastructure authorities, customs brokers,

¹ The United States provides an analysis of these interventions and presentations in the annex to this communication.

and supply chain and logistics sector personnel. Regardless of the particular leadership structure, most successful NTFCs incorporate participation from a wide range of authorities with regulatory authority for goods crossing the border. Such wide-ranging participation, especially of border authorities, contributes to clear NTFC priority-setting, better border agency coordination, and better outcomes.

3 PRIVATE-SECTOR PARTICIPATION

3.1. All Members emphasized the importance of the participation and role of the private-sector in the creation and functioning of the NTFC. Effective NTFCs were presented as being dynamic and responsive to both private-sector and public-sector needs and interests. Some Members invited the private-sector to be part of the NTFC itself; some made private-sector individuals the vice-chair of the NTFC; some had private-sector advisories or advisory boards; and some provided public notice about NTFC meetings and sought public comments. Across the board, private-sector involvement has been key to NTFC success.

4 OTHER IMPORTANT ELEMENTS

4.1. Although not cited as consistently, the following principles can also play an important role in the development and success of an NTFC:

- Communication Flow: Bi-directional information sharing between government officials and the private-sector is a critical aspect of the functioning of an NTFC. Communication and prioritization of goals, needs, and experiences provide a forum for creating solutions and plans of action. The flow of information also needs to flow up and down among the NTFC participants. This communication flow allows decision-making to follow a predictable path; decisions to be effectively delegated; and issues to be effectively elevated for resolution.
- Clear Goals/Priorities: Many Members shared that NTFCs actually fulfilled a number of different roles and had multiple functions. Some Members used their NTFC to monitor and ensure consistency in positions and priorities on cross-cutting issues and projects, such as supporting bilateral, regional, plurilateral, and multilateral forums. Some Members used the NTFC as the basis to set up working groups to gather information and expertise throughout the border areas and supply chain. Others used the NTFC to ensure domestic coordination and implementation of trade facilitation initiatives from legislation to implementation, including the automation of documents and processes. Whatever the mandate of the NTFC, experience sharing showed an NTFC works better when its scope and objectives are clear.
- Tracking, monitoring, and responsibility: There should be a mechanism and methodology to track and monitor the progress of NTFC decision-making, the implementation status of NTFC decisions, and the effectiveness of those decisions. Setting out clear lines of responsibility and identifying a lead for the implementation of decisions can be very effective in helping to coordinate NTFC members, maintain motivation, and encourage feedback to the NTFC as a whole. That feedback is necessary to be able to quantify the results of NTFC decisions and report to the wider public on NTFC accomplishments.

4.2. Finally, some Members noted that the frequency of meetings should not remain static, but instead reflect the current phase of work. In other words, meetings should reflect the urgency of current and upcoming work, but should not be regimented during lulls or create unnecessary bureaucracy.

5 CONCLUSION

5.1. NTFC practices and function should be dynamic and responsive to both the public-sector and private-sector. The NTFC should be seen as a place for collaboration and coordination leading to decision-making that results in concrete results. There should be clear structure, hierarchy, and an understanding of roles and responsibilities. Information should be shared in all directions and decision-making supported and delegated as appropriate. There should be accountability,

monitoring, and evaluations of decisions, as they are implemented and afterwards. The NTFC can fulfill a number of requirements and roles and should be viewed and used as a multi-faceted tool for Members.

5.2. Reflecting on the over 25 experience-sharing papers and presentations, and the innumerable interventions made by delegations sharing their experiences, the Committee should [adopt][endorse] these six principles as shared practices of successful NTFCs:

1. High-level political support for the NTFC, with a clear committee structure.
2. Wide participation and representation by border authorities and other government ministries.
3. Private-sector participation.
4. Communication flow.
5. Clear goals and priorities.
6. Tracking, monitoring, and responsibility.

5.3. We look forward to hearing from other Members on the principles outlined in this communication, and look forward to the Committee [taking a decision/acting on] the [adoption][endorsement] of the ***Six Principles of Shared Practice of Successful NTFCs***.

ANNEX I: MATRIX OF MEMBERS' EXPERIENCE-SHARING ON NFTC BEST PRACTICES

	<i>Six Principles of Shared Practice of Successful NTFCs</i>					
	High-level political support, with clear Committee structure	Wide participation and representation by border authorities and other gov't ministries	Private-sector participation	Communication Flow	Tracking, monitoring, and responsibility	Clear Goals/Priorities
United States	✓	✓	✓	✓	✓	✓
India	✓	✓	✓	✓	✓	✓
Angola	✓	✓	✓			✓
Kyrgyz Republic	✓	✓	✓			
Honduras	✓	✓	✓	✓	✓	
Norway	✓	✓	✓		✓	✓
Sri Lanka	✓	✓	✓	✓		✓
Costa Rica, Mexico, Paraguay, Uruguay	✓	✓	✓			✓
Ecuador (Video)	✓	✓	✓			
Chile	✓	✓	✓	✓		✓
Paraguay		✓	✓			✓
Egypt	✓	✓	✓			
Montenegro	✓	✓	✓		✓	✓
Thailand	✓	✓	✓		✓	✓
Pakistan	✓	✓	✓			✓
Togo	✓	✓	✓			
Dominican Republic	✓	✓	✓	✓	✓	✓
Brazil	✓	✓	✓			✓
Türkiye	✓	✓	✓	✓		