Covid-19 impact on Trade Facilitation

observations, challenges and opportunities

Committee on Trade Facilitation

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ALLIANCE PROJECT PORTFOLIO – SEPTEMBER 2020

MIDDLE EAST & NORTH AFRICA
- Morocco: Implementing
- Jordan: Scoping
- Tunisia: Scoping

ASIA & THE PACIFIC
- Sri Lanka: On hold
- Vietnam: Implementing
- India: Scoping
- Regional - South Pacific: Scoping

LATIN AMERICA & THE CARIBBEAN
- Colombia: Completed
- Brazil: Implementing
- Colombia: Implementing
- Costa Rica: Scoping

SUB-SAHRAN AFRICA
- Ghana: Implementing
- Kenya: Implementing
- Colombia: Scoping
- Ecuador: Scoping
- Senegal: Implementing
- Madagascar: Scoping
- Mozambique: BAP P2 Validation

Completed - 1 project
Implementing - 11 projects (10 countries + 1 regional)
Scoping - 9 projects - (8 countries + 1 regional)
(Concept Note/Project Proposal in preparation)
Unfolding of events over the past 6 months can be split into 3 phases:

- **Phase 1**
  - Crisis
  - March/April 2020

- **Phase 2**
  - Recovery
  - May/June 2020

- **Phase 3**
  - Reorganisation
  - July onwards 2020

This pattern was observed in every country in which GATF operates. Timeframe for each phase variable from country to country.
ALLIANCE RESPONSE – PHASE 1 / CRISIS

- Ensure safety and welfare of GATF staff and contractors.
- Cancellation of all travel plans.
- Monitor immediate reaction of countries where Alliance is involved.
- Engage with partner governments on immediate needs.
- Provide governments with visibility on actions by other governments.
- Resist knee-jerk reaction and remain within Alliance scope of work.
- Monitor actions by other TA/Intl organisations. Align/support/contribute where appropriate.
- Virtualise in-country operations and maintain momentum where possible (Virtual meetings, -project management, -PPD, -advisory sessions).
- Assess level of “virtual uptake” from countries in order to better plan future actions.
- Map general recommendations published by international organisations against TFA and assess possible Alliance intervention.
- Assess if projects need to be adjusted or reorientated in consultation with Government partners and private sector.
- Consult closely with donors to keep them informed and assess any changes in their priorities.
- Collaborate with entities such as TFAF, WTO, IATA (consolidation of recommendations, Covid-19 survey).
- Assess medium/long term impact of Covid-19 on Trade Facilitation in developing countries.
- Support countries in accelerating reform towards digitisation and simplification of border processes.
- Increase reliance on local TF experts and build capacity locally. Reduce fly-in/fly-out interventions.
- Support countries in anticipating future challenges caused by Covid-19 (e.g. possible 2nd wave, vaccine distribution) and support where possible.
GENERAL OBSERVATIONS

- Local authorities and private sector overloaded during the crisis phase but considering the seriousness of the situation, recovery more rapid than expected.
- Pandemic re-emphasised importance of digitalization, broad local ownership of reform, fluid movement of transport workers, e-payments.
- Virtualisation process successful in most countries.
  - Infrastructure more effective and resilient than expected
  - Stakeholders have largely embraced new virtualisation technologies
  - Project scoping missions delayed but being completed successfully in virtual environment [e.g. Ecuador/Madagascar]
  - Some countries have in fact embraced virtualisation and becoming more efficient in conducting dialogue process
- Only minor changes to Alliance project priorities. General consensus among local authorities that work should continue despite disruptions.
No guarantee that “new normal” will be effective in the medium/long term
More operational challenges to be expected (e.g. 2\textsuperscript{nd} wave, further lock-downs, etc…)
Virtualisation has benefits but this is still early days. In-person interaction remains valuable
Travel restrictions means increased reliance on local teams. In the long term this can be a benefit
Some operational work does require on-site intervention, this has to be postponed
OPPORTUNITIES

- Virtual environment can accelerate planning of dialogues as no travel required.
- Ability to mobilise TF experts in multiple countries concurrently.
- Ability to establish hybrid consultations – physical convenings in country with international experts virtually.
- Strengthening local public-private ownership of reform in some cases.
- Covid-19 is providing additional impetus to digitise and simplify processes, this needs to be leveraged.
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