



Government of the People's Republic of Bangladesh

WTO Cell, Ministry of Commerce

Bangladesh Regional Connectivity Project-1

Probashi Kollayan Bhaban

Eskaton Garden, Dhaka-1000



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Conducting 03 Studies Suggested by NTTFC under Bangladesh Regional Connectivity Project-1

Study on How comparable countries are addressing implementation of TFA



March 2020

Government of the People's Republic of Bangladesh

WTO Cell, Ministry of Commerce

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STUDY ON

**HOW COMPARABLE COUNTRIES ARE ADDRESSING
IMPLEMENTATION OF TFA**

Submitted to:

Project Director

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Conducted by:



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MARCH 2020

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PREFACE

This Final Report intends to respond to the requirement of the client according to the provision of contract agreement signed between Bangladesh Regional Connectivity Project-1 (BRCP 1) and Development Technical Consultant Pvt. Ltd. (DTCL) for conducting the **“03 Studies Suggested by NTTFC under The Bangladesh Regional Connectivity Project-1”**. implementing in Bangladesh by WTO Cell, Ministry of Commerce, GoB. The study consists of Current Status of Coordination and Collaboration among Border Agencies in Bangladesh, bilateral cooperation between neighboring countries and multinational cooperation. It also analyzed the best Practices of Regional Countries adapted to Facilitate Better Border Management, Existing legal, regulatory and policy frameworks, International/Regional ‘Law and Policy’ Good Practices, Legislative, Administrative and Policy Reforms Required. Finally the study examined the Current Status of Bangladesh in Implementation of the TFA, Identify and Analyze the Status and Best Practice of Regional Countries in Implementation of TFA and on the basis of findings recommendations were determined.

Consultancy services for conducting the **“03 Studies Suggested by NTTFC under The Bangladesh Regional Connectivity Project-1”**. was provided by the Development Technical Consultants Pvt. Ltd. (DTCL), Bangladesh. The study team consists of three senior level experts including field and office level support staffs. The major objective of the study is to obtain a snapshot assessment of the current status of coordination and collaboration mechanism among different border land port agencies and to provide recommendations to establish an effective and efficient coordinating border management system in Bangladesh. Moreover, the study also aims to review and identify gaps of existing policy, legal and regulatory regime-national and international relating to Bangladesh’s cross border Trade and trade facilitation.

The Final Report includes study design, sampling framework and data collection instruments and data collection methods, data management and entry and data analysis and study findings.

Zinat Ara
Project Director (Joint Secretary)
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ACKNOWLEDGEMENTS

It is indeed a great honor for us that Bangladesh Regional Connectivity Project 1 (BRCP-1) , Ministry of Commerce has entrusted Development Technical Consultant Pvt. Ltd. (DTCL) to carry out the “**03 Studies Suggested by NTTFC under The Bangladesh Regional Connectivity Project-1**”. The final report of the Study has been prepared based on a validation Workshop held on 19 March 2020 .The Studies are i) Review of Collaborative Border Management institutional mechanism for Co-coordinating across Sectors/Ministries and across countries; ii) Analysis of Law and Regulations governing border operation; iii) How comparable countries are addressing implementation of TFA.

The 03 Studies contains objective, scope and methodology of the Studies, current status Co-ordination and collaboration among border agencies in Bangladesh, existing legal, regulatory and policy framework and reforms required, current Statues of Bangladesh in implementation of the TFA. The consultants also described the best practices of Regional Countries adapted to facilitate Better Border Management and TFA implementation. At the end they analyzed the findings from the three studies and recommended to implement the suggestions.

The principal author is Md. Munir Chowdhury, Lead Consultant cum Team Leader with inputs from Md. Shafiqul Islam, Consultant & Trade Specialist; Dr. Rana Sattar, Consultant & Legal Specialist, Statistician, Data Analyst and other enumerators and field surveyors of the study team. Project Director of the BRCP-1 Mrs. Zinat Ara , PIU Coordinator, WTO Cell as well as other officials of the Ministry of Commerce, NBR, Land port Authority who provided their extended supports and gave us an opportunity to complete Study. We are thankful to all of them for their valuable cooperation and suggestions. The active support of Dr. M. M. Amir Hossain, Managing Director, DTCL; Mr. Habibur Rahman, Director, DTCL and Mr. Md. Mahabub Alam, Study Coordinator of Mid-Term Impact Study and Senior Manager of DTCL during data collection and monitoring activities are also acknowledged with thanks.

Md. Munir Chowdhury
Lead Consultant & Team Leader

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ACRONYMS

ASEAN	Association of South East Asian Nations
AEO	Authorize Economic Operator
ASYCUDA	Automated System for Custom Data
BBIN MVA	Bangladesh Bhutan India and Nepal MVA
BTP	Bangladesh Trade Portal
BSTI	Bangladesh Standard and Testing Institute
BAB	Bangladesh Accreditations Board
BB	Bangladesh Bank
BEZA	Bangladesh Economic Zone Authority
BIDA	Bangladesh Investment Development Authority
BGMEA	Bangladesh Garments Manufacturing and Export Association
BTC	Bangladesh Tariff Commission
BGB	Border Guard of Bangladesh
BIMSTEC	Bay of Bengal initiatives for Multi- Sectoral Technical and Economic Cooperation
BBS	Bangladesh Bureau of Statistics
BLP	Bangladesh Land Port Authority
BRCP	Bangladesh Regional Connectivity Project
C&F	Clearing & Forwarding Agent
CCI&F	Chief Controller of Import & Export
CPA	Chittagong Port authority
CB	Capacity building
DTIS	Diagnostic Trade Integration Studies
DAE	Department of Agricultural Extension
DDR4	Double Data Rate Type 4
DCIs	Data Collection Instruments
DPP	Development Project Proforma
DTCL	Development Technical Consultants Limited
EPB	Export Promotion bureau
EPZ	Export Processing Zone
EU	European Union
FBCCI	Federation of Bangladesh Chamber of Commerce & Industries
FGD	Focus Group Discussion
FPC	Finite Population Correction
GDP	Gross Domestic Production
ICP	Integrated Check Post
ICD	Inland Container Depot
IPO	Import policy Order
IDA	International Development Association
IFC	International Finance Corporation
ICC	International Chamber of Commerce
ITC	International Trade Commission
KII	Key Informant Interview
LCS	Land Custom Station
LPI	Logistic Performance Index
LDC	Least Development Country
MOC	Ministry of Commerce
MOS	Ministry of Shipping
MOH	Ministry of Health
MoFA	Ministry of Foreign Affairs
M&E	Monitoring and Evaluation
MoA	Ministry of Agriculture

MRA	Mutual Recognition Agreement
MVA	Motor Vehicle Framework agreement
NBR	National Board of Revenue
NSW	National Single Window
NTTFC	National Trade and Transport Facilitation Committee
NEP	National Enquiry Point
NGO	Non-Government Organization
NTB	Non-Tariff Barrier
NTM	Non-Tariff Measures
OGA	Other Government Agency
OECD	Organization for Economic Development and Cooperation
PSI	Pre-Shipment Inspection
PRA	Participatory Rural Appraisal
PCs	Public Consultations
PIWTT	Protocol on Inland Water Transit and Trade
PIU	Project Implementation Unit
RMG	Ready-Made Garment
QCBS	Quality and Cost Based Selection
QAQC	Quality Assurance and Quality Control
RTA	Regional Trade Agreement
R&HD	Roads and Highway Department
SAFTA	South Asian Free Trade Area
SPS	Sanitary and Phyto-Sanitary
SME	Small and Medium Enterprises
SPSS	Statistical Package for the Social Science
SWOT	Strength, Weakness, Opportunity and Treats
SCM	Supply Chain Management
TBT	Technical Barrier on Trade
TQM	Total Quality Management
TAPP	Technical Assistance Project Proposal
TFA	Trade Facilitation Agreement
TOR	Terms of Reference
TIR	Transport International Route
TEU	Twenty Feet Equivalent Unit
TTF	Transport and Trade Facilitation
USAID	United States Agency For International development
WTO	World Trade Organization
WB	World Bank
WCO	World Custom Organization

EXECUTIVE SUMMARY

Study intends to respond to the requirement of the consultancy services for conducting 3 numbers of survey/studies suggested by national trade and transport facilitation committee (NTTFC) under the Bangladesh regional connectivity project-1 (BRCP-1), jointly financed by the world bank and the government of Bangladesh (GOB). The number 3 study “how comparable countries are addressing implementation of Trade Facilitation Agreement (TFA)” has been carried out with the aim to understand current status of Bangladesh in implementation of the TFA, gaps between the agreement and present situation in implementation of the TFA, requirements for complete implementation of TFA, status and best practices of regional countries in implementation of TFA and the measures that have been taken to advance the implementation process, comparison between Bangladesh and other regional countries in implementation of TFA and recommendations for addressing the implementation challenges. Besides, pertinent information that will be essential for future impact assessment of the project intervention has also been collected. The information generated will be used to design project activities for the successful implementation of the programs including monitoring and evaluation activities of the project.

This study on ‘Trade Facilitation Agreement’ also focuses on identifying and addressing bottlenecks-that are imposed by weaknesses in trade related logistics and regulatory regimes that prevent timely, cost-effective movement of goods. The study on TFA focuses on following issues such as simplification and rationalization of customs & trade procedures; elimination of unnecessary red tape in trade processes; improvement in trade logistics and transport; improving the environment in which trade transaction takes place, transparency in trade policy and regulation, standards and testing, infrastructure to support trade and use of modern technology etc.

Chapter 1 elucidates that Bangladesh’s trade reforms focused mostly on trade liberalization, the reduction of import duties, the rationalization of tariffs, the promotion of exports, and removal of visible trade barriers but it became clear that Bangladesh would have to take significant strides to carve a more pronounced place for itself in the global trade community. Bangladesh became a member of the world trade organization (WTO) on 1January 1995. Prior to joining the WTO, Bangladesh had become a member of the general agreement on tariffs and trade in 1972 and the world customs organization (WCO) in 1978. To coordinate all trade- and transport-related policies and activities in Bangladesh, and to manage all activities and initiatives related to the TFA, the national trade and transport facilitation committee (NTTFC) was established in January 2018 under the chairmanship of the minister of commerce.

This chapter 1 also focuses on the basic economic analysis of trade facilitation including its benefits. This Chapter elaborates that Poor trade facilitation is a pseudo-tariff which accounts for increasing costs in the importing market and as a result reduces consumption. But unlike a tariff, poor trade facilitation typically does not create revenue: instead it is a frictional barrier in the sense that the price wedge is linked to a pure loss of economic resources involved in crossing a border. In other words, poor trade facilitation does not offer any benefit to the public sector in the way that tariff revenue does. An OECD study concludes that estimates of trade transaction costs range from 2 to 15 percent of the total transaction value and that an approximate estimate for world trade is 550 billion dollars each year.

This chapter also delineates the negotiating history and structure of trade facilitation agreement which includes the TFA provisions on transparency and appeals, TFA provisions on import/ export/ transit fees & formalities (to address inefficient border-crossing procedures), TFA provisions on customs cooperation, special provisions for developing and least-developed country members, institutional arrangements and final provisions, facilitation measures under TFA, special & differential treatment for developing and LDC countries, flexible implementation timelines, SASEC countries and the TFA etc.

This chapter also explains the current status of the implementation of the TFA and institutions and the roles and activities of the agencies in Bangladesh responsible for overseeing and implementing trade facilitation. The Agencies include ministry of commerce, national board of revenue, ministry of shipping, ministry of road transport and bridges, ministry of railways, ministry of civil aviation and tourism, ministry of agriculture, ministry of industries, ministry of power, energy, and mineral resources, ministry of fisheries and livestock and Bangladesh bank (central bank) etc.

This chapter also outlines the objectives and scope of the study which is aimed at identifying the current status of implementation of TFA in Bangladesh and the challenges faced and recommendations made for addressing the challenges.

Chapter 2 focuses on the approach, methodology and procedure of the study undertaken on TFA. Survey work comprised of numerous field visits, interview with custom officials, land port authority, immigration officer, entrepreneurs including women, truck owners and drivers at their catchment areas; discussion with the officials of the project, ministry and relevant officials from government and private sectors were undertaken.

As a part of general approach, existing collaborative border management-institutional mechanisms of the coordinating agencies across sectors/ministries and across countries were reviewed and assessed how comparable countries are addressing implementation of sustainable and integrated border management in using the established indicators, at the project areas

In this chapter explained the design of the study, sources of data, and procedures of collection of data, reports and information etc. Some data were collected from survey work, Focus Group Discussion (FGD), Public Consultations (PCs) and through Key Informants Interview (KIIs) and others from the review of secondary documents and literature.

Chapter 3 identified and analysed the gaps between the Trade Facilitation Agreement and present situation in the implementation of the TFA in Bangladesh. It is observed from the study that Bangladesh had focused broadly on trade facilitation by taking the necessary measures in reducing the cost of doing business, expediting quick clearance at the border, rationalizing tariffs that pertain to customs duties, introducing automation in business processes, and establishing partnerships with private sector stakeholders. However, the impact on advancing trade facilitation and deepening regional cooperation has fallen short of the country's expectations due to continued constraints that impede the smooth implementation of these initiatives. It has been ascertained from study that TFA could not be fully implemented due to lack of a unified platform for coordination among the border agencies, nascent national trade and transport facilitation committee, absence of automation in the business processes of actors at the border, knowledge gap and lack of capacity-building initiatives, lack of progress on major provisions of trade facilitation as suggested in the RKC and TFA, lack of an updated customs valuation database, lack of mutual administrative assistance agreements etc.

This chapter also reflects the compliance status of the major provisions of the TFA such as the notification of category commitments under the agreements on trade facilitation communication from Bangladesh to WTO, publication and information availability through internet (articles 1.1-1.2, categories a and b), enquiry points (article 1.3, category c), opportunity to comment and information before entry into force (article 2.1, category b), consultation (article 2.2, category b), advance ruling (article 3, category a): procedures for appeal or review (article 4, categories a and b), notification on enhanced controls or inspections (article 5.1, category b), detention (article 5.2, category a), test procedures (article 5.3, category b), general disciplines on fees and charges imposed on or in connection with importation and exportation (article 6.1, category b), Specific discipline on fees and charges for customs processing imposed on or in connection with importation and exportation (article 6.2, category b), penalty discipline (article 6.3, category b), pre-arrival processing (article 7.1, category c): electronic payment (article 7.2, category b), separation of release from final determination of customs duties, taxes, fees, and charges (article 7.3, category a), risk management (article 7.4, category c), post-clearance audit (article 7.5,

category c, establishment and publication of average release times (article 7.6, category a), trade facilitation measures for authorized economic operator (article 7.7, category c), expedited shipments (article 7.8, category c), perishable goods (article 7.9, category c), border agency cooperation (article 8, category c, movement of goods intended for import under customs control (article 9, category a), formalities and documentation requirements (article 10.1, categories a and c), acceptance of copies (article 10.2, categories a and b), use of international standards (article 10.3, category a), single window (article 10.4, category c, pre-shipment inspection (article 10.5.1, category a, use of customs brokers (article 10.6, category a, common border procedures and uniform documentation requirements (article 10.7, category a, rejected goods (article 10.8, category a, temporary admission of goods (article 10.9, category b, inward and outward processing (article 10.9, category b, freedom of transit (article 11, categories a, b, and c, Customs cooperation (article 12, category b), identify the need assessment for category c to complete implementation of TFA, submission from Bangladesh to the WTO on “assistance and support for capacity building required for implementation (for category c).

In Chapter 4, outlined the analysis of the status and best practices of regional countries and comparison made between Bangladesh and other regional countries. Moreover, the measures undertaken by the developing/developed countries to advance the TFA implementation processes and lessons learned have also been explained at length. The studies include best practices and lessons learned in transit of Republic of Moldova and the institutional& legislative reform of the custom office and simplified procedures for border crossing; best practices of the Republic of Tajikistan on coordination committee on trade facilitation, program of transport services development; best practices and lessons learned in transit and experience from east African region

The Chapter 5, outlines the TFA implementation challenges such as institutional weakness and procedural obstacles confronted by Bangladesh. These include Slow and archaic customs clearance systems, cumbersome trade documentation requirements, inadequate transport infrastructure etc. and existence of various other natural barriers. Steps required to modernize border procedure in line with the best practices adopted in other countries of the world as per stipulations of WTO TFA have been explained. Moreover, issues regarding coordination of border Authorities, status of implementation of National Single Window (NSW), Policy/ Legal status and reforms necessary have been elaborated in this Chapter. Above all, necessity of capacity building training, infrastructure and equipment required to implement the TFA have also been elaborated.

Chapter 6 deals with the findings and recommendations derived from the study.

Recommendations:

- a) For coordinated border management (CBM) to succeed, one-stop unified platform with a ‘Lead Agency’ or a ‘Single Integrated Agency’, having co-location of the offices of different agencies under one roof along with strengthening of the national trade and transport facilitation committee (NTTFC) and framing out of a compiled policy and regulatory guideline/ standard operating procedure (SOP) for cross border land port management has been recommended;
- b) It is also recommended to make the National Single Window (NSW) project fully operational to ensure automation in the business processes along with the development of the capacity of the concerned officials enabling them handle the modern digitized port management system;
- c) It has also been recommended to introduce Authorized Economic Operators (AEO) with Mutual Recognition (MRAS) of Authorized Economic Operator (AEO) programs along with introduction of Mutual Administrative Assistance Agreements to address the resolution of issues such as improving information exchanges to detect revenue fraud and the trafficking of illegal goods like drugs, narcotics, and firearms, with India and all other countries should concluded for facilitating better trade;
- d) Steps should be taken for the development of the infrastructural facilities of all the land ports, LCSs including, roads, and railways etc. Infrastructure and/or logistics: regulatory provisions

should be made to ensure adequate infrastructure and logistics (such as, yard, warehouse, cc cameras, etc.);

- e) Appropriate measures have been recommended in order to reduce the effects of sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) barriers along with establishment of Laboratory facilities and setting up of full-fledged office of the Bangladesh standard and testing institute (BSTI) and introduction of Specific legal provisions allowing expedited examination or release of perishable goods or release within shortest possible time;
- f) For transit facilities, development of physically separate infrastructure, such as transit lane or berths for full-fledged operation of traffic in transit for transshipment of goods along with enactment of necessary amendment of the custom act and framing out of rules have been recommended; and
- g) It has been recommended for full implementation of the TFA regulations as per road map with setting up appropriate targets, indicators and monitoring tools.

Chapter 7 deals with the conclusion of the study.

Conclusions:

- a) It is concluded that trade facilitation covers all steps that should be taken in view of smoothing the flow of trade removing all sorts of non-tariff barriers. Simplification and harmonization of international trade procedures, covering the activities, practices and formalities involved in collecting, presenting communicating and processing data required for the movement of goods in international trade are essential. In order to ensure implementation of Bangladesh's TFA commitments, appropriate coordination among all trade-and transport-related policies and activities in Bangladesh, and management of all activities and initiatives related to the TFA under a single authority are essential;
- b) As part of commitment to trade facilitation, Bangladesh adopted a range of measures to facilitate trade, including (i) abolishing its import licensing system under the ministry of commerce in 1984, (ii) becoming a contracting party to the WCO's international convention on the harmonized commodity description and coding system in 1987, and (iii) introducing the automated system for customs data (ASYCUDA) at the national board of revenue (NBR) in 1994. In 2010, Bangladesh signed the letter of intent to implement the WCO's framework of standards to secure and facilitate global trade (safe framework). Bangladesh acceded to the WCO's revised Kyoto convention on the simplification and harmonization of customs procedures (RKC). Both events marked instrumental milestones toward improving trade facilitation;
- c) In line with the provision of the TFA, steps are needed to be taken to build up modern warehouses equipped with all modern loading and unloading facilities containers and other goods, providing sufficient testing facilities, constructing spacious connected roads and introducing of automated system for cross-border trade between Bangladesh and India and other regional countries. Adequate trained manpower on port operation and management in the land ports (LPs), land customs stations (LCs) particularly at the sanitary and phyto-sanitary and, immigration offices etc. are essential along with simplification and integration of various documentation related to import and exports and making these compatible for electronic transaction. ASYCUDA and NSW program to be made fully operational at LPs and LCs with provision for interfacing with India and other regional countries ensuring the establishment of digital corridor with a view to save time and cost; and
- d) Automation and implementation of paperless trade agreement, easy and simplified access to finance for the traders, simplified regulations and procedures, better enforcement of regulations, bringin all the border trade related agencies under a single umbrella for better coordination, collaboration and cooperation are of fundamental importance for ensuring trade facilitation between Bangladesh and other neighbouring countries.

CHAPTER-1

INTRODUCTION

1. Introduction

Trade facilitation covers all steps that can be taken in view of smoothing the flow of trade. The term is widely used to cover all sorts of non-tariff barriers. In WTO concept, trade facilitation is limited to “the simplification and harmonization of international trade procedures, covering the activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade”. Trade facilitation aims at developing a consistent, transparent, coherent, non-discriminatory and predictable environment for international trade transactions based on internationally accepted norms and practices resulting from simplification of formalities and procedures, standardization and improvement of physical infrastructure and facilities, harmonization of applicable laws and regulations. The main goal of trade facilitation is to reduce the transaction costs and complexity of international trade for businesses and improve the trading environment in a country, while maintaining efficient and effective levels of government control. The main area of focus includes:

- Infrastructure investment;
- Customs modernization and border crossing-environment;
- Streamlining of documentary requirements and information flows;
- Automation and Electronic Data Interchange EDI;
- Ports efficiency;
- Logistics and transport services: regulation and competitiveness;
- Transit and multimode transport; and
- Transport security.

Trade facilitation is a diverse and challenging subject with potential benefits for both business and government at national, regional and international levels. It involves political, economic, business, administrative, technical and technological, as well as financial issues, all of which must be taken into consideration when a country or region develops its trade facilitation strategy. The contents of trade facilitation measures can be highly technical and require the input of expert practitioners and administrators. Any measure that eases a trade transaction and leads to time and cost reductions in the transaction cycle fits into the category of trade facilitation. The latter can be effected through more efficient procedures and operations-increasing value without a proportionate increase in cost-or through removing any deadweight economic loss and redundancies.

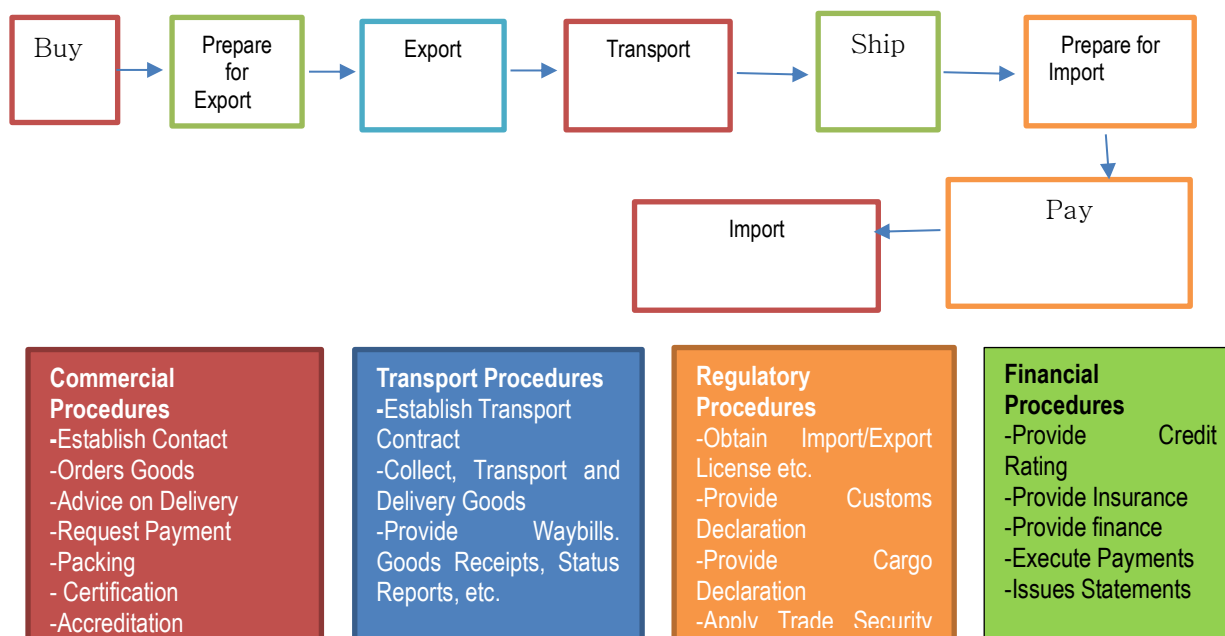
World community has made significant progress over the years in reducing highly visible tariff barriers (e.g. customs duty and import taxes). Tariff barriers have gone down around the world to a very low level but as in the case of tariffs, international trade also suffers from the existence of numerous Non-Tariff Barriers (NTBs). Attention has therefore shifted towards addressing the remaining major trade problem-non-tariff barriers (NTBs). One form of NTBs is non-tariff measures (NTMs) or barriers that arise as intentional or unintentional consequences of government trade policies. Like tariffs, NTMs are trade policy measures through which a country often seeks to grant import protection to a sector of its economy. Efforts to address them effectively are evident in the form of conclusion of the Agreement on Sanitary and Phytosanitary (SPS) Measures, and the Agreement on Technical Barriers to Trade (TBT).

The other form of NTBs originates from existence of different types of inefficiencies in trade administration systems, institutions and infrastructure. These inefficiencies emerge as a result of-

- Slow and archaic customs clearance systems;
- Cumbersome trade documentation requirements;
- Inadequate transport infrastructure etc.; and
- Existence of various other natural barriers.

Trade Facilitation comes to the fore in order to handle this form of NTBs. We need to devise a mechanism that can eliminate or reduce such inadequacies, and facilitate international trade. **Trade Facilitation** is therefore viewed as the most effective means of addressing such inefficiencies. Trade Facilitation means **identifying and addressing bottlenecks**-that are imposed by weaknesses in trade related logistics and regulatory regimes; that prevent timely, cost-effective movement of goods. *TF focuses on following issues:*

- Simplification and rationalization of customs & trade procedures;
- Elimination of unnecessary red tape in trade processes;
- Improvement in trade logistics and transport;
- Improving the environment in which trade transaction takes place;
- Transparency in trade policy and regulation;
- Standards and testing; and
- Infrastructure to support trade, and Use of modern technology.



Source: United Nation Centre for the Trade Facilitation of Electronic Business (UN/CEFACT) 2008

1.1 Background

Bangladesh has focused on creating a more favorable environment for trade over the last few decades with a growing realization that trade facilitation and promotion is instrumental for economic development. While initial trade reforms focused mostly on trade liberalization, the reduction of import duties, the rationalization of tariffs, the promotion of exports, and removal of visible trade barriers, it became clear that Bangladesh would have to take significant strides to carve a more pronounced place for itself in the global trade community. Bangladesh became a member of the World Trade Organization (WTO) on 1 January 1995. Prior to joining the WTO, Bangladesh had become a member of the General Agreement on Tariffs and Trade in 1972 and the World Customs Organization (WCO) in 1978.

Bangladesh adopted a range of measures to facilitate trade, including (i) *abolishing its import licensing system under the Ministry of Commerce in 1984*, (ii) *becoming a contracting party*

to the WCO's International Convention on the Harmonized Commodity Description and Coding System in 1987, and (iii) introducing the Automated System for Customs Data (ASYCUDA) at the National Board of Revenue (NBR) in 1994. In 2010, Bangladesh signed the letter of intent to implement the WCO's Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework). On 28 September 2012, Bangladesh acceded to the WCO's Revised Kyoto Convention on the *Simplification and Harmonization of Customs Procedures (RKC)*. Both events marked instrumental milestones toward improving trade facilitation.

Bangladesh ratified the WTO's *Trade Facilitation Agreement (TFA)* on 27 September 2016. Since then, the Ministry of Commerce has played a key role in mobilizing various government agencies to determine the path forward for the implementation of Bangladesh's TFA commitments. To coordinate all trade- and transport-related policies and activities in Bangladesh and to manage all activities and initiatives related to the TFA, *the National Trade and Transport Facilitation Committee (NTTFC)* was established in January 2018 under the chairmanship of the Minister of Commerce. The NTTFC comprising of 31 members, including high-level officials and representatives of relevant ministries, departments, and trade bodies also provides policy direction to the relevant agencies. The Ministry of Commerce and its subsidiary offices-the Tariff Commission, Export Promotion Bureau, Chief Controller of Import and Export, and WTO Cell-along with the NBR, trade bodies, research organizations, academia, and relevant agencies all contributed to designing the framework and laying the foundation for how Bangladesh would tackle this challenge. One of the major building blocks for Bangladesh has been increased participation of these agencies in various bilateral and multilateral trade negotiations, which enhanced access to and knowledge of key trade issues and most impactful international trade practices. Initiatives undertaken by development partners-including the Asian Development Bank (ADB); International Finance Corporation (IFC); United Nations Conference on Trade and Development (UNCTAD); United Nations Economic and Social Commission for Asia and the Pacific; United States Agency for International Development (USAID), and the World Bank-have buttressed major activities aimed at advancing trade facilitation in Bangladesh. In addition, many of the initiatives supported by organizations like ADB and the World Bank have focused on transport (e.g., road construction) which has measurable spillover effects on trade.

1.2 Why Is Trade Facilitation Important

Basic Economic Analysis of Trade Facilitation

De Melo and Shepherd (2018) argue that poor trade facilitation can be understood as a kind of NTM affecting trade. The rationale behind this classification is that poor trade facilitation raises trade costs even if it does not involve the use of traditional trade policy measures like tariffs. Although treating poor trade facilitation as an NTM makes sense from an economic point of view, it is not recognized in standard international classifications on NTMs, such as the one produced by the Multi-Agency Support Team (United Nations Conference on Trade and Development 2012). For policy purposes, trade facilitation is often treated as an issue apart, even though the basic economics can be well understood through the lens of NTMs.

The economics of tariffs are very well understood. In a simple model, many NTMs can be converted to tariff equivalents (i.e., a tariff rate that gives identical price and quantity impacts in the market). This equivalence is true of trade facilitation, which explains the pertinence of the concept of ad valorem trade costs that was introduced above. In many ways, poor trade facilitation is like a tariff: it increases costs in the importing market and as a result reduces consumption. But unlike a tariff, poor trade facilitation typically does not create revenue: instead it is a frictional barrier in the sense that the price wedge is linked to a pure loss of economic resources involved in crossing a border. In other words, poor trade facilitation does not offer any benefit to the public sector in the way that tariff revenue does. The only parties who gain from poor trade facilitation are domestic producers, who are effectively insulated from import competition. But on the whole, social welfare can be increased by

improving trade facilitation, reducing the price wedge, and thereby recovering some of the economic resources that are lost due to these trade frictions.

Simple economic models of tariffs show that it is particularly important to reform very high tariffs, but the gains from reforming already low tariffs are relatively low. This point is less salient with trade facilitation because there is no tariff revenue to offset the efficiency losses caused by the price wedge. So although this dynamic is still in play, it is weaker. As a result, all countries have an interest in improving their trade facilitation performance, but the interest is particularly strong for countries where trade facilitation is weak by global standards.

Table below summarizes the basic economic effects of poor trade facilitation, as a frictional NTM, compared with a simple tariff. Economists have long known that a tariff is a combination of a production subsidy and a consumption tax. Poor trade facilitation works in the same way, but it is a tax without revenue-which means that the net welfare effect is always strongly negative.

Economic Effect	Tariff	Poor Trade Facilitation
Income	Re-allocates national income from consumers to producers by increasing local prices and decreasing consumption	Re-allocate national income from consumers to producers by increasing local prices and decreasing consumption
Revenue	Provides the government with tariff revenue	Results in pure economic waste
Efficiency	Results in economic inefficiency	Results in economic inefficiency
Net	Net effect is an economic loss	Net effect is a larger economic loss for the same ad valorem equivalent

The importance of the procedures that should be undertaken during an export or import procedure have increased in recent years, adding to the cost of trading for both governments and business. The reasons for which trade facilitation has become an important element of economic development are, among others:

- increased trade volumes due to progressive trade liberalization;
- increased trade velocity due to modern technologies; and
- increased complexity of trade.

In the meantime, the dual role of Governments-providing trade facilitation while undertaking statutory obligations-has become increasingly important in the current security-conscious international environment. For a given product, to remain competitive on foreign markets, the cost of its commercial transaction must be as low as possible. The tools of the Supply Chain Management, which attempt to manage the whole series of activities involved in trading goods, are essential in this respect. However, they should be complemented by effective procedures at national frontiers in order to avoid unforeseen or undue delays or unexpected additional costs.

Therefore, trade facilitation should cover measures regarding *formalities, procedures and documents and the use of standard messages for trade transactions*. In addition, measures must be included to improve the physical movement of goods through the:

- supply of better (transparent, predictable, uniform) services, such as: adequate legal environment, appropriate transport and communication infrastructure, organized services providers companies, etc.;
- use of modern information and communication technology tools by both services providers and users;
- Increased awareness for all concerned actors regarding the potential benefits that they may achieve through trade facilitation.

Trade facilitation results in direct benefits to both Governments and business community: Governments benefit in terms of revenue collection, increased economic efficiency, better security and protection of society. Traders gain through faster delivery of goods and reduced transaction costs. These gains are considerable, especially for small companies, for whom the costs of compliance with procedures are considerably higher: in this case, trade facilitation enhances the capacity of SMEs to participate in international trade. It is difficult to put a price on the benefits of trade facilitation-both for business and for governments. A study by the United Nations Conference on Trade and Development (UNCTAD) shows that a typical trade transaction passes through 27 to 30 parties-including brokers, banks, carriers, sureties and freight forwarders. At least 40 documents are needed, not only for government authorities but also for related businesses. Over 200 data elements are typically requested, of which 60 to 70 percent are re-keyed at least once, while 15 percent are re-typed 30 times. An OECD study concludes that estimates of trade transaction costs range from 2 to 15 percent of the total transaction value and that an approximate estimate for world trade is 550 billion dollars each year. This result in an enormous amount of time and money wasted and is hampering business, stifling growth and holding back economic development, particularly in developing countries.

Benefits in Trade Facilitation

- Establishing Integrated Supply Chain Management & Security;
- Example of I-phone production process;
- Reducing Transaction Costs;
- The *World Trade Report 2015* shows that full implementation of the TFA could reduce trade costs of members by an average of 14.5%;
- The OECD estimates that the potential total cost reduction from a “full” implementation of the TFA is 16.5 percent for low-income countries, 17.4 percent for lower-middle-income countries, and 14.6 percent for upper-middle income countries;
- Attracting Foreign Direct Investment;
- Generating Employment and thus Reducing Poverty;
- Boosting Exports;
- The WTO suggests that the TFA will could increase the number of new products exported by as much as 20 per cent, and least developed countries are likely to see a much bigger increase-of up to 35 per cent;
- Enhancing Economic Growth; and
- A report from the Peterson Institute for International Economics estimates that the TFA has the potential to boost the world economy by about US\$1 trillion.

1.3 WTO Trade Facilitation Agreement

Trade facilitation continues to be a hot topic on the global political and economic agenda. It has been catalyzed most recently by the World Trade Organization’s (WTO) ***Trade Facilitation Agreement (TFA) entering into force on 22 February 2017*** and by the compounding need to implement it. The TFA is a major milestone for the WTO. For the first time in WTO history, the commitments of developing and least-developed economies are linked directly to their capacity to implement the provisions of the TFA as determined by the economies themselves. There remains a diverse spectrum of perspectives on trade facilitation and the challenges surrounding its measurement and the implementation of best practices, as well as on how to ensure the necessary legal and regulatory framework is in place. It is a topic of multidisciplinary scope that involves political, economic, business, administrative, technical and technological, and financial aspects, all of which must be taken into consideration when an economy or region develops its trade facilitation strategy.

Unlike free trade agreements, trade facilitation does not always require formal negotiation; it is more like a tool kit that equips governments at the multinational, regional, and national

levels to target impeding barriers such as a lack of transparency, the duplication of documentation requirements, and the absence of automatic data submission procedures. Thus, just as the international trade regime can serve as a catalyst for private sector development, revenue mobilization, poverty reduction, and economic development, the potential to deliver goods and services in a timely, cost-effective, and efficient manner has likewise emerged as a vital requisite for global trade. While the same principles underlie both the World Customs Organization's Revised Kyoto Convention on the *Simplification and Harmonization of Customs Procedures (RKC)* and the TFA-as they both serve as blueprints for modern and efficient customs procedures to promote efficient and effective trade facilitation.

As such, what we are witnessing is greater emphasis by development agencies and national governments on trade facilitation and a clearer agenda for advancing long-standing work in the simplification and harmonization of international trade procedures. These efforts have materialized in the form of capacity building, technical assistance, analysis and diagnostics, global advocacy, and partnerships, as well as the financing of major trade infrastructure and institutional reform projects by these agencies and organizations to enhance trade facilitation implementation in developing and least-developed economies. And as economies that signed the TFA move toward a freer trade climate, the TFA could act as a catalyst to further debate in the WTO concerning other pending issues aimed at removing barriers to trade beyond borders, especially at a time when progress on multilateral trade agreements remains elusive. While this vision has seemingly become clearer on a global, regional, and domestic level as stakeholders become more focused on the implementation of the TFA, there are some serious challenges across the board. These challenges include legal enabling environments that remain vastly underdeveloped, a readiness among border agencies that is still lacking, and a mismatch in the integration and coordination of efforts by respective stakeholders. There is still, understandably, a large amount of independence in how economies that have ratified the TFA have approached its institutionalization and implementation based on their respective administrative cultures and political priorities. It is therefore important to take account of these particularities at the same time as focusing on overlapping priorities and untapped opportunities.

An additional challenge for developing economies is that the TFA represents an internationally agreed benchmark for trade facilitation performance. It does not represent current best practice. The leading economies in this area are far ahead of what is mandated by the TFA in most cases. As such, developing economies already need to start thinking beyond the TFA in terms of moving forward on trade facilitation. The TFA only deals with border procedures, but in regions such as Asia and the Pacific a successful approach to trade facilitation should focus on the broader goal of reducing trade costs, which includes improving infrastructure and rationalizing domestic regulations, neither of which is covered by the TFA.

Negotiating history of the TFA

- 1996-Trade facilitation was added to the WTO's agenda at the Singapore Ministerial Conference;
- 2001-At the Doha Ministerial: Ministers agreed that negotiations on trade facilitation would take place after the Fifth Ministerial Conference in Cancun;
- October 2004-Negotiating Group on Trade Facilitation was set up;
- December 2013-Bali Ministerial Negotiations concluded on the Trade Facilitation Agreement;
- November 2014-Adoption of the Protocol of Amendment, the instrument that allows the Trade Facilitation Agreement inserted into Annex 1 of the WTO Agreement; and
- February 2017-Entry into force of the Trade Facilitation Agreement following ratification of the TFA by two thirds of WTO membership.

Although WTO began negotiations on Trade Facilitation in 2004, drafting the agreement progressed slowly. Trade Facilitation Agreement (TFA) finally concluded at the 9th Ministerial meeting held at Bali, Indonesia in December 2013. It came into force on 22 February 2017 with the ratification of two-thirds of WTO members (110 countries). *Provisions under TFA comprises 12 articles with 38 trade facilitation technical measures*, Special and Differential Treatment (S&DT) provisions for developing countries and Institutional Arrangement and final provisions. Measures are divided into three broad categories-**Categories A, B & C**. For implementation purpose, these categories have different connotations for developed, developing and Least Developed Countries. S&DT provisions under GATT and Annex D provisions of Hong Kong Ministerial Declarations enable LDCs to enjoy a much greater flexibility and a longer implementation time. The categories are as follows:

Category A contains provisions that an LDC Member will have to implement within one year after entry into force of TFA. (By 22 February, 2018).

Category B contains provisions that an LDC will have to implement by a date after a transitional period (more than three years) following the entry into force of TFA. Measures that LDC will implement on its own.

Category C contains provisions that an LDC will have to implement by a date after a transitional period (more than 6 years), and acquisition of implementation capacity through donor assistance. Measures whose implementation requires donor assistance.

Structure of Trade Facilitation Agreement

Section I (Article 1 to 12) contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out provisions for customs cooperation.

Section II (Article 13 to 22) outlines the unique and ground-breaking approach to special flexibilities for developing and least developed countries, which go far beyond the flexibilities included in other agreements.

Section III (Article 23 to 24) delineates the institutional arrangements and the final provisions of the TFA.

Section I

Comprises: Articles 1 to 12

Contains: 36 technical provisions

These provisions oblige Members to:

- increase transparency;
- improve governance through disciplines on rule and decision- making processes;
- implement streamlined and modernized border procedures and control techniques;
- enhance the movement of goods in transit; and
- Improve customs cooperation.

TFA Provisions on Transparency and Appeals

- Article 1 Publication & Availability of Information;
- Article 4 Procedures for Appeal or Review;
- Article 3 Advance Rulings;
- TFA Provisions on Transparency and Appeals;
- Article 2 Comment and Consultations; and
- Article 5 Measures to Enhance Impartiality, Non-Discrimination & Transparency.

The provisions in the first five articles address the need for greater transparency for traders regarding the regulations and procedures for entering and operating in a market. They provide opportunities for traders to comment on proposed rules related to the movement of goods, and to appeal decisions made by customs. They also address the need for greater consistency and predictability on the application of rules and procedures.

TFA Provisions on Import/ Export/ Transit Fees & Formalities (To address inefficient border-crossing procedures)

- Article 6 Disciplines on Fees and charges;
- Article 7 Release and Clearance of Goods;
- Article 8 Border Agency Cooperation;
- Article 9 Movement under Customs Control;
- Article 10 Import, Export & Transit Formalities;

The provisions in these 5 articles address the need to speed up processing at the border, including for goods in transit. Therefore, they focus on streamlining border processes as much as possible in a number of ways:

- using automation and e-services;
- introducing risk-management programmes;
- releasing goods on the basis of minimal data provided by traders;
- increasing cooperation between border agencies to create integrated border management;

TFA provisions on Freedom of Transit

Article 11 Freedom of transit

The provisions of Article 11 focus on restricting regulations and formalities on traffic in transit through the following means:

Procedures: *Limit* on formalities, documents, controls, no unnecessary delays/restrictions, no TBT/conformity assessment and *Limit* customs escort.

Charges: *Limit* on guarantee amount, discharge guarantee promptly, no customs charges.

TFA Provisions on Customs Cooperation

Article 12 Customs Cooperation

The provisions of Article 12 seek to ensure coordination of customs control between Members.

It sets out a framework for sharing relevant information in accordance with strict guidelines to ensure the confidentiality of information held by customs.

Special provisions for developing and least-developed country Members

- Article 14 Categories of Provisions
- Article 15 Notification and Implementation of Category A
- Article 16 Notification of definitive dates for implementation of Category B and Category C

These 3 articles are at the heart of the special flexibilities of the TFA. They introduce the categorization concept and how it supports the self-determination process. They explain the flexibilities associated with each of the 3 categories (A, B, C) and how they can be utilized by Members. They also explain the mechanism of how the categorization process works and the notification obligations required for each category.

- Article 17 Early warning mechanism;
- Article 18 Implementation of Categories B and C;
- Article 19 Shifting between Categories B and C;
- Article 20 Grace period from dispute settlement;

These 4 articles contain further flexibilities in addition to the categorization mechanism.

- Article 21 Provision of assistance and support for capacity building;
- Article 22 Information on Assistance and Support for capacity building to be submitted to the Committee;

These articles refer back to the 3rd objective of Section II which is to ensure that developing and LDC members have access to technical assistance and support for capacity building that they may require in order to implement the TFA.

Institutional arrangements and final provisions:

<p>Article 23</p> <ul style="list-style-type: none"> •Permanent Committee on trade facilitation at the WTO •National committee on TF to facilitate domestic coordination and implementation of the provisions of the Agreement 	<p>Article 24</p> <ul style="list-style-type: none"> • All provisions of the TFA are binding on all Members • The TFA does diminish the obligations of Members under the GATT 1994, the SPS and TBT agreement
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Facilitation Measures under TFA:

<p>1: Publication 2: Information available thru Internet 3: Enquiry points 4: Notification 5: Opportunity to comment on new and amended rules 6: Consultations 7: Provision of advance ruling 8: Procedures for appeal or review 9: Notifications for enhanced controls or inspections 10: Detention 11: Test procedures 12: General disciplines on fees & charges 13: Specific disciplines on fees & charges 14: Penalty disciplines 15: Pre-arrival processing 16: Electronic payment 17: Separation of release from final determination of duties/taxes/fees/ charges 18: Risk management 19: Post-clearance audit</p>	<p>20: Establishment & publication of average release time 21: TF measures for authorized operators 22: Expedited shipments 23: Perishable goods 24: Border agency cooperation 25: Movement of goods intended for import under Customs control 26: Formalities & documentation requirements 27: Acceptance of copies 28: Use of international standards 29: Single window 30: Pre-shipment inspection 31: Use of customs brokers 32: Common border procedures & uniform documentation requirements 33: Rejected goods 34: Temporary admission of goods 35: Inward and outward processing 36: Freedom of transit 37: Customs cooperation 38: National committee on trade facilitation</p>
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Category A | Category B | Category C | Not Yet Notified

Special & Differential Treatment for developing and LDC countries

- Implementation of agreement linked with capacity;
- Each developing & LDC Member can say when it will implement each measure;
- Identify measures can implement only with technical assistance;

Flexible Implementation Timelines

Category A: implemented by time Agreement enters into force;

Category B: Entry into force + (X) time (indicative dates of implementation);

Category C: need extra time & TACB;

SASEC Countries and the TFA

PRC=People's Republic of China, SASEC=South Asia Sub regional Economic Cooperation, TFA=Trade Facilitation Agreement.

Source: World Trade Organization. Trade Facilitation Agreement

Database.<https://www.tfa database.org/> (accessed 30 September 2019)

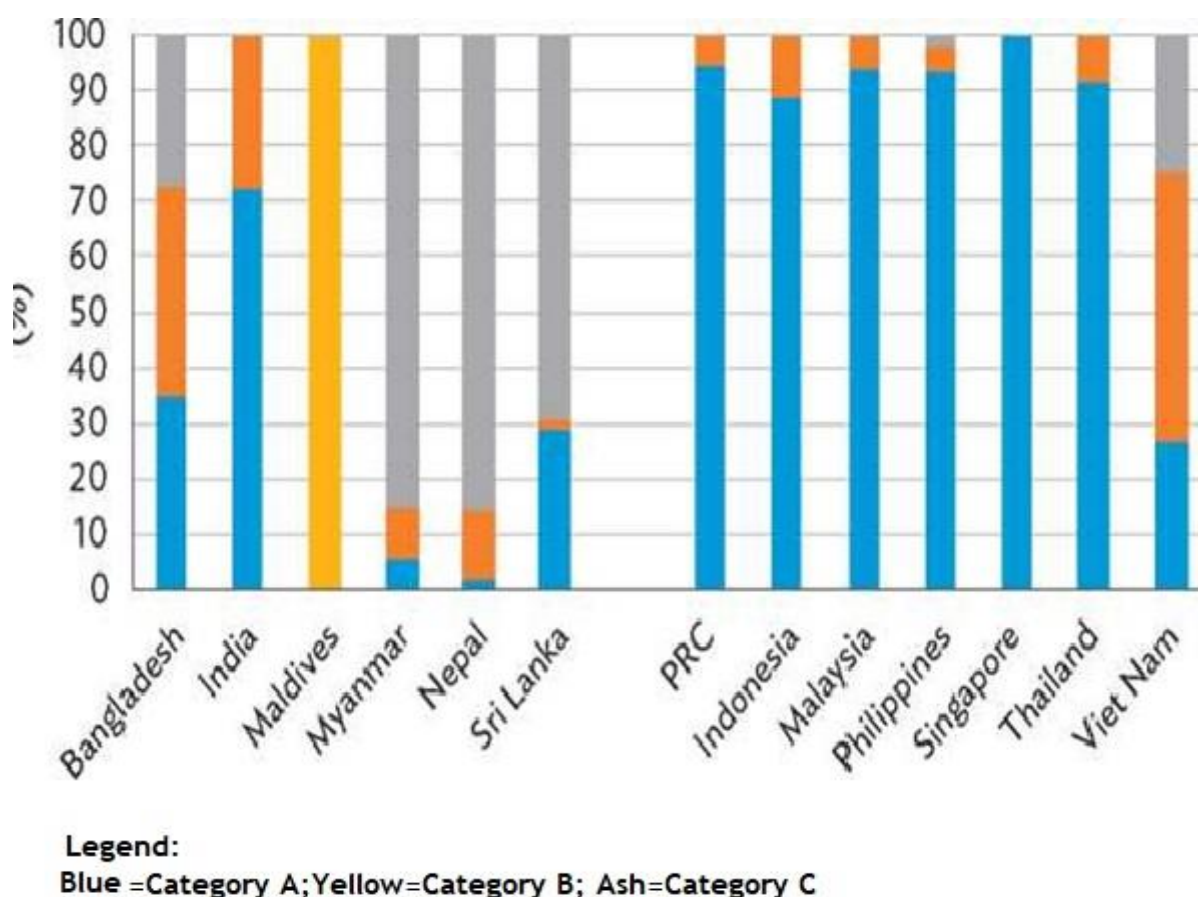


Figure 1.1.: Status of TFA Implementation in selected Asian Economies

Figure shows the current situation for SASEC countries in relation to their notification of the TFA items. Bhutan is excluded as it is not a WTO member. India, which is the strongest regional performer in trade facilitation, stands out as having notified the vast majority of the TFA's provisions in Category A, with the remainder in Category B with implementation to take place no later than 2022. This approach is ambitious and in line with the economic logic discussed above. Bangladesh, on the other hand, has split the bulk of the TFA provisions between Category A and Category B and steps have been taken toward implementing

Category C measures. Sri Lanka has listed a similar number of provisions Category A and only a few in Category B; the bulk of the TFA's provisions are in Category C. Among SASEC countries, Nepal has the fewest provisions in Category A and the highest number in Category C. Painting with a broad brush, the approaches of SASEC countries can be classified as ambitious in the case of India, ambitious over a longer time period in the case of Bangladesh, conservative in the case of Sri Lanka, and modest in the case of Nepal. The Maldives has not yet made its notifications, so it is unclear what approach it will take.

1.4 . Current Status Of Bangladesh In Implementation Of The TFA

Bangladesh has focused on creating a more favorable environment for trade over the last few decades with a growing realization that trade facilitation and promotion is instrumental for economic development. While initial trade reforms focused mostly on trade liberalization, the reduction of import duties, the rationalization of tariffs, the promotion of exports, and removal of visible trade barriers, it became clear that Bangladesh would have to take significant strides to carve a more pronounced place for itself in the global trade community. ***Bangladesh became a member of the World Trade Organization (WTO) on 1 January 1995.*** Prior to joining the WTO, Bangladesh had become a member of the General Agreement on Tariffs and Trade in 1972 and the World Customs Organization (WCO) in 1978.

Bangladesh adopted a range of measures to facilitate trade, including (i) abolishing its import licensing system under the Ministry of Commerce in 1984, (ii) becoming a contracting party to the WCO's International Convention on the Harmonized Commodity Description and Coding System in 1987, and (iii) introducing the Automated System for Customs Data (ASYCUDA) at the National Board of Revenue (NBR) in 1994.¹ In 2010, Bangladesh signed the letter of intent to implement the WCO's Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework). On 28 September 2012, Bangladesh acceded to the WCO's Revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures (RKC). Both events marked instrumental milestones toward improving trade facilitation.

Bangladesh ratified the WTO's Trade Facilitation Agreement (TFA) on 27 September 2016. Since then, the Ministry of Commerce has played a key role in mobilizing various government agencies to determine the path forward for the implementation of Bangladesh's TFA commitments. To coordinate all trade- and transport-related policies and activities in Bangladesh, and to manage all activities and initiatives related to the TFA, the National Trade and Transport Facilitation Committee (NTTFC) was established in January 2018 under the chairmanship of the Minister of Commerce.² The NTTFC-which comprises 31 members, including high-level officials and representatives of relevant ministries, departments, and trade bodies-also provides policy direction to the relevant agencies.

The Ministry of Commerce and its subsidiary offices-the Tariff Commission, Export Promotion Bureau, Chief Controller of Import and Export, and WTO Cell-along with the NBR, trade bodies, research organizations, academia, and relevant agencies all contributed to designing the framework and laying the foundation for how Bangladesh would tackle this challenge. One of the major building blocks for Bangladesh has been increased participation of these agencies in various bilateral and multilateral trade negotiations, which enhanced access to and knowledge of key trade issues and most impactful international trade practices. Initiatives undertaken by development partners-including the Asian Development Bank (ADB); International Finance Corporation; United Nations Conference on Trade and Development (UNCTAD); United Nations Economic and Social Commission for Asia and the Pacific; United States Agency for International Development (USAID), and the World Bank-have buttressed major activities aimed at advancing trade facilitation in Bangladesh. In addition, many of the initiatives supported by organizations like ADB and the World Bank have focused on transport (e.g., road construction) which has measurable spillover effects on trade.

An important early contribution based on the benefit of Trade Facilitation approach came from Djankov, Freund, and Pham (2010), who used the World Bank’s Doing Business data on the time taken to export goods from an economy. Although the methodology has now been superseded, the results have proven highly influential. The authors found that each additional day’s delay reduces exports by 1%, or equivalent to an economy distancing itself by an additional 70 kilometers from its trading partners on average, making a clear case that reducing trade times could boost global trade.

Kumar and Shepherd (2019) use a gravity model from the more recent literature to assess the impact of narrow sense trade facilitation, as captured by the Organization for Economic Co-operation and Development’s (OECD) Trade Facilitation Indicators (TFIs). The TFIs measure the state of an economy’s compliance with the core provisions of the TFA. The analysis uses data on 63 economies that account for over 90% of world gross domestic product and trade. A counterfactual scenario with full implementation of the TFA-which admittedly may be many years away as developing economies are not required to implement all provisions immediately-would boost world exports by nearly 3.5% compared with 2015 levels, or \$344 billion, and would increase world real output by 0.15%. For instance, WTO (2015) finds similar results from a gravity model and a computable general equilibrium model, with an impact estimate of a trade increase of \$0.75 trillion-\$3.6 trillion.

An important complement to this kind of work on trade flows is OECD (2018a), which looks at the impact of the TFA-as captured in the TFIs-on trade costs. The analysis shows that full implementation of the TFA could reduce trade costs by 16.5% for low-income economies, 17.4% for lower-middle-income economies, 14.6% for upper-middle-income economies, and 11.8% for OECD economies. The reductions are substantially lower if economies limit themselves to the mandatory provisions of the agreement. The lesson here is the same as in most areas of trade policy: the largest gains accrue to the economies that undertake the deepest reforms of course, full implementation of the TFA is not a realistic option in the short term, but it is nonetheless informative to consider this scenario in order to fix ideas as to how large the potential gains might be. First, full global implementation of the TFA benefits all economies: there are export gains in all cases and, more importantly, uniformly positive changes in real output, which are more strongly related to economic welfare than are exports. Second, it is not just large economies or high-income economies that benefit from full implementation. A small economy like Cambodia sees about a 3.4% increase in exports, a 3.3% increase in imports, and a 1.9% increase in real output. Lower-middle-income economies gain more in percentage terms from full TFA implementation than do upper-middle-income economies; the same ordering holds true in relation to high-income economies. Real output changes are also larger in lower-middle-income economies than in the other two groups. All the evidence therefore suggests that small, middle-income economies stand to benefit significantly from improving trade facilitation.

Source: Kumar, U., and B. Shepherd. 2019. Implementing the Trade Facilitation Agreement: From Global Impacts to Value Chains. *South Asia Working Paper Series*. No. 67. Manila: ADB.

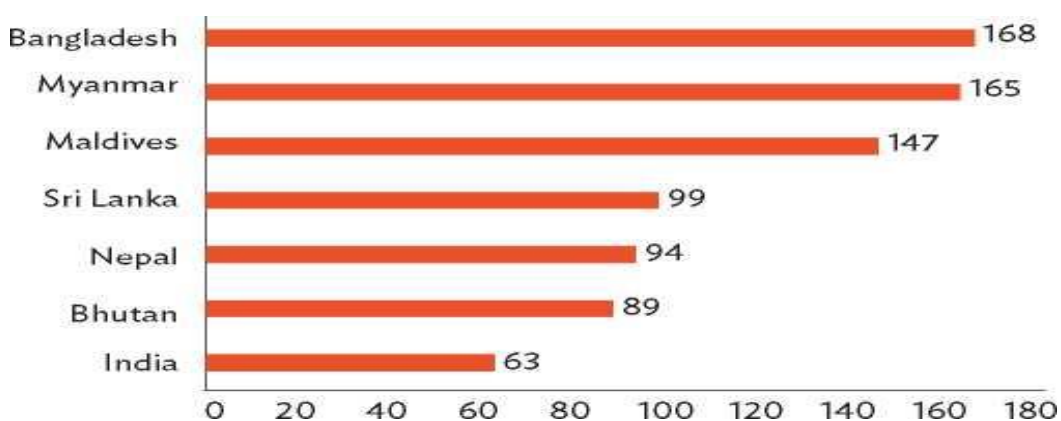


Figure 1.2.: Ease of Doing Business Ranking for SASEC Countries, 2019

Source: World Bank. Doing Business. www.doingbusiness.org (accessed 25 October 2019).

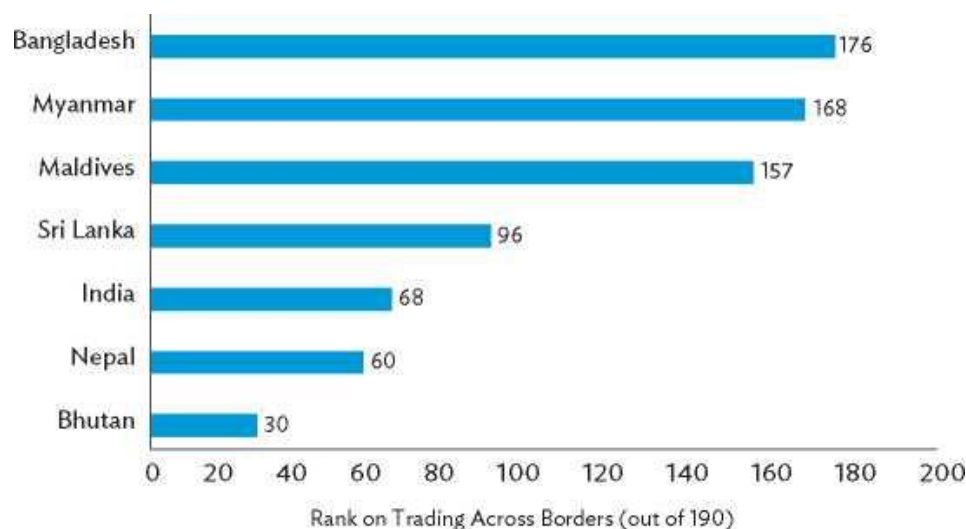


Figure 1.3.: Trading Across Borders Ranking for SASEC Countries, 2019

Source: World Bank. Doing Business. www.doingbusiness.org (accessed 25 October 2019).

The most recent Doing Business data were published in October 2019 and include global rankings for economies across the indicators listed. Figure 1.2 shows the Ease of Doing Business rankings in 2019 for all SASEC countries. Figure-also shows rankings in the Trading across Borders indicator, which measures the time and cost associated with exporting and importing goods across three sets of procedures: **(i) documentary compliance, (ii) border compliance, and (iii) domestic transport.** Immediately from observing the rankings of SASEC countries, in terms of trading across borders, Bhutan leads the sub region in terms of global rankings while Bangladesh ranks last.

The World Trade Organization's Trade Facilitation Agreement (TFA) is recognized for its comprehensive coverage of the issues surrounding cutting red tape and promoting efficiency and transparency. The Trading across Borders indicator measures the efficiency of national regulations in narrow sense trade facilitation and keeps track of relevant reforms. This allows countries to analyze how the provisions of the TFA are related to the reform efforts of governments around the world.

The analysis above allows better identifying areas where government action can bolster the trade facilitation environment. The *TFI indicators* can also help measure the potential impact of reforms in terms of lowering trade costs and increasing trade flows. The estimates based on the indicators provide a solid foundation for governments to harness the necessary technical assistance and capacity-building efforts in a more targeted way. There is significant room for improvement for individual SASEC countries, as well as the sub region as a whole, to improve performance on TFI indicators, which track TFA implementation, in five specific areas: advance rulings, fees and charges, formalities-documents, formalities-automation, and formalities-procedures.

Bangladesh Institutions and Agencies Overseeing and Implementing Trade Facilitation- Ministry of Commerce.

When the TFA entered into force on 22 February 2017, the Ministry of Commerce was entrusted with the role of being the nodal ministry for activities relating to the TFA. As such, the ministry involved relevant agencies to analyze the 36 measures of the TFA to determine the combination of Categories A, B, and C that Bangladesh would commit to as part of its accession. Other relevant agencies are listed below:

- National Board of Revenue;
- Ministry of Shipping;
- Ministry of Road Transport and Bridges;
- Ministry of Railways;
- Ministry of Civil Aviation and Tourism;
- Ministry of Agriculture;
- Ministry of Industries;
- Ministry of Shipping;
- Ministry of Power, Energy, and Mineral Resources;
- Ministry of Fisheries and Livestock; and
- Bangladesh Bank (central bank).

These agencies are aligning their current laws, policies, and practices and procedures to the requirements of the new TFA. To do so, they have identified capacity-building and trade facilitation gaps, as well as the technical support required narrowing or closing these gaps. On 20 February 2018, Bangladesh notified the WTO of its category commitments under the TFA. The Ministry of Commerce, in coordination with the National Trade and Transport Facilitation Committee NTTFC, will engage relevant agencies for the implementation of specific measures and provisions under each of these categories.

As mentioned, the Government of Bangladesh, specifically the Ministry of Commerce, has been working with various multilateral agencies on several trade facilitation and promotion initiatives over the last decade. Some of these initiatives and the relevant agencies are discussed below.

National Board of Revenue: As the apex authority for direct and indirect tax revenue, the NBR also governs Bangladesh Customs, which is responsible for formulating policies concerning the administration, collection, and levy of duties and related taxes. With Bangladesh’s policy makers increasingly focused on the adoption of trade facilitation measures that alleviate bottlenecks to trade, the NBR has undertaken comprehensive efforts to implement a new customs regime that is benchmarked against international best practices. Bangladesh acceded to the RKC in 2012.

Under the NBR’s purview, Bangladesh is looking at the introduction of an AEO program as well as NSW. The introduction of ASYCUDA World is expected to expedite the implementation of both AEO and NSW. The NBR, with support from USAID, embarked on an initiative to modernize its customs administration. In 2013, the Customs Modernization Strategic Action Plan, 2013–2017 was prepared to equip Bangladesh with the necessary technical guidance and support to address its customs challenges, including advancing the country’s readiness to ensure supply chain security through risk management, Post Clearance Audit PCA, and AEO.

The NBR is currently working with the World Bank to implement the NSW. The initiative will connect 35 customs- and trade-related agencies and stakeholders in the public and private sectors. The World Bank will support the NBR in the development of risk management capacity and establishment of a customs laboratory and a training academy at the Chattogram Custom House. The World Bank will also support the NBR in the infrastructure development required for Chattogram Custom House and Benapole Custom House.

With the support of UNCTAD, the NBR has undertaken another initiative focusing on the management and implementation of ASYCUDA World. Since 2016, the NBR has been working on the implementation of ASYCUDA World. As a result of this collaboration, the scope and impact for stakeholders has increased as the system has activated more modules for customs officials. The first successful interface with ASYCUDA World was with the system of Chattogram Port. By the end of 2018, ASYCUDA World had been rolled out at 6

customs houses and 24 customs stations, including private off-docks. ASYCUDA World will be rolled out at other sites such as land customs stations (LCSs) and other government and private stakeholder offices. Given that it is a web-based system, ASYCUDA World has enabled both traders and their customs brokers to send declarations online. In addition, shipping agents can be more responsive as they can send their import general manifest filings before arrival of the goods at port, which has contributed to reducing customs processing times at ports. Furthermore, the system has facilitated the online verification of letters of credit as well as data exchange among relevant stakeholders such as Bangladesh Bank, Sonali Bank, the Bangladesh Standards and Testing Institutions (BSTI), and the Bangladesh Road Transport Authority. The system has introduced an e-payment function, and in 2019 the NBR is also looking to facilitate online submission of export general manifests.

Bangladesh's geography has affected the extent to which the country has been able to promote trade facilitation. Bangladesh borders with India on three sides; Bangladesh's imports and exports with SASEC countries take place largely through LCSs by road, and the rest by rail and by waterways. The NBR oversees the LCSs and their operations. Only one LCS is involved in trading with Myanmar-Teknaf LCS, which is in the southern part of Bangladesh. Trade with India, Nepal, and Bhutan occurs at 181 LCSs; however, as the infrastructure is lacking at most of these posts, only 20 out of 181 LCSs are deemed functional. There is, thus, vast untapped potential for the development of the remaining LCSs as trade channels to fulfill the country's objectives of trade facilitation vis-à-vis increased regional connectivity, particularly with SASEC partners. The NBR has launched an initiative to develop the infrastructure of these LCSs. ADB, in consultation with the NBR, has conducted a study on infrastructure development for select LCSs in conjunction with SASEC trading partners. The LCSs included in the study are Burimari, Banglabandha, Tamabil, Nakugaon, Gobrakura-Koroitoli, and Akhaura. The first phase of the study, which focused on the infrastructure needs of all these LCSs except Nakugaon, has been completed. ADB in consultation with the NBR has launched an initiative to conduct a study on 11 LCSs for the same purpose.

In addition to its work with LCSs, the NBR is involved with relevant ministries-such as the Ministry of Road Transport and Bridges (MORTB), Ministry of Shipping, and Bangladesh Land Port Authority (BLPA)-to implement additional capacity-building initiatives and programs focused on improving Bangladesh's transport infrastructure. Facilitating trade along railways, waterways, airways, and roads is a major priority for the NBR given the impact it has on expediting the clearance of consignments and alleviating the cost of doing business. Another initiative is the **Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement (MVA)** for which the NBR has been working closely with the MORTB to expedite passenger and cargo clearance at the border, as well as to simplify existing customs procedures.

National Trade Portal

In 2016, the Ministry of Commerce, with technical support from the World Bank, launched a national trade portal (NTP), which is known as the Bangladesh Trade Portal. The NTP provides access to all trade-related information to traders and relevant stakeholders. As part of the initiative, the Ministry of Commerce also looking to implement the revised National Trade portal under the Bangladesh Regional Connectivity Project-(BRCP-1), jointly financed by the World Bank and the Government of Bangladesh (GOB). The project is implementing with the aim to improve conditions for trade through improving connectivity, reducing logistics bottlenecks and supporting the adoption of modern approaches to border management and trade facilitation.

Export Promotion Bureau

Following its independence in 1971, Bangladesh pursued an import substitution industrialization strategy. However, as the negative impact of the strategy on the country's

economy and export growth became evident during the 1980s, the government gradually reoriented its strategy toward promoting export-led growth alongside efforts to liberalize trade. This approach is evident in Bangladesh's current 10-year national development plan, named the Perspective Plan, which highlights the country's focus on inclusive growth and sustainable development. To maximize its resources and achieve development priorities set out in the Perspective Plan-including innovation promotion, regional cooperation, and sound infrastructure-the country has looked to export diversification and restructuring to catalyze the achievement of these goals. The Ministry of Commerce has engaged the Export Promotion Bureau to assess what is necessary to move Bangladesh forward and integrate the country into global supply chains.

Ministry of Road Transport and Bridges (MORTB)

The Roads and Highway Department (RHD) under the MORTB is responsible for constructing roads and bridges, and for improving the transport network in the country. The RHD's vision is to achieve a safe, cost-effective, and well-maintained road network. In October 2013, the RHD introduced the National Integrated Multimodal Transport Policy. One such project that the MORTB has been working on is Mongla Port, which affects neighboring countries Bhutan and Nepal. The port has been revitalized as a multimodal hub for the transport of goods to the eastern part of India via Bangladesh. Other projects that are managed by the RHD are the Cross-Border Road Network Improvement Project and the SASEC Road Connecting Project (Phase 1 and Phase 2). Both projects aim to improve regional transport as well as logistics networks by rehabilitating and developing road corridors in Bangladesh. Finally, the MORTB has been working on identifying and developing the road sections of Dhaka-Cumilla-Chattogram within the Southeast Bangladesh Economic Corridor.

The MORTB is also involved in implementing initiatives taken under the Bangladesh, Bhutan, India, Nepal Motor Vehicle Agreement (BBIN MVA). The ministry has been working as the lead agency in Bangladesh in finalizing the draft passenger protocols with the other three participating countries. A trial run on passenger vehicles, which was overseen by the MORTB, was held in April 2018 from Dhaka to Kathmandu (via India). In addition, the ministry has engaged its partner offices, including the Bangladesh Road Transport Corporation, to implement the BBIN passenger vehicle movement. The corporation is overseeing the operation of private passenger vehicles, and progress has been achieved toward the implementation of the passenger protocol. A Joint Transport Facilitation Committee will be established which will lay the foundation for this passenger protocol, negotiate the cargo protocol, and coordinate the BBIN Customs Subgroup.

Under the BBIN MVA, the ministry has participated in discussions surrounding the use of an *electronic cargo tracking system*, with a trial run Bangladesh between Agartala and Kolkata (via Bangladesh) held in 2015 and between Dhaka and Delhi in 2016. It is anticipated that subsequent trial runs will be held for cargo vehicles. The ministry is in the process of determining the next steps. The MORTB-in consultation and active cooperation with Bangladesh Customs, the BLPA, and other border agencies-has implemented the aforementioned initiatives.

Ministry of Shipping

The Ministry of Shipping, alongside the BLPA and the Bangladesh Inland Water Transport Authority, has played a vital role in promoting trade in Bangladesh and within the sub region. The ministry oversees the operation of vessels carrying cargo through river routes under the bilateral arrangement with India known as the PIWTT. This is particularly pertinent for importers and exporters who conduct their trade by using waterways and transiting goods. The ministry manages the mode of operations and carries out amendments to the protocol, when necessary. In addition, the ministry has initiated the implementation of coastal shipping transport efforts to support trade facilitation efforts. In 2013, the Bangladesh Inland Water Transport Authority and the Chattogram Port Authority jointly embarked on launching the first

inland container terminal in Bangladesh at Pangaon, which is in South Keraniganj near Dhaka. The objective of the terminal is to reduce the cost of carrying goods from Chattogram and Mongla to Dhaka, and to ease traffic pressure on the Dhaka-Chattogram and Dhaka-Khulna highways.

The ministry has three seaports under its jurisdiction. Of these three seaports, Chattogram Port is the main one as it handles the largest number of imports and exports in the country. Over the years, efforts have been made to modernize the port through a number of initiatives, including extending jetties, building terminals and handling equipment, modernizing information and communication technology (ICT) systems, and establishing one-stop services. The Chattogram Port Authority also took the initiative to expand private off-docks and dry ports beyond the port area in order to reduce congestion at the seaport. As a result of this initiative, some importers can directly transfer their goods to the off-docks immediately after importing at Chattogram Port, and exporters can keep their goods waiting at the off-docks and dry ports before loading them onto a ship at the port. Chattogram Port has facilitated trade due to its quick service and efficient management and has now embarked on the Chattogram Port Enhancement project, which includes development of the Karnaphuli Container Terminal. The other two seaports, Mongla and Payra, do not handle a significant number of imports and exports. Due to draft problems and other deficiencies in terms of management and its capacity to handle containers, Mongla Port could not attract importers to continue operating successfully. This said, over the years, Mongla Port has developed its management system to an acceptable standard. It has doubled its capacity to handle a larger number of cargo containers by installing modern equipment such as cargo handling machinery that can be used to load and unload goods onto and from ships. It is anticipated that additional projects, such as the Padma multipurpose bridge construction project and the Khulna–Mongla rail link, will focus on bolstering the port’s infrastructure capabilities, allowing it to handle more cargo and trade-related traffic.

Bangladesh Land Port Authority

Another agency that has been active in seeking the improvement of land routes in Bangladesh is the BLPA. Specifically, the BLPA has been looking at infrastructure development initiatives, increasing the efficiency of cargo handling, improving storage facilities, and fostering public-private partnerships for effective and responsive service delivery. **A total of 23 LCSs have been designated as land ports.** These ports are managed by the BLPA as well as private port operators on a build-operate-transfer basis. With the goal of supporting regional connectivity, the BLPA has been working to develop the land ports at an accelerated pace. The BLPA is also very active in the SASEC Customs Subgroup meetings and other working group meetings, sharing information on Bangladesh’s ongoing projects and experiences, and retaining the knowledge needed to remain at the forefront of work that advances regional connectivity.

Ministry of Railways

The Ministry of Railways is another key player in facilitating transport across Bangladesh, as well as in providing connectivity across the SASEC region, as railways play an important role in linking the interior of Bangladesh to the country’s ports. For example, Bangladesh Railway links to Chattogram Port, which is the largest seaport in the country. Goods are imported and transported through Chattogram Port to the Dhaka Inland Container Depot Custom House for customs clearance. Rail links in the northern part of Bangladesh, at Birol, are used to transport goods from Nepal (Jogbani) via India. Additionally, there are rail links with India for the transport of imported goods at Darshana. The development of these rail links and the construction and conversion of a number of the associated lines across the country is a priority for the ministry. A current project is the Akhaura-Agartala rail link construction project, which is under the supervision of rail authorities in India and Bangladesh. The ministry is also responsible for arranging bilateral meetings with India under the countries’ bilateral railway agreement.

Ministry of Civil Aviation and Tourism (MoCAT) and Civil Aviation Authority of Bangladesh

The Ministry of Civil Aviation and Tourism (MoCAT) and the Civil Aviation Authority of Bangladesh (CAAB) are responsible for developing infrastructure, ensuring maintenance, and providing logistics and facilities for handling international cargo and unaccompanied baggage through its three international airports: Hazrat Shahjalal International Airport (HSIA) in Dhaka, Shah Amanat International Airport (SAIA) in Chattogram, and Osmani International Airport (OIA) in Sylhet. HSIA has two cargo terminal buildings-one each for importing and exporting cargo; both buildings have scanning facilities. The goods are cleared after completing customs formalities at the Bangladesh 105 Dhaka Customs House, which is located within HSIA. All cargo operations at HSIA are assigned to Biman Bangladesh Airlines-the country's national airline. SAIA has a cargo warehouse with a scanning facility for handling both import and export cargo. Inside the terminal building at SAIA, there are customs facilities to clear and forward imported goods. At SAIA, cargo operations for the national airline and all foreign airlines are handled by Biman Bangladesh Airlines, while the other domestic airlines handle their own cargo operations. Traders have access to the ASYCUDA World system of Bangladesh Customs at both HSIA and SAIA. At OIA, only unaccompanied small cargo and luggage arriving on the international flights of Bangladesh Biman Airlines are handled by customs officials posted at the airport. There is a small warehouse at OIA for this purpose. In recent years, there has been a surge in imports and exports through both HSIA and SAIA. The MoCAT and the CAAB are working together effectively in response to this surge. The CAAB has completed major development projects to expand cargo handling capacity at both HSIA and SAIA and is implementing other related projects. Furthermore, capacity expansion is planned at various airports in Bangladesh to support the growing volume of import and export cargo.

Ministry of Industries

The Ministry of Industries is primarily responsible for developing new policies and strategies for the promotion, expansion, and sustainable development of the industry sector in Bangladesh. Amid the impacts of globalization, the private sector is playing an important role in the country's industrialization. As a result, the ministry has taken on the responsibility of facilitating industrial activities in the country. The BSTI is also involved in this work as it oversees product standards for imports into Bangladesh. The BSTI's role is particularly important for the purpose of controlling the quality of goods and services. It is also an active member of the International Organization for Standardization and plays an important role in developing and promoting industrial standardization in Bangladesh.

As per the conditions laid down in Bangladesh's Import Policy Order, 2015-2018, specified products are required to meet the Bangladesh Standard (quality standards) at the time of their importation. To fulfill this regulatory requirement, importers must apply to the BSTI to obtain a certificate before the clearance of goods from Bangladesh Customs. It is thus important for the BSTI to expedite this procedure for traders. The BSTI has already increased the number of laboratories in order to expedite the standardization process through testing and other formalities. The BSTI has sought to conclude mutual recognition with regard to accreditation so that its certification is accepted by neighboring countries, thus facilitating trade. The Ministry of Commerce has also been working with the Borders without Barriers: Facilitating Trade in SASEC Countries. BSTI toward this goal through bilateral talks with neighboring countries. While the BSTI has not been able to set up offices at border points due to a shortage of resources, manpower, and institutional capacity, there has been progress in recent years with neighboring countries accepting the product standard certificate issued by the BSTI, thereby facilitating more exports from Bangladesh. The NBR has provided the BSTI access to ASYCUDA World. Through this system, the BSTI can send certificates in favor of importers to Bangladesh Customs electronically, allowing efficient processing of import declarations.

Atomic Energy Commission

The Atomic Energy Commission is responsible for issuing radiation certificates for the import of food items into Bangladesh. The organization has not yet obtained access to ASYCUDA World and as such it does not benefit from the e-certificate system. Additionally, the commission has limited resources and thus does not have offices established at the country's ports. The commission has made a significant contribution to trade facilitation by providing training to the officials of Chattogram Customs House.

Plant Quarantine Department

Responsible for the prevention of entry and establishment of foreign pest regulation in the country, the Plant Quarantine Department manages the legal enforcement and regulation of the movement of plant and plant products. Both sanitary and phyto-sanitary matters are reviewed by this department, including the testing and certification of imported products, as necessary, for entry into Bangladesh. This department has offices at major LCSs such as Burimari, Tamabil, Banglabandha, and Hilli; the largest ports such as Chattogram Port and Benapole Custom House; and at Hazrat Shahjalal International Airport in Dhaka and Hazrat Shah Amanat International Airport in Chattogram. Plant quarantine certificates for imported products need to be obtained from the Plant Quarantine Department prior to the clearance of goods from customs officials at the border. A shortage of human resources at the department has constrained the establishment of quarantine offices at all border points.

Fisheries and Livestock Department

This department works under the Ministry of Fisheries and Livestock and is responsible for issuing certificates to importers and exporters for customs clearance. The department does not have an office at the border stations. However, officials are engaged to inspect the relevant consignments and examine the products to determine whether they comply with necessary standards. The stakeholders mentioned above are critical to determining the direction, stewardship, and enforcement of trade-related transactions in Bangladesh. Understanding their function and involvement in such transactions is fundamental to advancing the country's trade facilitation agenda. As such, we will examine how Bangladesh will move forward in implementing its TFA commitments by looking specifically at how it will execute the provisions under Categories A, B, and C.

Moving Forward on Trade Facilitation in Bangladesh

Bangladesh was proactive in engaging in various trade forum negotiations and discussions prior to ratifying the TFA. This important work had an impact on advancing the country's institutional capacity by laying the foundation to fully implement the provisions and measures of the TFA. The Ministry of Commerce and the NBR have played a pivotal role in coordinating and implementing much of these efforts alongside the relevant agencies mentioned in the previous section and private stakeholders and think tanks. Among all of Bangladesh's trade facilitation initiatives and efforts, the TFA is unique in that it lays a clear and direct path toward trade facilitation. Bangladesh has analyzed its current on-the-ground realities, institutional capacities, preparedness, initiatives, and future action plans to implement TFA measures, and has categorized its commitment to implementing TFA measures.

Bangladesh ratified the TFA on 27 September 2016 and submitted its TFA categorizations on 27 February 2018 (WTO 2018). Technical assistance requirements for Category C were submitted on 14 February 2019 (WTO 2019). Bangladesh submitted items under Category A based on Articles 1, 3, 4, 5, 7, 9, 10, and 11 of the TFA, accounting for 34.5% of its modifiable items.⁵ Under Category B, Bangladesh submitted 38.2% of its modifiable items, with only indicative implementation dates as of the time of writing. The remaining 27.3% of notifiable items fall under Category C for which neither indicative nor definitive dates of implementation were provided. Table below shows Bangladesh's categorization of TFA commitments.

Provision	Heading/Description	Category	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
Article 1-Publication and Availability of Information					
Article 1.1.1(a)-1.1.1(b)	Publication	A	-	-	-
Article 1.1.1(c)		B	20 February 2020	To be determined	-
Article 1.1.1(d)-1.1.1(g)		A	-	-	-
Article 1.1.1(h)		B	20 February 2020	To be determined	-
Article 1.1.1(i)-1.1.1(j)		A	-	-	-
Article 1.2.1(a)-1.2.1(b)	Information Available through Internet	A	-	-	-
Article 1.2.1(c)		B	20 February 2022	To be determined	
Article 1.2.2-1.2.3		A	-	-	-
Article 1.3	Enquiry Points	C	To be determined	To be determined	The National Enquiry Point for Customs is already established. The National Enquiry Point for Trade is being established with technical assistance from the World Bank Group. Assistance required (related to the National Enquiry Point for Trade): 1. Support for legislation 2. Consultation with stakeholders through workshops, seminars and round table meetings 3. Training 4. Capacity development 5. Need Assessment
Article 1.4	Notification	B	20 February 2020	To be determined	-
Article 2-Opportunity to Comment, Information before Entry into Force and Consultations					
Article 2.1	Opportunity to Comment and Information Before Entry into Force	B	20 February 2020	To be determined	-
Article 2.2	Consultations	B	20 February	To be determined	-

Provision	Heading/Description	Category	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
			2020		
Article 3-Advance Rulings					
		A	-	-	-
Article 4-Procedures for Appeal or Review					
Article 4.1-4.5		A	-	-	-
Article 4.6		B	20 February 2020	To be determined	-
Article 5-Other Measures to Enhance Impartiality, Non-Discrimination and Transparency					
Article 5.1	Notification for Enhanced Controls or Inspections	B	20 February 2020	To be determined	-
Article 5.2	Detention	A	-	-	-
Article 5.3	Test Procedures	B	20 February 2020	To be determined	-
Article 6-Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation and Penalties					
Article 6.1	General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation	B	20 February 2020	To be determined	-
Article 6.2	Specific Disciplines on Fees and Charges for Customs Processing Imposed on or in Connection with Importation	B	20 February 2020	To be determined	-

Provision	Heading/Description	Category	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
	and Exportation				
Article 6.3	Penalty Disciplines	B	20 February 2020	To be determined	-
Article 7-Release and Clearance of Goods					
Article 7.1	Pre-arrival Processing	C	To be determined	To be determined	The National Board of Revenues currently working to implement this Measure with technical assistance from the USAID. Assistance required: 1. Support for legislation 2. Consultation with stakeholders through workshops, seminars and round table meetings 1. Training 2. Capacity development
Article 7.2	Electronic Payment	B	20 February 2020	-	-
Article 7.3	Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges	A	-	-	-
Article 7.4	Risk Management	C	To be determined	To be determined	The National Board of Revenue is currently working to implement this measure with technical assistance from the USAID and the World Bank Group (WBG). Assistance required: 1. Support for legislation. 2. Consultation. 3. Training 4. Capacity development 5. Need Assessment The Plant Quarantine Wing has previously received training from the WBG. It requires assistance from development partners for. 1. Capacity development of surveillance

Provision	Heading/ Description	C a t e g o r y	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
					<p>mechanism.</p> <ol style="list-style-type: none"> 2. Establishment of pest Risk Analysis (PRA) procedure. 3. Technical support on risk assessment and mitigation. 4. Documentary and awareness development program in social media for moral and ethical responsibilities. 5. preparation of some SOPs and manuals for risk management issues. <p>The Bangladesh Standards and Testing Institute (BSTI) are working to implement this measure wing technical assistance from the World Bank Group. It requires assistance for:</p> <ol style="list-style-type: none"> 1. Stabilization of the Risk management system following international best practices. 2. Training for the Risk Management Committee members. 3. On-site visit for Risk Management Committee that have successfully established the system. <p>No development partner is currently working with Bangladesh Atomic Energy Commission in this regard. It requires assistance from development partners in the area of risk management.</p> <p>For Developing laboratory facilities, accredited process is going on. plant quarantine wing of DAE need official assistance.</p>

Provision	Heading/Description	Category	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
					Mentioned that, automation process of import and export permit already been started.
Article 7.5	Post-clearance Audit	C	To be determined	To be determined	The National Board of Revenue is currently working in collaboration with the USAID (for transaction-based audit) and the Asian Development Bank (for system-based audit) to become compliant with this Measure. Assistance required: 1. Consultation with stakeholders through workshops, seminars and round table meetings 2. Training 3. Capacity development
Article 7.6	Establishment and Publication of Average Release Times	A	-	-	-
Article 7.7	Trade Facilitation Measures for Authorized Operators	C	To be determined	To be determined	The National Board of Revenue is currently working in collaboration with the USAID and the Asian Development Bank to implement the AEO system in Bangladesh. Assistance required: 1. Consultation with stakeholders through workshops, seminars and round table meetings 2. Training 3. Capacity development 4. Need Assessment 5. Support for Legislation
Article 7.8	Expedited Shipments	C	To be determined	To be determined	The USAID is providing technical assistance to the National Board of Revenue in establishing an expedited courier system that complies with international best

Provision	Heading/Description	Category	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
					practice. Assistance required: 1. Consultation with stakeholders through workshops, seminars and round table meetings 2. Training 3. Capacity development 4. Infrastructure Support
Article 7.9	Perishable Goods	C	To be determined	To be determined	No development partner has so far offered any assistance in the area of perishable goods. Assistance required: 1. Support for legislation 2. Consultation with stakeholders through workshops, seminars and round table meetings 3. Training 4. Capacity development 5. Infrastructure Support Again, Port authorities require both technical (feasibility study, drawing, design etc.) and financial (infrastructure, equipment, maintenance etc.) assistance.
Article 8 -Border Agency Cooperation					
		C	To be determined	To be determined	(A) In-country border-agency cooperation: The World Bank Group has agreed to provide loan assistance in the area of coordinated border management. Plant Quarantine Wing requires assistance from development partners for establishing strong cooperation with all border agencies. (B) Cross-border agency cooperation: No development partner has so far offered any assistance

Provision	Heading/Description	Category	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
					in the area of cross-border agency cooperation. SASEC program under ADB coordinates activities in different South Asian Countries. Assistance required: 1. Negotiation and Consultation 2. Capacity development 3. Infrastructure 4. Automation
Article 9-Movement of Goods Intended for Importer Customs Control					
		A	-	-	-
Article 10-Formalities Connected with Importation, Exportation and Transit					
Article 10.1.1(a)	Formalities and Documentation Requirements	C	To be determined	To be determined	No development partner has so far offered any assistance in the area of perishable goods. Assistance required: 1. Training 2. Capacity development Again, Plant Quarantine Wing requires assistance for- (a) the preparation of a valid organogram of Plant Quarantine Authority in Bangladesh, and (b) the establishment of E-Phyto System.
Article 10.1.1(b)-10.1.2		A	-	-	-
Article 10.2.1	Acceptance of Copies	A	-	-	-
Article 10.2.2-10.2.3		B	20 February 2020	To be determined	-
Article 10.3	Use of International Standards	A	-	-	-
Article 10.4	Single Window	C	To be determined	To be determined	The National Board of Revenue is currently implementing the project with loan assistance from the World Bank. Assistance required: 1. Support for legislation 2. Consultation with stakeholders through

Provision	Heading/Description	Category	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
					workshops, seminars and round table meetings 3. Training 4. Capacity development 5. Coordination mechanism among intra and inter agencies is required Again, ICT related assistance (both hardware and software) will be required at the ports. Further, technical assistance for data standard management will be required at BCSIR.
Article 10.5.1	Pre-shipment Inspection	A	-	-	-
Article 10.5.2		B	20 February 2020	To be determined	-
Article 10.6	Use of Customs Brokers	A	-	-	-
Article 10.7	Common Border Procedures and Uniform Documentation Requirements	A	-	-	-
Article 10.8	Rejected Goods	A	-	-	-
Article 10.9	Temporary Admission of Goods and Inward and Outward Processing	B	20 February 2020	To be determined	-
Article 11-Freedom of Transit					
Article 11.1-11.4		A	-	-	-
Article 11.5		C	To be determined	To be determined	No development partner has so far offered any assistance in the area of traffic-in-transit (establishing separate physical infrastructure for traffic-in-transit). Assistance required: 1. Consultation with

Provision	Heading/Description	Category	Indicative date for implementation (for categories B and C)	Definitive date for implementation (for categories B and C)	Assistance and Support for Capacity Building Required for Implementation (for category C)
					stakeholders through workshops, seminars and round table meetings 2. Training 3. Capacity development 4. Development of Integrated Transit Policy
Article 11.6-11.8		A	-	-	-
Article 11.9		C	To be determined	To be determined	No development partner has so far offered any assistance in the area of traffic-in-transit (allowing advance filing and processing of transit documentation and data prior to arrival of goods under traffic-in-transit). Assistance required: 1. Support for legislation 2. Consultation with stakeholders through workshops, seminars and round table meetings 3. Training 4. Capacity development. 5. Development of Integrated Transit Policy
Article 11.10-11.14		A	-	-	-
Article 11.15		B	20 February 2020	To be determined	-
Article 11.16		C	To be determined	To be determined	1. No donor agency is working on this measure, so support is required 2. Assistance is required for Development of Integrated Transit Policy
Article 11.17		B	20 February 2020	To be determined	-
Article 12-Customs Cooperation					
B	20 February 2020		To be determined		

Source; Ministry of Commerce, GoB

1.5 Objective Of The Study

- To identify the current status of Bangladesh in implementation of the TFA;
- To identify the gaps between the agreement and present 'situation in implementation of the TFA;
- To identify the requirements for complete implementation of TFA;

- To identify the status and best practices of regional countries in implementation of TFA and the measures they are taking to advance the implementation process;
- To provide a comparative analysis between Bangladesh and other regional countries in implementation of TFA; and
- To provide recommendations for addressing the implementation challenges.

1.6 Scope of the Study

Studies have been conducted in the following areas which are critical for trade promotion and trade facilitation:

- Review of collaborative border management-institutional mechanisms for coordinating across sectors/ministries and across countries:
 - This study is aimed at developing in-depth understanding about relevant areas of border trade management and trade facilitation which are directly linked with the activities of three implementing agencies (Ministry of Commerce; National Board of Revenue and Land Port Authority) of the BRCP-1 umbrella project;
 - Collecting and processing of data on present scenario of the border coordination, co-operation and management in Bangladesh in comparison with other Developing and Developed Countries;
 - Reviewing of collaborative border management institutional mechanisms /laws /rules / regulations that are being practiced in Bangladesh;
 - Finding out the gaps between present practice and international standards with respect to border management, regulation and trade facilitation; and
 - Any other information that may be essential for the survey/studies.

This Study attempts to identify limitations faced by Bangladesh in exporting and importing products that have high trade potential in major cross border markets. Such a study is important in the sense that even though businesses and exporters need to deal effectively with trade procedures at the borders both home and abroad, they are often unable to specifically differentiate between valid NTMs and trade-hindering or trade-distorting NTBs. It is therefore necessary for the private sector, especially the exporters, to acquire a thorough understanding on standards, SPS and TBT measures, testing and certifications, customs formalities, procrastinating and unnecessary trade processes, etc. in the Land ports premises. With the overall objective being “enhanced efficiency of Bangladesh in addressing integrated border management, the Study aims to construct a Road Map for sustainable Land port management in Bangladesh and selected four Land Ports, Benapole, Banglabandh, Burimari and Akhaura for study. The current status of coordination and collaboration among border agencies in the selected land ports will assist our exporters and importers to gain knowledge and experiences and take necessary preparations and achieve adequate capacity to effectively comply with legitimate NTMs, such as standards and certification requirements in export and import markets. The Study will also highlight the numerous procedural barriers, constituting both at the border and behind border barriers, within Bangladesh that enhance time and cost for shipment, and thus reduce competitiveness of our overall trade.

CHAPTER-2

APPROACH METHODOLOGY AND PROCEDURE OF TFA WORK

2.0 Approach and Methodology

The objectives of the studies are to review of collaborative border management-institutional mechanisms for efficient coordination across sectors/ministries and across countries. Survey work comprises of numerous field visits, interview with custom officials, land port authority, immigration officer, entrepreneurs including women, truck owners and drivers at their catchment areas; discussion with the officials of the project, Ministry and relevant officials from government and private sectors.

This section describes the technical aspect of the methodology and sampling strategies of the study in detail. In line with this, the section also provides a comprehensive description of the methodology for ensuring Quality Assurance and Quality Control (QAQC) measures for conducting data collection, recording, cleaning/storing and analyzing the data.

General Approach:

The consultants, as part of their approach to accomplish the objectives of the study, reviewed the existing collaborative border management-institutional mechanisms of the coordinating agencies across sectors/ministries and across countries; and assessed how comparable countries are addressing implementation of sustainable and integrated border management in using the established indicators, at the project areas.

Specific Approach:

Information's has been gathered through survey to provide complete picture on the benchmark situation of the project about the current status of coordination and collaboration among border agencies in Bangladesh, intra-agency coordination mechanism in and among different border management agencies, status of cross-border agency cooperation, and level of local cooperation between officials of both sides of the border, bilateral cooperation between neighboring states and regional and multinational cooperation. Besides, pertinent information that will be essential for future impact assessment of the project intervention also been collected. The information generated has been used to design project activities for the successful implementation of the programs including monitoring and evaluation activities of the project. The output of the survey will contribute significantly in measuring periodic achievements of the project goals and objectives.

2.1 Design Of The Study

- a) Survey has been designed emphasizing on appropriate survey sample frame and sampling technique that is statistically sound and acceptable to the client;
- b) The survey design included specific timeline for every activity in order for timely completion of the survey;
- c) The design also included proper deployment of manpower and ensuring systematic monitoring, supervision and coordination of all activities for desired accomplishment of the activities following a critical path making the most effective use of time. One of the most important elements of the design was to finalization of data collection tools-questionnaires for respondent survey and preparation of data collection checklists for FGD, KIIs and Public Consultations (PCs);
- d) Prior to the design of the questionnaires and checklists, the list of indicators and measurements of all indicators in detail has-been finalized; and
- e) The design also included data collection methodologies-secondary data and primary data. The consultants started their fieldwork only after approval of the design by the client.

2.2 Sources Of Data

The survey conducted to generate the stipulated primary data. Prior to generation of primary data, the relevant secondary information on the survey including documents/reports have been obtained from the PD-BRCP-1/MOC, NBR, BLPA, BSTI, DAE and other relevant public and private agencies, authorities and reviewed. To develop the survey instruments accurately and to reveal the inherent characteristics of various dimensions of the survey and its contribution to the cross-country border trade, the secondary data has been carefully scanned and collated with the survey data. For generating the desired primary data, the proposed sample survey has been conducted using an appropriate sampling design and a study instrument (questionnaire).

2.3 Collections and Review of Data, Reports and Information

After commencement of the project, relevant documents and existing data on the current development in border trade in Bangladesh has been collected from different sources, particularly from the PD-BRCP-1/MOC, NBR, BLPA, BSTI, DAE and other relevant public and private agencies and analyzed in order to provide an outline of the initial assessment and facts and figures to be included in the report.

2.4. Methods Of Data Collection

Three types of data have been collected for the evaluation study of the assignment and these are given below:

Review of Secondary Documents and Literature

- The consultants collected and reviewed secondary documents related with the study such as inter-ministerial National Trade and Transport Facilitation Committee (NTTFC), WTO Trade Facilitation Agreement (TFA), Bangladesh Trade Portal (BTP), BRCP-1, BLPA, NBR, BSTI, SPS & TBT agencies, Ministry of Commerce different laws, rules, cross border management, good practices in Norway and Sweden/EU border, Switzerland and France/EU border, handbooks/guidelines for collaborative border management;
- The consultants reviewed the National Single Window project implementing by NBR, Land Port Infrastructure Development project, Custom Procedure and requirement at the border, Economic review 2018, 2019, Transport Integrated Route(TIR) convention and Bangladesh, Bilateral trade with India, Nepal, Bhutan , Myanmar and Regional trade of SAFTA, BIMSTEC, APTA etc.;
- The consultants collected and reviewed different literature, abstract, guidelines, reports related to the good practices in border management, enabling rules and laws, Bangladesh and other countries TFA implementation status, challenges, and possible measures for implementation;
- The consultants also reviewed the border management and operation performance and examined the best practices.

Interview of Target Respondents

- Direct personal interview approach has been adopted for collection of primary data. This method is effectively related to the collection of data directly from the target respondents. The field enumerators personally contacted the respondents and obtained desired information by explaining the objectives of the survey to the respondents;
- Each enumerator was provided with a set of guidelines for code and data collection system and overall administration of the survey, a check list to ascertain the target respondent and the designed and field-tested questionnaire for data collection and administration of the study;

- The enumerators filled up the data sheet following the techniques, procedures, and instructions of the training and demonstration of the field-pre-testing questionnaire in consultation with the concerned persons in the designated area;
- The enumerators recorded the data only after fully being satisfied that he has been able to make the respondent understand the question, and the respondent is offering any of the probable answers in his own perception;
- The enumerators made all efforts to have a friendly and open-minded interaction with the respondent instead of asking questions like a school teacher to his students. All questions have been asked one by one, and data has been filled up on the spot and put signature in the space provided and preserve carefully for submission;
- Questionnaires always be filled-up in a respondent by question and in no case, it should be repeated and be revived any stage thereafter by anyone. The completed questionnaires have been packed and sealed by enumerators and submitted to the supervisors after completing the study of the respective district.

Focus Group Discussion (FGD)

- There is certain information that is difficult to fully capture by structured interviews within the limited time. Focus Group Discussion (FGD) method is, therefore, needed to get insight into this information. The consultants were planning to conduct FGD with the participation of the respondents who are involved with project interventions in the project areas. Each FGD was organized with 10 participants;
- The participants had been chosen from different stakeholders. The FGD conducted at a venue for each sampled catchment/land ports, which were convenient for the participants and allowed them to speak freely. The FGD sessions were guided by a facilitator or moderator and always encouraged to talk freely and spontaneously about the issues of questionnaires;
- Discussions were recorded in a tape recorded and in black and white. One experienced facilitator or a member of the Survey Team recorded the key points covered in course of discussions. Findings were compiled using both kinds of field records, i.e., taped record and notes. In collecting qualitative information, some data has been collected through hot spot discussion with the key informants; and
- The FGD sessions were conducted using a guideline which is based on, not limiting to but including those issues listed here above. However, the FGD guideline further modified in consulting with the PD/PIU, BRCP-1 (Bangladesh Regional Connectivity Project-1), BLPA and NBR.

Public Consultations (PCs)

Total 06 Public Consultations in selected location has been conducted to know the border management, operation, TFA implementation, women entrepreneurs, women friendly facilities at port, cross border and international best practices, rules and laws, challenges and remedial measures etc. The supervisor's organized this Public Consultations where consultant conducted and recorded his information as per guideline mentioned-above.

Key Informants Interview (KIIs)

Interview of total 50 Key Informants had been carried out from the respondents at different catchment areas. The study team & supervisors collected this information from the NTTFC members, MOC, NBR, and BLPA and cross border officers using checklist.

Data collection

- a) The trained survey enumerators and supervisors gathered information and data in each of the survey locations rigorously using structured questionnaires, guidelines, checklists

and provide daily progress reports. The supervisors also are responsible for conducting focus group discussions and large gathering. The consultants (specialists) including the Team Leader made random visits to ensure quality control of data collection and also to encourage the beneficiaries/respondents` and supervisors.

- b) The filled-in questionnaires also be checked and verified properly. In addition to data collection, the consultant conducted visit in the project area to evaluate the group formation, project activities, infrastructure performance and effectiveness of major project components and its strengths and weakness.

2.5. Review Of Secondary Documents And Literature

The consultants collected and reviewed secondary documents related with the study such as inter-ministerial National Trade and Transport Facilitation Committee (NTTFC), WTO Trade Facilitation Agreement (TFA), Bangladesh Trade Portal (BTP), BRCP-1, BLPA, NBR, BSTI, SPS & TBT agencies ,Ministry of Commerce. The Study conducted an extensive desk review of existing research, information and literature relating to collaborative border management including best practices of regional countries adapted to facilitate better border management.

2.5.1. Identification and Analysing The Gaps Between The Trade Facilitation Agreement And Present Situation In Implementation Of The TFA In Bangladesh

For the past 3 decades, Bangladesh has focused broadly on trade facilitation by taking the necessary measures in reducing the cost of doing business, expediting quick clearance at the border, rationalizing tariffs that pertain to customs duties, introducing automation in business processes, and establishing partnerships with private sector stakeholders. However, the impact on advancing trade facilitation and deepening regional cooperation has fallen short of the country's expectations due to continued constraints that impede the smooth implementation of these initiatives. Identifying the most pronounced binding constraints on Bangladesh's efforts toward regional integration and cooperation is a critical step in developing the country's trade strategy.

a. Lack of a unified platform for coordination among the border agencies.

For Coordinated Border Management (CBM) to succeed, government agencies will need to address the lack of a one-stop unified platform needed for border agency coordination. This platform would ideally be managed by a national committee or respective apex body. Periodic performance reviews could be done by the apex-level committee or a lead ministry. For Bangladesh, the Ministry of Commerce is the nodal office to the WTO, so it would be a suitable candidate to take on this role. The existence of this type of platform would alleviate the collection of feedback and ease coordination among interagency groups, while also providing greater clarity on their roles and streamlining resolution procedures for issues arising at the border.

b. Nascent National Trade and Transport Facilitation Committee.

The National Trade and Transport Facilitation Committee (NTTFC) was established only in 2018 and thus is still in the process of unifying border agencies and private stakeholders under a single umbrella to design a work plan for facilitating trade. With existing challenges in coordinating feedback from various stakeholders, border officials will need to be empowered to make timely decisions. As such, it will be critical for the NTTFC to coordinate with major trade stakeholders by clearly defining the policies, procedures, roles, and responsibilities for each of these bodies. A technical subcommittee has been formed under the NTTFC to sort the suggestions provided by the border agencies for items under Category C where assistance from development partners could be sought. The committee can also play a key role in supervising and monitoring agencies' operations.

c. Absence of automation in the business processes of actors at the border.

Agencies and private stakeholders other than Bangladesh Customs do not yet have effective automated systems to facilitate efficient trade transactions. As a result, it is paramount to ensure that these bodies have an effective interface and active operating systems with Bangladesh Customs to improve clearance processes and procedures, and decrease the cost of doing business. The traditional system of exchanging hard copies of documents among the actors is a major impediment to the smooth operation of customs clearance. The NSW project that will cover 35 agencies and the private sector will allow electronic exchange of information, data sharing, and the electronic processing of declarations made by importers and exporters and thus facilitate trade by reducing the time and cost of doing business. Interagency coordination will also be possible electronically. Verification of declarations will not take much time since the agencies will share documents electronically.

d. Knowledge gap and lack of capacity-building initiatives.

Officials and staff across the various border agencies are not equally skilled, and there is a knowledge gap in terms of trade facilitation, TFA measures, and ICT systems. It will be important to invest more resources to provide the necessary capacity-building workshops and technical assistance programs to fill this gap by targeting officials who are likely to be posted at the border offices.

e. Lack of progress on major provisions of trade facilitation as suggested in the RKC and TFA.

Bangladesh has not yet made progress toward introducing major provisions such as AEO, risk management systems-based PCA, CBM, and NSW, all of which improve trade facilitation. Border agencies will need to implement the automation of existing business processes, including the processing of client applications to obtain electronic certificates such as those applicable to agencies. Additional automated processes pertain to the electronic exchange of data with other border agencies. In addition, agencies will need to look at creating a paperless environment, establishing national enquiry points, and launching websites and portals for information sharing and dissemination.

f. Lack of an updated customs valuation database.

In the absence of an effective customs valuation database, disputes may arise between customs and the private sector, which constrain trade facilitation. The existing customs valuation database captures data from ASYCUDA World. The data on product description are derived from the declarations made by the importers, but these declarations are not detailed and may not be accurate. When customs officials use the importer-provided data for comparison with similar goods previously declared by importers for valuation to ascertain duties and taxes, disputes arise between the importers and customs officials, as the importers disagree with the values stored in the database for ascertaining duties and taxes. Therefore, the customs valuation database module needs to be updated and modified to address this issue. Technical assistance will be necessary for Bangladesh to establish an effective customs valuation database.

g. Lack of Mutual Administrative Assistance Agreements

To address the resolution of issues such as improving information exchanges to detect revenue fraud and the trafficking of illegal goods like drugs, narcotics, and firearms, Bangladesh has embarked on a number of initiatives, including the signing of a Mutual Administrative Assistance Agreement with Turkey; another such agreement is under discussion with Mexico. The goal is to improve agencies' Borders without Barriers: Facilitating Trade in SASEC Countries business processes, clarify the role of border agencies, and coordinate implementation mechanisms. SASEC provides a platform for Bangladesh to work with other member countries to discuss these issues further and engage in the sharing of resources and application of modern tools.

h. Improving compliance with Citizen Charters

In 2007-2008, almost all governmental organizations in Bangladesh published their respective Citizen Charter, which contained information on the time needed for a specific service, process involved, and documents required, among others. Border agencies and others which closely work with the trade sector should maintain the kind of service commitment envisaged under the Citizen Charters in order to reduce the time and cost requirements of trade.

i. Infrastructure challenges

Bangladesh has been exploring additional improvements to trade facilitation by enhancing institutional capacities and developing the necessary logistical infrastructure for its seaports, land ports, LCSs, roads, and railways. Naturally, improvements in the transport sector are time-consuming and require financing. Critical to deriving sustained benefits over the life of an asset is adequate maintenance and devoted leadership. Bangladesh's railway network will play a vital role in transporting cargo within the sub region. The country's roads are burdened by the movement of cargo; improvements in railways would facilitate the movement of these goods. To improve its regional connectivity, Bangladesh will need to address gaps in the transport sector that go beyond the construction of roads, bridges, and ports. A mechanism will need to be established to allow for interagency coordination and overall management. An integrated approach covering different modes of networks, transport logistics, the facilitation of intermodal and multimodal transport, and the use of an electronic cargo tracking system will be needed. Bangladesh introduced a National Integrated Multimodal Transport Policy in 2013.

j. Automation

Another major challenge is incorporating an e-filing system in the official processes of the border agencies. The Government of Bangladesh has taken the initiative to train border agency officials. For the border agencies, it is essential to follow a computerized system. It is also important that officials with sufficient authority to make decisions are posted at the border offices so that traders can receive decisions without delay, which would save cost and time. Introducing digital signatures would also help to avoid cumbersome procedures.

k. Sanitary and phyto-sanitary and technical barriers to trade

Sanitary and phyto-sanitary (SPS) and technical barriers to trade (TBT) serve as critical nontariff measures that constrain trade among regional countries. Bangladesh both maintains and faces a number of SPS measures for imported and exported products, respectively. The Ministry of Commerce and ADB launched a national consultation study on SPS and TBT measures in 2016 to synthesize relevant SPS and TBT measures applicable in terms of sub-regional merchandise exports, as well as to identify items that have export potential but are constrained by SPS and TBT barriers in importing countries. The study proposed a set of prioritized recommendations for necessary future actions in four areas (Quoreshi unpublished): (i) Policy and regulatory framework (a) Update and reform legislation. (b) Strengthen domestic enforcement of quality standards. (c) Increase the number of products requiring mandatory certification. (ii) Institutional strengthening (a) Expand interagency and public-private coordination. (b) Strengthen national food safety authority. (c) Close the information gap for private sector businesses and traders. (iii) SPS- and TBT-related infrastructure upgrading (a) Conduct needs assessment for infrastructure. (b) Upgrade and scale up laboratory facilities. (c) Develop incentive schemes for testing laboratories. (iv) Skills and capacity building (a) recruit adequate human resources. (b) Train staff. (c) Increase academic exposure to SPS- and TBT-related topics.

2.5.2. Notification of Category Commitments under the Agreements on Trade Facilitation Communication from Bangladesh to WTO

Bangladesh was proactive in engaging in various trade forum negotiations and discussions prior to ratifying the TFA. This important work had an impact on advancing the country's institutional capacity by laying the foundation to fully implement the provisions and measures of the TFA. The Ministry of Commerce and the NBR have played a pivotal role in coordinating and implementing much of these efforts alongside the relevant agencies mentioned in the previous section and private stakeholders and think tanks. Among all of Bangladesh's trade facilitation initiatives and efforts, the TFA is unique in that it lays a clear and direct path toward trade facilitation. Bangladesh has analyzed its current on-the-ground realities, institutional capacities, preparedness, initiatives, and future action plans to implement TFA measures, and has categorized its commitment to implementing TFA measures.

Bangladesh ratified the TFA on 27 September 2016 and submitted its TFA categorizations on 27 February 2018 (WTO 2018). Technical assistance requirements for Category C were submitted on 14 February 2019 (WTO 2019). Bangladesh submitted items under Category A based on Articles 1, 3, 4, 5, 7, 9, 10, and 11 of the TFA, accounting for 34.5% of its notifiable items.⁵ Under Category B, Bangladesh submitted 38.2% of its notifiable items, with only indicative implementation dates as of the time of writing. The remaining 27.3% of notifiable items fall under Category C for which neither indicative nor definitive dates of implementation were provided.

Bangladesh has not yet set any priorities with regard to categorization; an exercise to determine its action plan needs to be undertaken. In arriving at a decision, the opinions of all actors need to be collected and action items prioritized, likely through efforts spearheaded by the NTTFC. For now, individual agencies can set their own short- and medium-term priorities and assess their progress in the relevant areas. On their own initiative, the relevant agencies had already selected areas for reforms and modernization even before the TFA came into force. For example, the NBR undertook initiatives in customs-related issues such as preparation of the Customs Modernization Strategic Action Plan, 2018-2021, published in July 2019. The Ministry of Commerce also took the initiative in implementing the NTP. The relevant agencies have already undertaken some long-term projects such as the NSW and the AEO program of the NBR. However, participating agencies are not yet fully prepared for these interventions and need significant upgrading of their ICT facilities. As the agencies' short- and medium-term priorities are not available, it is not possible to reflect on them. Instead, the progress of certain activities is discussed below.

Publication and Information Available through Internet (Articles 1.1-1.2, Categories A and B): Laws, rules, regulations, and orders are circulated via the official gazette, which is available mostly in hard copy form. As it has been identified as a priority, agencies' websites have made this information publicly available. Two such examples are the Ministry of Commerce's NTP, which was launched as the Bangladesh Trade Portal, and the NBR's Customs Portal, which includes data, information, forms, and application procedures pertinent to trade. While the extent to which such information is publicly available varies between agencies, the aforementioned portals have filled some of the information gap. The goal for the NTP is to provide a one-stop shop for respective stakeholders to access the necessary information. This said, consistency among the various agencies would have substantial benefits and should be emphasized.

Enquiry Points (Article 1.3, Category C): The NBR launched a national enquiry point on 6 September 2018. The Ministry of Commerce is also exploring the possibility of establishing an enquiry point as it would be useful for trade experts and relevant stakeholders. Implementing this across agency offices would require substantial time and monetary resources. Should the government look to approach this in stages, regulatory border agencies should get priority.

Opportunity to Comment and Information before Entry into Force (Article 2.1, Category B): The majority of Bangladesh government agencies, ministries, and departments involved with trade are providing feedback prior to the enactment or amendment of relevant laws. The Ministry of Commerce and the NBR have been active in facilitating opportunities for these discussions and in making related information publicly available. A large extent of the rules and laws for trade-related activities has been developed by the Ministry of Commerce and the NBR.

Consultation (Article 2.2, Category B): The Ministry of Commerce and the NBR engage think tanks, members of the trade community, and related associations (e.g., chambers of commerce, Bangladesh Garment Manufacturers and Export Association, and the Bangladesh Reconditioned Vehicle Import Association) prior to enacting any laws or regulations.

Advance Ruling (Article 3, Category A): The NBR introduced regulation to implement advance ruling in 2016. There is a rule pertaining specifically to the application process, time-bound response, subjects covered, and review formalities. While this represents progress, in order to facilitate stakeholders' ability to obtain an advance ruling, other government agencies should introduce this system via the necessary legal provisions.

Procedures for Appeal or Review (Article 4, Categories A and B): Bangladesh Customs has in place functional, thorough, and effective procedures for appeal and/or review. The procedures include an alternative dispute resolution forum for representatives from the private sector in order to reduce the number of customs disputes. Other agencies do not have similar processes in place, and thus the necessary platforms or appellate forums need to be created, relevant legal provisions have to be enacted, and related procedures have to be laid down. To ensure that this takes place, inputs from relevant stakeholders need to be gathered, which will require time and rigorous investment on the agencies' part. To enable this, a change in the existing business processes of the relevant border agencies will be necessary.

Notification on Enhanced Controls or Inspections (Article 5.1, Category B): To implement this provision, Bangladesh will need to revisit existing procedures to develop a more unified set of processes and ensure coordination among the border agencies. These procedural changes can be catalyzed through legislation; impacted stakeholders will need to be identified and consulted, and their roles should be clearly defined.

Detention (Article 5.2, Category A): Bangladesh Customs has been practicing detention for a number of years. Specific procedures are followed by customs officials under the relevant provision of the Customs Act, 1969. The proposed new Customs Act also includes this provision.

Test Procedures (Article 5.3, Category B): Specific rules have to be formulated with respect to testing and inspection procedures in order to accommodate the requests of importers for a second test of the goods under question. This will likely be a time-intensive process.

General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation (Article 6.1, Category B): Fees and charges are well defined and circulated in the official gazette in Bangladesh. However, revisions to fees and charges are not published prior to their effective date.

Specific Discipline on Fees and Charges for Customs Processing Imposed on or in Connection with Importation and Exportation (Article 6.2, Category B): Bangladesh Customs levies only a minimal amount of fees and charges for customs processing on the basis of the services rendered.

Penalty Discipline (Article 6.3, Category B): The provisions for penalties are well defined and specified in the Customs Act, 1969. Yet, some penalty provisions are missing the necessary rationalization. Identifying the rationale for these provisions has been completed and the next step is to incorporate these provisions into the proposed new Customs Act.

Pre-Arrival Processing (Article 7.1, Category C): Bangladesh Customs, with support from USAID, has implemented pre-arrival declaration of the import general manifest.

Electronic Payment (Article 7.2, Category B): Bangladesh Customs' ASYCUDA World is now interfaced with the payment receiving bank and has introduced an e-payment system.

Separation of Release from Final Determination of Customs Duties, Taxes, Fees, and Charges (Article 7.3, Category A): The implementation of Bangladesh Customs' Provisional Assessment effectively managed this process, and the Customs Act, 1969 provides guidance to follow. Bangladesh has identified this provision as completed.

Risk Management (Article 7.4, Category C): Although the NBR has formed and ensured the training of a Committee on Central Risk Management and the Risk Management Team, additional time is needed to ensure this is effectively operational at all customs stations. This requires coordination between the Risk Management Team and concerned offices. The NBR has been working with development partners on implementation, and a risk management directorate is proposed to be set up. Risk management is regarded as high priority by the NBR and therefore could be categorized as a short-term priority. For other organizations, risk management systems are not followed as per standards. To develop such a system, it will require more time and technical assistance from development partners.

Post-Clearance Audit (Article 7.5, Category C): This provision applies to the customs audit process, which is managed by Bangladesh Customs. With technical assistance from ADB and USAID, the NBR has been working on implementing both systems-based audit and transaction-based audit. Officials have been trained by development partners on standard operating procedures through manuals and training packages. To meet the necessary best practice standards for systems-based audit, additional time and technical assistance are needed.

Establishment and Publication of Average Release Times (Article 7.6, Category A): Bangladesh has implemented this provision under Category A. Two time-release studies have been completed (NBR 2014a, 2014b). More studies are planned in the near future.

Trade Facilitation Measures for Authorized Economic Operator (Article 7.7, Category C): The NBR has committed to establishing the AEO program. ADB and USAID are assisting the NBR in designing the necessary guidelines, training, and base documents, in addition to offering capacity building workshops. The NBR has given high priority to this but it is anticipated that full implementation will take some time. The rule was issued in 2018 and the provision was initially incorporated in the Customs Act, 1969. AEO status has been awarded to three pharmaceutical companies.

Expedited Shipments (Article 7.8, Category C): The NBR has not implemented this completely. As mentioned earlier, the NBR has notified a specific rule on courier service operators; however, no such rule or procedure is in place for expedited shipments. USAID is providing the NBR with technical assistance to address this gap.

Perishable Goods (Article 7.9, Category C): No such provision or rule has been established to handle the quick release of perishable goods. Border agencies try to expedite their release, but no rule or procedure is available to follow or provide the framework for coordination among the various border agencies. To date, no progress has been observed in addressing this issue. A draft provision on the expedited handling of perishable goods, prepared with support from ADB, has been submitted and could be implemented under the new Customs Act when it is enacted. The border agencies would need to discuss the appropriate procedures needed to implement this provision.

Border Agency Cooperation (Article 8, Category C): This provision requires a set of arrangements among the border agencies, enabling them to work together in a cohesive and coordinated way to facilitate trade. Currently, there is a lack of a framework and governance structure to ensure border agency cooperation. The NTTFC could potentially address this issue through coordinated border management (CBM), which is an ongoing initiative with support from the World Bank. Another challenge under the area of cross-border agency cooperation is ensuring consistency among all border agencies during bilateral discussions with regional partner countries. As a result, the government has included this under Category C and signaled that assistance might be sought from development partners.

Movement of Goods Intended for Import under Customs Control (Article 9, Category A): This provision is prevalent in Bangladesh Customs. Thus, Bangladesh has identified it under Category A. Procedures established in the areas of monitoring and supervision has also seen significant improvement.

Formalities and Documentation Requirements (Article 10.1, Categories A and C):

It will be necessary for Bangladesh to revisit this provision. Bangladesh Customs has initiated the relevant work; however, other border agencies will also need to contribute to this effort.

Acceptance of Copies (Article 10.2, Categories A and B): Bangladesh is compliant with this provision.

Use of International Standards (Article 10.3, Category A): Bangladesh follows international standards as they pertain to the business processes of Bangladesh Customs and the activities of the Ministry of Commerce and other relevant agencies. Bangladesh is a signatory to international conventions such as the RKC, SAFE Framework, and the International Convention on the Harmonized Commodity Description and Coding System, and thus is compliant with this provision.

Single Window (Article 10.4, Category C): Bangladesh is in the process of implementing the NSW with support from the World Bank. The NBR is now spearheading the project. Bangladesh will need additional time to implement the NSW under Category C.

Pre-Shipment Inspection (Article 10.5.1, Category A): Bangladesh Customs no longer has an active pre-shipment inspection system. However, there are other types of pre-shipment inspection requirements for imported goods that have been imposed by the Ministry of Commerce, which will continue to oversee the implementation of these provisions as a medium-term priority.

Use of Customs Brokers (Article 10.6, Category A): Bangladesh has complied with this provision with the use of a self-clearance system. This said, the use of a customs broker is not mandatory.

Common Border Procedures and Uniform Documentation Requirements (Article 10.7, Category A): Bangladesh Customs follows common procedures and documentation processes across its customs stations. Other border agencies are also compliant with a uniform system; thus, the country is compliant with this provision.

Rejected Goods (Article 10.8, Category A): Special provision has been included in the Customs Act, 1969 for handling rejected goods. Further, detailed procedures guide the implementation of the provision in this article.

Temporary Admission of Goods (Article 10.9, Category B): Bangladesh Customs has a provision as well as procedures that pertain to the temporary admission of goods. However, the regulations will need to be revisited and updated. The government has classified this under Category B and it could fall under Bangladesh's short-term priorities.

Inward and Outward Processing (Article 10.9, Category B): Bangladesh Customs follows international practice regarding this provision. However, additional modification will be necessary to enforce the Import Policy Order of Bangladesh.

Freedom of Transit (Article 11, Categories A, B, and C): Bangladesh is committed to accommodating the freedom of transit of commercial goods across national borders. There is a clear protocol on river routes that is fully functional. Provisions pertaining to the BBIN MVA are also underway and expected to be implemented in the near future. The Customs Act, 1969 has also incorporated the necessary transit provisions.⁶ Bangladesh has classified some provisions under Category A. For some activities specifically mentioned in this article that pertain to transit facilitation-such as establishing dedicated berths and lanes, building infrastructure for roadways, upgrading ICT facilities, and creating a national coordination body-compliance needs to be ensured. To achieve this, technical assistance from development partners may be needed.

Customs Cooperation (Article 12, Category B): Bangladesh complies with some of the components mentioned in this article. Bangladesh has been participating as a member of various international customs forums and been active in exchanging information with neighboring countries. To fully comply with this provision, mutual partnerships and capacity-building efforts will need to be strengthened among participating countries.

2.6. Identify The Need Assessment For Category C To Complete Implementation of TFA

Submission from Bangladesh to the WTO on “Assistance and Support for Capacity Building Required for Implementation (for Category C):

Provision	Heading/Description	Category	Implementation Status	Assistance and Support for Capacity Building Required for Implementation
Article 1.3	Enquiry Points	C	<p>Responsibility of the NBR: The NBR has already implemented this provision with technical assistance from USAID. The internet-based National Enquiry Point for Customs is now in operation.</p> <p>Responsibility of the Ministry of Commerce: In order to ensure full implementation of these measures, the Ministry of Commerce needs to establish a National Enquiry Point for Trade that will cater to queries related to all other border agencies (excluding Customs/NBR). The MoC is currently working with the World Bank Group to establish the National Enquiry Point for Trade under the Regional Connectivity Project, which is being currently implemented.</p>	<p><u>Comment to be sent to WTO:</u> The National Enquiry Point for Customs is already established. The National Enquiry Point for Trade is being established with technical assistance from the World Bank Group. Assistance required (related to the National Enquiry Point for Trade):</p> <ol style="list-style-type: none"> 01. Support for legislation. 02. Consultation 03. Training 04. Capacity development
Article 7.1	Pre-Arrival Processing	C	<p>This measure only involves Customs under the NBR.</p> <p>Responsibility of the NBR:</p>	<p><u>Comment to be sent to WTO:</u> The NBR is currently working</p>

			<p>Bangladesh legislation complies with the provisions laid down in this Measure. National legislation includes provisions for:</p> <p>(a) submission of manifest prior to the arrival of conveyance/goods;</p> <p>(b) lodging and processing of Customs declaration (e.g. bill of entry) including documentation prior to the arrival of the goods; and</p> <p>(c) Lodging of declaration in electronic format.</p> <p>However, though pre-arrival processing procedure exists in law, it is not implemented in practice. In the absence of the system, there is no standard procedure to deal with that.</p>	<p>to implement this Measure with technical assistance from the USAID.</p> <p>Assistance required:</p> <ol style="list-style-type: none"> 01. Support for legislation. 02. Consultation 03. Training 04. Capacity development
Article 7.4	Risk Management	C	<p>Responsibility of the NBR:</p> <p>In the absence of a common procedure, different Customs stations and the intelligence department employ their own methods in terms of choosing the selectivity criteria. For example, the senior Customs officials often use their own judgment in selecting particular consignments for physical examination. Things have improved with the introduction of ASYCUDA, which has the basic functionality and applications to support an electronic RM system.</p> <p>Customs is in the process of developing a systematic national approach to the adoption of risk management (RM) at all border-crossing points. Towards that end, a Central Risk Management Technical Unit has been formed with assistance from the World Bank Group. Again, the NBR has prepared a Draft Standing Order in support of the application of automated selectivity within the risk management environment, with assistance from the USAID. Implementation of the Standing Order will ensure the adoption of risk management across its import and export clearance regimes.</p> <p>Again, Section 186 of the proposed Customs Act provides legal coverage of the RM system in Customs.</p> <p>Responsibility of Other Border Agencies:</p> <p>1. Plant Quarantine Wing (PQW):</p> <p>PQW has formed a 6-member Risk Management Committee, where the Additional Deputy Director (Export) works as the focal point. World Bank has been providing training on RM. For risk</p>	<p><u>Comment to be sent to WTO:</u></p> <p>The NBR is currently working to implement this Measure with technical assistance from the USAID and the World Bank Group (WBG).</p> <p>Assistance required:</p> <ol style="list-style-type: none"> 1. Support for legislation. 2. Consultation 3. Training 4. Capacity development <p>The Plant Quarantine Wing has previously received training from the WBG. It requires assistance from development partners for:</p> <ol style="list-style-type: none"> 1. Capacity development of surveillance mechanism. 2. Establishment of Pest Risk Analysis (PRA) procedure. 3. Technical support on risk assessment and mitigation. 4. Documentary and awareness development program in social media for moral and ethical responsibilities. 5. Preparation of some SOPs and manuals for risk management issues. <p>The Bangladesh Standards and Testing Institute (BSTI) are working to implement this</p>

			<p>management, the PQW has its own inspection procedure for consignments. It is also mandatory to maintain traceability. To carry out proper inspection and product traceability, the PQW is going to procure specific Standard Operating Procedure (SOP).</p> <p>2. Bangladesh Standards and Testing Institute (BSTI): BSTI formed a Risk Management Committee with the assistance from the World Bank Group. The WBG has organized a training session where BSTI and Plant Quarantine Wing participated. A non-conformance database was established, which requires continuous system update. BSTI is yet to establish any procedure for Risk Management System.</p> <p>3. Bangladesh Atomic Energy Commission (BAEC): BAEC does not have any risk management system at the moment. No development partner is currently working with BAEC in this regard. BAEC requires assistance from development partners in the area of risk management.</p>	<p>measure with technical assistance from the WBG. It requires assistance for:</p> <ol style="list-style-type: none"> 1. Stabilization of the Risk management system following international best practices. 2. Training for the Risk Management Committee members. 3. On-site visit for RM Committee members to countries that have successfully established the RM system. <p>No development partner is currently working with Bangladesh Atomic Energy Commission in this regard. It requires assistance from development partners in the area of risk management.</p>
Article 7.5	Post Clearance Audit	C	<p>This measure only involves Customs under the NBR.</p> <p>Responsibility of the NBR: Post clearance system exists in Bangladesh and a designated Post Clearance Audit Department is also in place. Again, both the existing Customs Act 1969, and the proposed Customs Act have adequate legal provisions to cover this Measure.</p> <p>However, in practice, audits are mostly conducted for revenue recovery purposes, and not for expediting the release of goods. Risk assessment practices are not used for selection of audit targets. Again, audit results are not routinely used in applying RM practices to subsequent consignments.</p> <p>With technical assistance from USAID and ADB, the NBR has developed Draft Standard operating procedures and Audit manuals. These need to be enforced.</p>	<p><u>Comment to be sent to WTO:</u> The NBR is currently working in collaboration with the USAID (for transaction-based audit) and the Asian Development Bank (for system-based audit) to become compliant with this Measure.</p> <p>Assistance required:</p> <ol style="list-style-type: none"> 4. Consultation 5. Training 6. Capacity development.
Article 7.7	Trade Facilitation Measures for Authorized Operators	C	<p>This measure only involves Customs under the NBR.</p> <p>Responsibility of the NBR: Bangladesh Customs has not yet introduced the Authorized Economic</p>	<p><u>Comment to be sent to WTO:</u> The NBR is currently working in collaboration with the USAID and the Asian</p>

			<p>Operator (AEO) system. But the NBR has decided to implement the AEO program in Bangladesh. Technical assistance is needed to design the program, including implementing rules and instructions under the proposed act or administrative procedures and assisting stakeholders to develop their systems and processes to meet qualifying criteria. Currently, the NBR is going to implement the AEO program with technical assistance from the USAID and Asian Development Bank. An AEO Implementation Committee has been formed in the NBR. Criteria for the AEOs and the proposed incentives for them are now being worked out. Again, Section 107 of the proposed Customs Act has incorporated legal provisions relating to AEO.</p>	<p>Development Bank to implement the AEO system in Bangladesh. Assistance required: 01. Support for legislation 02. Consultation 03. Training 04. Capacity development.</p>
Article 7.8	Expedited Shipments	C	<p>This measure only involves Customs under the NBR. Responsibility of the NBR: Bangladesh has partially implemented this Measure. Previously, provision existed at Dhaka airport for clearance of consignment value not exceeding USD100 and weight below 5 Kg. to ensure expedited clearance. But there was no legal provision until last year that relates to expedited cargo. However, the NBR has taken a significant step forward in 2016 by enacting an SRO that laid down detailed procedures related to courier shipments. But Bangladesh is yet to implement the <i>de Minimas</i> provision. Although the existing Customs Act 1969 (Section 18) specifies a <i>de Minimas</i> shipment value for which Customs duties and taxes will not be collected, this has not yet been applied to courier consignments.</p>	<p><u>Comment to be sent to WTO:</u> The USAID is providing technical assistance to the NBR in establishing an expedited courier system that complies with international best practice. Assistance required: 01. Consultation 02. Training 03. Capacity development.</p>
Article 7.9	Perishable Goods	C	<p>There are no specific legal provisions requiring or allowing expedited examination or release of perishable goods or release outside normal business hours. Other than a simplified procedure implemented by the Land Port Authority allowing truck-to-truck transfer, no formal procedures are applied at local offices by various border authorities for purposes of specifically expediting release of perishable goods. Under IPO and other legislation, customs decisions to release certain perishable</p>	<p><u>Comment to be sent to WTO:</u> No development partner has so far offered any assistance in the area of perishable goods. Assistance required: 01. Support for legislation 02. Consultation 03. Training 04. Capacity development. Again, Port authorities require both technical (feasibility study, drawing, design etc.)</p>

			<p>goods are contingent on certification or authorization by other border authorities. But no formal coordination or cooperative mechanisms among border authorities have yet been established to ensure expedited treatment of perishable goods. The Customs Act, 1969 and IPO provide a mechanism whereby an importer can receive a written explanation in the event of release of his or her goods is delayed. Mongla Port does not have any cold/cooling storage to keep perishable goods.</p> <p>Actions are required from Ministry of Commerce, National Board of Revenue, and Ministry of Shipping.</p>	<p>and financial (infrastructure, equipment, maintenance etc.) assistance.</p>
Article 8	Border Agency Cooperation	C	<p>(A) In-country border-agency cooperation: In Bangladesh, interagency coordination occurs through a range of informal arrangements. For example, common interface is developed at Chittagong port to harmonize the processes between Customs and port authorities. This is a good development, since Chittagong handles about 75-80% of the country's international trade. Similar efforts need to be replicated in other ports. Main controls, such as declaration processing, inspection, assessment, inward or outward clearance, preventive functions etc., at the Customs houses/stations are delegated to Customs authorities. Customs offices regularly hold stakeholders (including the private sectors) meeting to ensure better coordination among the border agencies and the relevant private sectors. But it is also true that no formal arrangements exist between in-country border authorities for the coordination of activities to facilitate trade. To ensure coordination, an MOU was signed on 06 August, 2018 between the NBR and the Plant Quarantine Wing. Effective establishment of in-country border agency cooperation will also facilitate implementation of Single Window.</p> <p>(B) Cross-border agency cooperation: There is little progress in this area. For example, working days and hours are not aligned with other neighboring countries. Secondly, procedures and formalities are not aligned with them. Third, common facilities are not developed and shared</p>	<p><u>Comment to be sent to WTO:</u> (A) In-country border-agency cooperation: The World Bank Group has agreed to provide loan assistance in the area of coordinated border management. (Latest development from Ministry of Shipping???) Plant Quarantine Wing requires assistance from development partners for establishing strong cooperation with all border agencies. (B) Cross-border agency cooperation: No development partner has so far offered any assistance in the area of cross-border agency cooperation. Assistance required: 1. Negotiation and Consultation 2. Capacity development</p>

			<p>with them. Fourth, there are no joint controls performed in cooperation with them.</p> <p>But there are also positive developments. Such as, the creation by Bangladesh and India of a Joint Working Group on Customs and a Joint Working Group on Trade. Regular meetings and consultations of Customs and trade officials from India & Bangladesh at both central and local levels are held to address issues that require policy directions. Bangladesh and India have signed SOP for movement of vehicles from and to India, Nepal and Bhutan up to Customs points at border sides.</p>	
Article 10.1.1(a)	Formalities and Documentation Requirements	C	<p>This provision is related to Perishable Goods in Article 7.8. Actions are required from Ministry of Commerce, National Board of Revenue, and Ministry of Shipping.</p> <p>It is not clear whether NBR or Ministry of Commerce or Ministry of Shipping have undertaken any such review, and accordingly adopted and/or applied results of such review with a view to a rapid release and clearance of goods, particularly perishable goods.</p> <p>Land Port Authority has said that it has introduced automated activities to ease documentation formalities in Benapole land port. It is under process at Bhomra and Burimari land ports.</p> <p>Plant Quarantine Wing has said the new Plant Quarantine Rules, 2018 has been approved on May 10, 2018 whose implemented will ease the process.</p>	<p><u>Comment to be sent to WTO:</u></p> <p>No development partner has so far offered any assistance in the area of perishable goods.</p> <p>Assistance required:</p> <ol style="list-style-type: none"> 3. Training 4. Capacity development. <p>Again, Plant Quarantine Wing requires assistance for- (a) the preparation of a valid organogram of Plant Quarantine Authority in Bangladesh, and (b) the establishment of E-Phyto System.</p>
Article 10.4	Single Window	C	<p>Although all border agencies will have to be involved in the implementation of this measure, the main onus is on the NBR, as Customs will act as the Lead Agency for implementation of national single window.</p> <p>Development at NBR:</p> <p>The Government has decided to implement the NSW in Bangladesh. The GoB commenced implementation of Single Window (SW) with technical assistance from USAID in 2014, but it later decided to embark on a bigger SW project financed by a loan from the World Bank Group.</p> <p>The DPP has got the approval from the Executive Committee of the National Economic Council (ECNEC) on 31 October 2017. The NSW project will be</p>	<p><u>Comment to be sent to WTO:</u></p> <p>The NBR is currently implementing the project with loan assistance from the World Bank.</p> <p>Assistance required:</p> <ol style="list-style-type: none"> 01. Support for legislation. 02. Consultation 03. Training 04. Capacity development <p>Again, ICT related assistance (both hardware and software) will be required at the ports.</p> <p>Further, technical assistance for data standard management will be required at BCSIR.</p>

			<p>implemented with financial support from WBG and GoB. NBR will act as the lead agency for the implementation of NSW. NBR has formed a NSW Working Group. A Project Implementation Committee has also been formed which will start the procurement activities soon.</p> <p>To ensure coordination, the NBR has signed MOUs in August, 2018 with other border agencies, such as the Plant Quarantine Wing (06 August), the Mongla Port Authority (07 August), .</p> <p>Establishment of Single Window will also facilitate implementation of in-country border agency cooperation.</p>	
Article 11.5	Freedom of Transit (separate physical infrastructure for traffic-in-transit)	C	<p>Responsibility of Ministry of Shipping:</p> <p>Bangladesh has not created physically separate infrastructure, such as transit lane or berths. The question is whether we need such separate infrastructure at the moment.</p> <p>Nepali cargo enjoys transit through railway through Bangladeshi territory. But its application is still very limited. Again, Bangladesh has a limited river transit agreement with India that allows both transit and transshipment of goods between North East and mainland India through river. Further, due to the non-enforcement of the BBIN Motor Vehicle Agreement widespread application of transit is still not available.</p> <p>This implies that creation of separate infrastructure is not so much required now. It may be required later with full-fledged operation of traffic-in-transit.</p>	<p><u>Comment to be sent to WTO:</u></p> <p>No development partner has so far offered any assistance in the area of traffic-in-transit (establishing separate physical infrastructure for traffic-in-transit).</p> <p>Assistance required:</p> <ol style="list-style-type: none"> 1. Consultation 2. Training 3. Capacity development.
Article 11.9	Freedom of Transit (advance filing and processing of transit documentation and data)	C	<p>Responsibility of the NBR:</p> <p>The existing Customs Act 1969 (sections 120-129) provides a legal basis to enable implementation of international road transit operations. The proposed Customs Act (Sections 152-155 for international transit and Sections 50-55 for surety/guarantee) further rationalizes the provisions of transit. Once the proposed Customs Act is enacted, as per provisions of Section 153, Customs will have to issue a rules detailing the transit administrative and customs procedures.</p> <p>However, Customs has not yet introduced any procedure that would allow and provide for advance filing and processing of transit documentation and data prior to the arrival of goods. The NBR needs to take measures to comply with this particular TFA provision.</p>	<p><u>Comment to be sent to WTO:</u></p> <p>No development partner has so far offered any assistance in the area of traffic-in-transit (allowing advance filing and processing of transit documentation and data prior to arrival of goods under traffic-in-transit).</p> <p>Assistance required:</p> <ol style="list-style-type: none"> 1. Support for legislation 2. Consultation 3. Training 4. Capacity development.

Article 11.16	Freedom of Transit (country-level cooperation with in relation to charges, formalities & legal requirements, and practical operation of transit regime)	C	The Ministry of Commerce and the NBR need to work on this particular provision. It seems that a mechanism exists in Bangladesh. For example, within the framework of the River Protocol under the India-Bangladesh Trade Agreement, the two countries regularly negotiate the issues of charges, formalities etc. Again, while conducting regional trade agreements, transit agreements, the Ministry of Commerce, in collaboration with other border agencies such as the NBR, fixes the issues of charges, fees, formalities & legal requirements, and practical operation of transit regime.	Comment to be sent to WTO: Technical assistance from development partners is not required for this measure. But, it shall be considered as category C, for its implementation is dependent upon mutual consensus of more than one country. That is, Bangladesh cannot do this cross-border cooperation alone.
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Source: Ministry of Commerce, GoB

2.7. Identify And Analyze The Status And Best Practice Of Regional Countries In Implementation Of TFA

India

- Since the opening up of its economy in 1991, India has made significant efforts in trade policy reform, which have led to a major reduction in average tariffs, simplified tariff and quota regimes, and the removal of several import restrictions. As a member of the United Nations, World Customs Organization, and World Trade Organization (WTO), India has benefited from the tools and best practices developed by these organizations, which have served as the basis for introducing trade facilitation initiatives. The Central Board of Indirect Taxes and Customs (CBIC), as the agency responsible for customs administration in India, is a signatory to several international standards and other arrangements such as the following:
 - International Convention on the Harmonized Commodity Description and Coding System (HS Convention) and the WTO Agreement on Customs Valuation, which have enabled India to adopt globally harmonized standards to facilitate international trade;
 - Revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures (RKC) and a letter of intent for the Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework), which provide blueprints for modernizing customs administrations by simplifying documentation and procedures through the adoption of a risk-based approach that reduces intrusive inspections, improves compliance by targeting high-risk shipments, and leads to the more efficient utilization of customs resources;
 - Customs Convention on the International Transport of Goods under Cover of Transport International Route (TIR) Convention and the Customs Convention on the Temporary Importation of Private Road Vehicles to enable the temporary importation of (i) goods for display in exhibitions and professional equipment for temporary use, (ii) cargo in transit and road vehicles, and (iii) personal vehicles; under these conventions, the above types of cargo can enter and exit India based on an internationally valid document (ATA Carnet) that serves as the customs declaration and also as a guarantee in case the cargo is not exported, which obviates the need for the cargo to follow national formalities; and
 - International Convention on Mutual Administrative Assistance for the Prevention, Investigation, and Repression of Customs Offences (Nairobi Convention), which helps customs administrations cooperate in conducting investigations to prevent violations of customs laws.
- The Government of India has sought to improve India's ranking in the World Bank's Ease of Doing Business Index, with the objective of positioning India as an attractive

destination for investment. As a result, the government has embarked on additional reforms to facilitate the movement of goods across borders. These measures are aimed at:

- reducing cargo release times;
- enhancing process efficiency by implementing modernized procedures;
- integrating digital initiatives;
- achieving better coordination among various stakeholders in the border clearance ecosystem; and
- Conducting extensive outreach, perception surveys, and capacity- building efforts.

Central Board of Excise and CBIC is the foremost agency responsible for driving and implementing trade facilitation reforms in India. It operates independently in this regard without any reliance on external agencies and funding. Table presents the other key cross-border regulatory agencies (CBRAs) and their respective roles.

Trade Portal

A trade portal is considered important to facilitating trade and enhancing transparency. Easy access to information is a key prerequisite to better compliance. It is therefore desirable to have a single portal where information pertaining to trade and all trade-related agencies is aggregated and made available online for review. In India, the Department of Commerce commissioned a trade portal to meet this need and assist traders in finding trade opportunities across the globe. The responsibility for maintaining the portal rests with the Federation of Indian Export Organizations. The trade portal serves as a tool for businesses to search, select, and send queries to Indian suppliers (with data on around 80,000 companies from various industry sectors), while also containing information on the following:

- most-favored nation status and preferential tariffs for 87 economies;
- rules of origin under India's free and preferential trade agreements;
- sanitary and phyto-sanitary measures and technical barriers to trade in 87 markets (e.g., labeling and packaging requirements, regulatory standards, pesticides, food additives, and other product-specific restrictions);
- sanitary and phyto-sanitary measures and technical barriers to trade with the option for traders and industry to submit their representations;
- codes of products based on the international nomenclature for the classification of products (Harmonized System);
- export incentives available in India;
- India's export-related acts and export procedures;
- item-wise export and import policy conditions in India; and
- Foreign trade policy conditions.

Indian Customs Electronic Data Interchange System

The first of these reforms was the automated Indian Customs Electronic Data Interchange System (ICES) that was introduced in 2005 to bring efficiency to cargo clearance processes. ICES is an initiative designed for the exchange and transaction of customs clearance information using electronic data interchange.⁵ ICES is currently operational at over 134 customs locations and is responsible for the management of approximately 98% of India's international trade. ICES automates business processes by acting as a real-time nodal electronic interface with different agencies to facilitate customs clearance for imported and exported cargo through the Indian Customs Electronic Commerce and Electronic Data Interchange Gateway (ICEGATE) portal. ICEGATE offers e-filing services to various stakeholders involved in the customs clearance process by linking CBIC with 15 agencies

using electronic data interchange. This includes the secure exchange of messages through the e-filing of bills of entry, shipping bills, and other related information between CBIC and other agencies involved in trade. Various regulatory and licensing agencies, including the Directorate General of Foreign Trade (DGFT) and the Reserve Bank of India, are also able to exchange data with CBIC through ICEGATE.

Single Window Interface for Facilitating Trade

On 1 April 2017, India launched its national single window project: the Single Window Interface for Facilitating Trade (SWIFT).⁶ As part of the government's agenda to improve the ease of doing business, SWIFT enables importers and exporters to file a single electronic declaration online via the ICEGATE portal. The following features of SWIFT have the potential to make a significant impact on trade facilitation:

- (i) **Integrated Declaration:** Information required for import clearance by government agencies is electronically submitted by importers through an integrated declaration at a single-entry point: ICEGATE. Nine separate forms required by different agencies have been merged into a single form, eliminating duplication and reducing the compliance burden on traders. The integrated declaration comprises the requirements of the six import regulatory agencies, which account for the vast number of cases where no objection certificates are required for customs clearance related to live consignments. By alleviating the burden related to these six agencies, SWIFT targets the largest sources of bottlenecks in the clearance process. SWIFT will help strengthen coordination between the various CBRAs, which was lacking in the past. In addition to alleviating the compliance burden on traders through the reduction of physical visitation with each agency, SWIFT also reduces manual labor required by border and customs agents (CBEC 2016).
- (ii) **Automated Routing:** SWIFT automatically identifies goods that require clearance by participating government agencies and routes them online to the relevant agencies for regulatory clearance.
- (iii) **Integrated Risk Assessment:** The implementation of SWIFT is being accompanied by the use of risk-based selective examination and testing, significantly reducing the number of consignments that need mandatory testing or certification.
- (iv) **Online Release:** The trader files a single declaration in SWIFT and the system routes this information to the relevant CBRAs based on HS code, country of origin, and value, among other factors. Based on the declaration filed (i.e., commodity, HS code, benefits claimed), the system decides whether a sample must be drawn by a sanitary and phyto-sanitary (SPS) agency, whether it must be visually inspected and released, or whether customs can decide without referring to the SPS agency. SWIFT then conveys the decision of the regulatory agencies on the release of goods as a single decision, including the results of inspection and testing.

Additional initiatives have been planned, but not yet implemented, as part of the SWIFT program. These include the development of a compliance information portal, an automatic license verification system, an event notification system, and a coordinated inspection online payment facility for fees and charges.

Risk Management System

India's Risk Management System (RMS) is another initiative that facilitates trade by identifying transactions that carry a higher level of risk and may require deeper scrutiny by customs officers. The declarations, which are filed electronically with ICES, are processed by the RMS and an electronic advisory is generated. This advisory then determines whether the declaration is taken up for action or whether the cargo is permitted for clearance without any intervention. Based on a combination of factors, the RMS provides the following categories of risk treatment: (i) shipment is cleared without any checks; (ii) the

documentation is marked for further scrutiny for determining the correct value and country of origin, among others; (iii) shipment is marked for physical inspection to determine the nature of goods and quantity, among others; and (iv) shipment is referred to other CBRAs for testing and certification. With the RMS, physical inspections are waived for over 70% of trade; this number is even higher for air consignments. Document checks are conducted for a higher percentage of shipments by customs and other CBRAs.

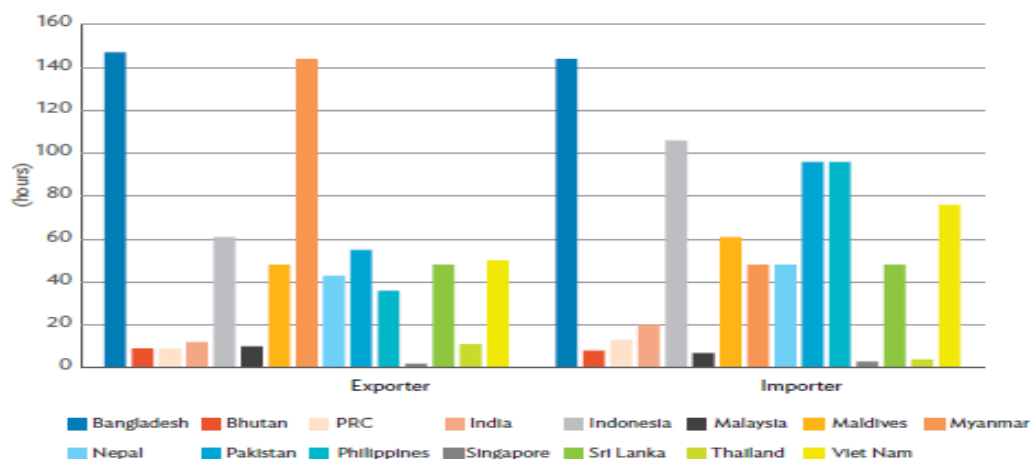
Post-Clearance Audit

In 2011, CBIC introduced post-clearance audit (PCA) as a broad-based audit process with a focus on systems and procedures in lieu of individual transactions. While there are clear guidelines for PCA implementation as part of the RKC and a number of economies have adopted PCA, they differ in their scope and methodology. Under the PCA, CBIC allows to release imports expeditiously and conduct subsequent verification of their import-export operations on a periodic basis by scrutiny of relevant business records. Thus, an importer or exporter can benefit from reduced clearance times and deal with the goods promptly, saving on port- and storage-related charges. On the other hand, CBIC can complete a comprehensive company check to ensure that its import-export operations conform to the relevant laws. Currently, PCA is only offered to authorize economic operators (AEOs), who are extended higher levels of facilitation. The impact of PCA has been limited due to its restricted applicability to AEOs-as the number of AEOs increase, the impact of PCA will increase-and also because of the limited number of auditors with the knowledge and experience needed to scrutinize financial and business records.

2.8. Comparison between Bangladesh and Other Regional Countries In Implementation Of TFA

Figure-and Figure-show how SASEC countries compared with their regional counterparts in 2019 in terms of the time required for and cost of documentary compliance, respectively. Singapore sets an exemplary benchmark for the region for the time required to meet documentary compliance to complete an international trade transaction: 2 hours for exports and 3 hours for imports. Out of the 15 economies included in the analysis, Bhutan and the PRC rank second behind Singapore with 9 hours required for documentary compliance to export.³ The remaining SASEC countries rank 6th (India), 8th (Nepal), 9th (tie between Maldives and Sri Lanka), 14th (Myanmar), and 15th (Bangladesh) in terms of time needed for documentary compliance to export. Bangladesh requires 147 hours to ensure that the documentary requirements of all government agencies are met for an export transaction. On the import side, out of the 15 economies shown in Figure 3.6, SASEC countries rank as follows: 4th (Bhutan), 6th (India), 7th (tie among Myanmar, Nepal, and Sri Lanka), 10th (Maldives), and 15th (Bangladesh). While Bangladesh still lags at 144 hours needed to achieve documentary compliance for importing, most of the region falls in the middle of the pack, ranging from a low of 8 hours in Bhutan to 48 hours in Myanmar, Nepal, and Sri Lanka.

Figure-2.1: Time to Comply with Documentary Requirements to Export and Import, SASEC Countries and Regional Comparators, 2019

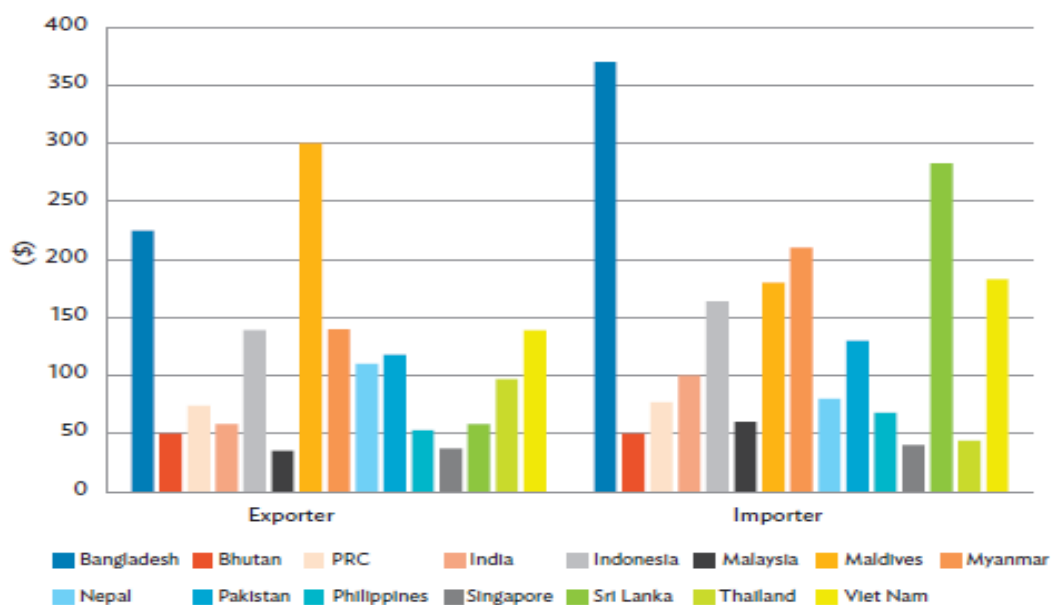


PRC = People's Republic of China, SASEC = South Asia Subregional Economic Cooperation. Source: World Bank. Doing Business. www.doingbusiness.org (accessed 25 October 2019).

When examining the cost burden, the landscape varies. Figure - shows that Malaysia leads the group in terms of the cost of documentary compliance for exports, while Singapore has the lowest cost of documentary compliance when it comes to imports. Out of the 15 economies shown, SASEC countries rank in the following order for export documentary compliance costs: 3rd (Bhutan), 5th (India and Sri Lanka), 9th (Nepal), 13th (Myanmar), 14th (Bangladesh), and 15th (Maldives). While the difference between costs for Bhutan (\$50) and top-ranked Malaysia (\$35) is relatively small, the compliance costs reach as high as \$300 for Maldives.

On the import side, SASEC's rankings are as follows: 3rd (Bhutan), 7th (Nepal), 8th (India), 11th (Maldives), 13th (Myanmar), 14th (Sri Lanka), and 15th (Bangladesh). Singapore is the least expensive among the comparator economies for import documentary compliance at \$40. Bhutan at \$50 is not that far behind, but documentary compliance costs for imports in Sri Lanka and Bangladesh are considerably more at \$283 and \$370, respectively.

Figure-2.2: Cost to Comply with Documentary Requirements to Export and Import, SASEC Countries and Regional Comparators, 2019

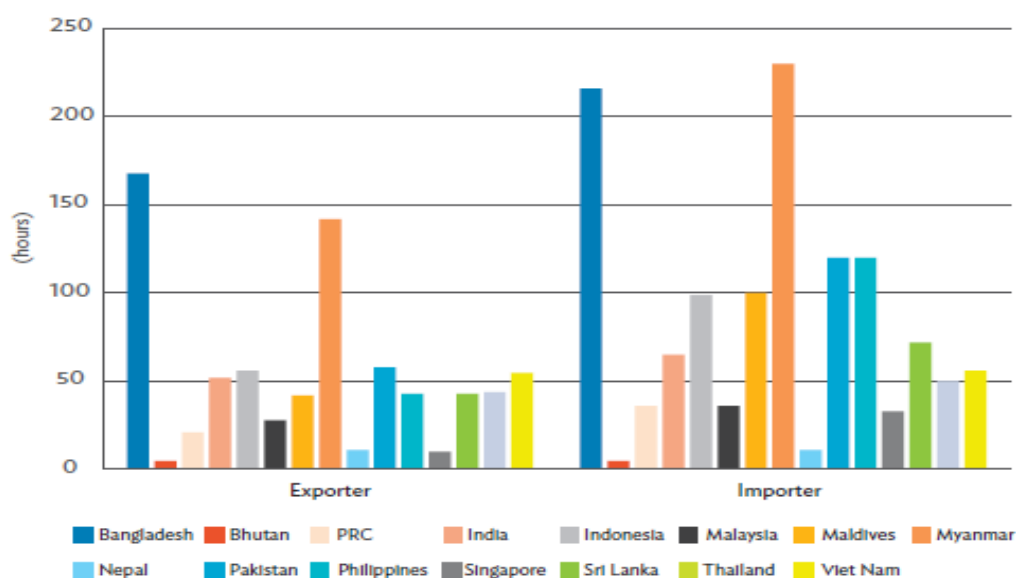


PRC = People's Republic of China, SASEC = South Asia Subregional Economic Cooperation. Source: World Bank. Doing Business. www.doingbusiness.org (accessed 25 October 2019).

Figure 2.1- and Figure -2.2 capture the time and cost, respectively, associated with an economy’s customs regulations relating to mandatory inspections for a shipment crossing its border. For border compliance procedures, what are included are the time and cost for customs clearance and any inspection procedures that are conducted by relevant government agencies in international trade transactions. For exports, Bhutan leads SASEC as well as the entire comparative group at 5 hours (Figure 3.8). The remaining SASEC countries are ranked as follows (out of the 15 economies considered here): 3rd (Nepal), 6th (Maldives), 7th (tie between the Philippines and Sri Lanka), 10th (India), 14th (Myanmar), and 15th (Bangladesh). With three out of seven SASEC countries ranking in the bottom half of the group, this indicates that the time expended on the export side for border compliance remains a hurdle for some countries in the sub region.

The picture looks somewhat similar on the import side. Bhutan still leads the way for SASEC as well as the entire comparative group. Among SASEC countries, Nepal follows at 2nd place, India at 8th, and four remaining economies-Sri Lanka, Maldives, Bangladesh, and Myanmar-at 9th, 11th, 14th, and 15th, respectively. The main notable difference, however, is that while the time for Bhutan is the same for imports and exports at 5 hours, it vastly differs for other SASEC countries. For instance, the time to meet border compliance for importing in Bangladesh (216 hours) is roughly 1.3 times that of exporting (168 hours), and Maldives is more than double (100 hours versus 42 hours). Overall, it is seen that economies are generally expending more time in terms of border compliance for importing than for exporting.

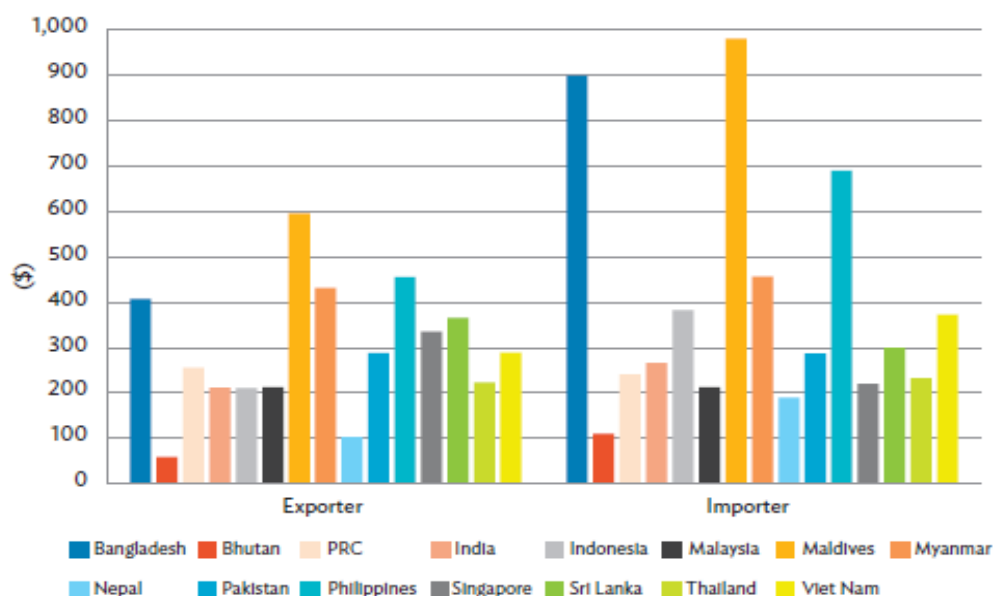
Figure-2.3: Time to Comply with Border Requirements to Export and Import, SASEC Countries and Regional Comparators, 2019



PRC = People's Republic of China, SASEC = South Asia Subregional Economic Cooperation.
 Source: World Bank. Doing Business. www.doingbusiness.org (accessed 25 October 2019).

In terms of the cost of border compliance for importing and exporting, Bhutan still leads the SASEC sub region as well as the comparative group (Figure). However, the cost to import (\$110) is almost double those incurred on the export side (\$59). Within the SASEC sub region, Nepal and India are next in terms of the cost of border compliance for exporting. Sri Lanka is the only economy in the sub region where the cost to export is higher than the cost to import (\$366 versus \$300). Maldives is last among the comparator group and the sub region on the export side with a cost of \$596 and on the import side with a cost of \$981. Bangladesh is not far behind in terms of its burdensome cost to import at \$900, which is more than double its cost to export.

Figure 2.4: Cost to Comply with Border Requirements to Export and Import, SASEC Countries and Regional Comparators, 2019



PRC = People's Republic of China, SASEC = South Asia Subregional Economic Cooperation.
Source: World Bank. Doing Business. www.doingbusiness.org (accessed 25 October 2019).

2.8 .1. The Measures That Are Taking By The Developing/ Developed Countries To Advance The TFA Implementation Process

A. *Best Practices and Lessons Learned in Transit (Dr. Corina COJOCARU Country delegates of the WTO, Republic of MOLDOVA)*

The Republic of Moldova is the 84th country to ratify the Agreement of TFA and the instruments of ratification was deposited on 24 June 2016. National Trade Facilitation Committee was approved on 25 January 2017. The National Trade Facilitation Committee in Moldova was established under the Economic Council to the Prime Minister-an existing communication platform that includes representatives of the public authorities and of the business community.

Members of the NTFC

- State institution and public authorities 22;
- Associative structures of the business community 34;
- International organizations in the area of regulatory reform 10;
- Representatives of the scientific and research community 5.

Institutional& Legislative Reform of the Custom Office

The reorganization aimed to increasing the operational capacity of the customs and ensures smoother border traffic. A new Custom Code is in place contain the integrated Customs Tariff of the Republic of Moldova. The Value of non-declarable goods has been increased up to 5000 Euro and joined in the Regional Convention on pan-euro-Mediterranean preferential rules of origin. The government also developed a roadmap on Mutual AEO recognition with the EU and reorganized the Red and Green corridor:

- Import customs declarations directed on the red corridor-6.37%, yellow-20.53%, and green-70.10%
- Export customs declarations directed on the red corridor-2.71%, yellow-5.36%, green- 91.93%

Simplified Procedures for border crossing

- Single counter/single window;
- ASYCUDA project with EU;
- The project “Enhancing integrated border management along the Ukraine-Moldova border” launched on 06 February 2018-make operational the agreement on data exchange and automated info exchange;
- 32 monitored customs post; and
- MRA for AEO.

B. Best Practice of the Republic of Tajikistan: Coordination Committee on Trade Facilitation

The government interdepartmental commission, whose activities are aimed at coordinating activities to facilitate the simplification, harmonization and standardization of foreign trade procedures and procedures for foreign trade, as well as the coordination of the interests of the state and business in this area and :

- Created under the Ministry of Economic Development and Trade;
- Chairman of the Committee Minister of Economic Development and Trade;
- 3 meetings in 2017 and 6 technical working groups.

Functions of the Coordination Committee on Trade Facilitation

- Analysis of the implementation of the Agreement;
- Facilitate the coordination and implementation of this agreement;
- Bring trade issues to the government;

Members

- Chairman;
- Vice-chairman;
- Executive Secretary;
- Members of the Committee from among ministries and agencies.

PROGRAM OF TRANSPORT SERVICES DEVELOPMENT

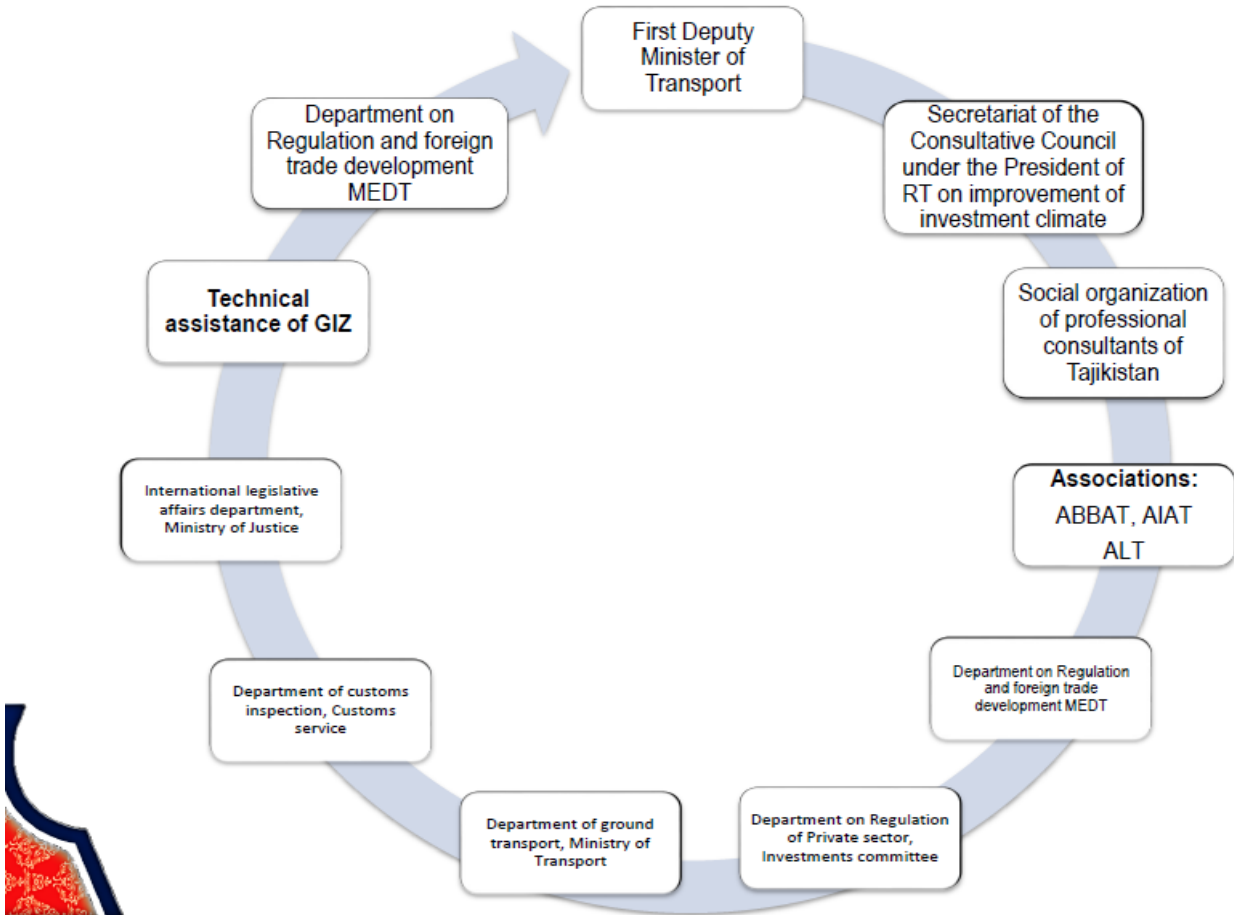
Representatives of the private sector have proposed

The Program on Transport services development–120days of reforms:

- Implementation of Program doesn't require financing from the government budget;
- Implementation of the Program measures is going to be financed by private sector;
- Moreover, donor organizations are going to cover technical financing (GIZ, JICA, OSCE and etc.).



Technical Working Group on Transit



C. Best practices and Lessons Learned in Transit: Experience from East African Region

Improved productivity (Modernization of Mombasa Port)

- Gates expanded.
- Yard 5: Faster ship-to-shore movement,
- improve cargo transit times

Improved Import times:

From 11.2 days (2013) to 6.97 days (2015)

70% average reduction in border clearance time

- Kagitumba (Rwanda/Uganda)
- Kobero (Burundi/Tanzania)
- Taveta (Kenya/Tanzania)
- Mutukula (Tanzania/Uganda)
- Busia (Uganda/Kenya)
- Elegu (South Sudan/Uganda)

Innovative technology to Facilitate Trade

Rwanda Electronic Single Window: Reduction from 11 days to 1 day to clear goods leading to \$40m savings pa

Uganda Customs Modernization:

ASYCUDA World AEOs

Automation in the Trade Process

Tanzania Food and Drug Authority: Time taken to issue import and export trade permits has reduced **from 2 days to 2 hours**

Tea Board of Kenya: **Tea** export verification & payment processes have reduced **from 8 days to 1.5 days**

Lesson Learned

- ▶ Political will and commitment critical to making real progress in improving trade;
- ▶ EAC provides a regional framework to implement good practice trade facilitation measures under the Customs Management Act and Single Customs Territory;
- ▶ TFA Agreement has also provided an important framework and process particularly through the TF Committees to focus attention and generate quick wins which in turn can create virtuous circles of commitment and further implementation;
- ▶ Think Regional act Nationally-Implementation happens at the national level but when combined with regional initiatives this can have widespread impact e.g. regional e-cargoes-tracking and SCT information sharing interface;
- ▶ Combination of Hardware-software facilitates quick wins and high impact which creates virtuous circles of momentum and commitment results (e.g. OSBPs/IBM);
- ▶ Bringing the Private Sector along is critical to results e.g. ECTS, AEO, Single window; and
- ▶ Effective co-ordination and Partnerships e.g. NTFCs and UNCTAD/IOM/ITC.

2.8.2 TFA Implementation Challenges By Bangladesh

WTO Trade Facilitation measures involve Customs & Other Border/Government Agencies (OGAs) that are involved in trade. Though Customs remains the key player, implementation of TFA requires modernization of both Customs and OGAs. Other OGAs (in Bangladesh) having major responsibility include- ♣ Chief Controller of Import & Export ♣ Plant Quarantine Department ♣ Atomic Energy Commission ♣ Drug Administration Directorate ♣ Bangladesh Standard Testing Institute ♣ Bangladesh Export Processing Zone Authority ♣ Port authorities. Customs has undergone significant changes since the early 1990s through many donor-funded reforms programs. Customs is more advanced in terms of its own modernization and implementation of TFA measures but OGAs are not so advanced. Therefore, implementation of TFA measures remains critical challenges for OGAs. Resource constraint for modernization of OGAs is also critical

2.9. Institutional Weakness And Procedural Obstacles

Procedural NTBs originate from existence of different types of inefficiencies in customs and trade administration systems, processes, institutions and infrastructure. These inefficiencies emerge as a result of-

Slow and archaic customs clearance systems: These include:

- ▶ Lack of up gradation of customs clearance systems as per international standards,
- ▶ Inherent delays in completing customs assessment, and
- ▶ Delays in processing customs clearance and release, etc.

Cumbersome trade documentation requirements: These include:

- ▶ The requirement of unnecessary documents,
- ▶ Need for multiple copies of the same document
- ▶ Absence of a single point of entry or the national single window system,
- ▶ Lack of adequate intra-border agency & cross-border agency cooperation, etc.

Inadequate transport infrastructure etc.: These include-

- Lack of sufficient transport infrastructure;
- Absence of wide road network around the country;
- Poor access roads for the land ports;
- Inadequate rail and river transportation systems, etc.

Existence of various other natural barriers: These include

- Inefficiencies of other agencies operating at the border, such as-
- Lack of modernized port operations;
- Extreme delay in port handling;
- Severe congestion (of vessels and containers) at the Chittagong Port;
- Inefficiencies of standards agencies (such as BSTI, Plant Quarantine, etc.) in-
- Enforcing standards related regulations;
- Conducting test procedures.

2.10. Modernize Border Procedure

Trade facilitation helps countries achieve national development objectives. It makes them more competitive, allowing goods and services to be traded on time and at low transaction cost. But many developing countries will be unable to take advantage of international trade opportunities unless they can go beyond the traditional reform agenda-almost exclusively dedicated to customs reform and hard infrastructure-and invest in areas where trade is most constrained. Facilitating trade may require reforming and modernizing border management institutions, changing transport regulation policy, and investing in infrastructure. A trade supply chain is only as strong as its weakest link. Locating the weakest links and addressing them through targeted development interventions has therefore become a major element of the new trade facilitation and logistics agenda.

Trade facilitation practitioners recently have adopted a broader section of the quality of trade related infrastructure, the efficiency of trade procedures and regulations, and the quality and availability of private sector services. The supply chain perspective is also reflected in the operational focus of trade facilitation, as supported by the World Bank and other development partners. The main focus areas are:

- Investing in infrastructure;
- Modernizing customs and improving the border crossing environment;
- Streamlining documentary requirements and information flows;
- Ensuring efficiency in gateways, such as ports and airports;
- Regulating logistics and transport services and making them competitive;
- Facilitating corridors and transit trade, especially in landlocked countries;
- Promoting multimodal freight transport; and
- Ensuring transport security.

2.11. Coordination of Border Authorities

Coordinated Border Management (CBM) refers to a coordinated approach by border control agencies, both domestic and international, in the context of seeking greater efficiencies over managing trade and travel flows, while maintaining a balance with compliance requirements. The CBM concept is not a new one. The WCO had published the Customs Compendium for Integrated Border Management in 2006 that outlines the key elements of an Integrated Border Management System, as well as planning and implementation issues. Many of these elements addressed in the Compendium published in 2006 are still relevant today. Over the years, variations of the term had surfaced across various forums. It is known as “Integrated

Border Management” by the European Union, “Collaborative Border Management” by the World Bank and “Comprehensive Border Management” by the OSCE. These terms all refer to very similar things, which is essentially the holistic approach involving all cross-border regulatory agencies so that their regulatory functions are discharged in a coordinated manner.

It is likely that all Cross-Border regulatory agencies engage with each other to varying degrees-interactions can take place between individuals at a personal level, or they could be encapsulated into work instructions, operational arrangements, or in more formal settings, defined through laws, regulations and agreements. Coordinated Border Management is more focused with the latter. Coordinated Border Management is ultimately about cross-border regulatory agencies within the same country, as well as like-minded cross-border regulatory agencies across borders, putting in place official measures, mechanisms and communication channels to ensure that regulatory processes are streamlined and effective.

The multiplicity of agencies at the border is a fact in the contemporary regulatory environment, and it is rare for single agency to be able to take responsibility for upholding the regulatory requirements for all manner of goods, acquire all of the functional and material competencies required to effectively discharge this responsibility and make all of the decisions necessary relating to regulatory control at the border. Specialization of competencies and specific allocation of responsibilities remains an important factor in many border crossings and this, in itself is not a bad thing. What is essential for any cross-border regulatory system to work well is for cross-border regulatory agencies to compare their missions, locate redundancies and identify aspects that contain little added value in terms of border procedures. The outcome of this effort can and will vary. In some situations, it had led to the creation of a single border agency that is mandated to carry out all border related functions; in other situations, it has resulted in the cross training of inspectors so that one inspector can carry out the primary functions of several agencies and only has to refer to the other agency in cases of doubt or special circumstances, or for inspectors to conduct the necessary checks all at the same time, so that goods do not have to be checked more than once. Such developments are ultimately shaped by the unique situation facing each agency, or even within different border crossings within the same country.

Coordinated Border Management does not come naturally-it is an engineered process, put in place by like-minded cross-border regulatory agencies both within and across borders to achieve the desired outcome of effective and efficient border control. The motivation behind CBM can be internally or externally motivated. External motivations include:

Implementing bilateral or multilateral agreements including:

- Mutual Assistance Agreements;
- Mutual Recognition of AEO;
- Free Trade Agreements;
- Regional Integration Agreements;
- Multilateral Trade Agreement;
- Internal motivations include:
 - Enhancing national competitiveness;
 - Construction of new infrastructures like border posts, sea ports or airports;
 - Addressing security threats and regulatory challenges; and
 - Improving service quality.

Both internal and external motivations are valid reasons for undertaking CBM and many situations may result due to a combination of both internal and external motivations. The need to implement legal agreements often provides some legal basis and obligations on the

part of signing countries and may even provide the specific scope of the type of CBM required. At the more basic level, Customs Mutual Assistance Agreements and AEO Mutual Recognition would primarily involve the Customs administrations of both countries but more complex arrangements such as Free Trade.

Agreements, for example, would typically oblige parties to offer facilitated procedures and preferential tariff rates to each other on the basis of specific origin rules. This requires harmonization in the recognition of goods from preferential partners through certificates of origin, databases of registered manufacturers as well as validation and communication mechanisms in case of doubt. It may also oblige trading partners to exchange data for statistical or trade compliance purposes, and provide assistance to each other to investigate suspicious shipments relating to the free trade agreement. More far ranging agreements that involve both Customs controls and CBRA regulations would necessitate the formation of formal working mechanisms both domestically, as well as bilaterally or multilaterally to ensure that such provisions could be implemented. The situation is further complicated when addressing Regional Integration.

Agreements and Multilateral Trade Agreements (such as the WTO Trade Facilitation Agreement), where the provisions are far reaching and cross-cutting to the extent that it is not possible for any 1 party or agency to implement all provisions without collaboration from others. Internal motivations can provide a similarly compelling impetus. The need to enhance national competitiveness through greater harmonization, simplification and facilitation for trade is, in itself, a compelling motivation. The construction of new infrastructures would typically bring together Customs, CBRAs and other parties as well, so that the requirements of the respective parties could be deliberated and coordinated. Addressing multi-faceted security threats and regulatory challenges that requires collaboration between Customs and CBRA is similarly compelling.

2.12. Implementation of the National Single Window

National Board of Revenue (NBR) has recently formed two separate committees for effective implementation of National Single Window (NSW), a virtual platform for the businesses to do business from home. The NSW system will enhance the trade operations by eliminating paper work and reducing time through maintaining up-to-date information. SW is a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements.

The virtual platform technology simplifies trade, saves time and money and increases efficiency by submitting export, import documentation and transit-related regulatory requirements through one electronic portal, allowing agencies to easily access information. According to the plan, the NSW will be linked with customs of NBR, Bangladesh Bank, Office of the Registrar of Joint Stock Companies and Firms, banks, Board of Investment and other service-providing agencies. On December 15 last year, the NBR had formed a Project Implementation Unit (PIU) to establish the NSW in the country with NBR member (customs modernization) as the Project Director of PIU while two other First Secretaries from custom wing as members. NBR second secretary (customs modernization and project management) will act as procurement focal point while second secretary (customs- international trade and treaty) will act as financial management focal point of the committee.

According to NBR plan, the PIU will be responsible for undertaking necessary actions in line with the recommendation from Inter Ministerial and Transport Facilitation Committee (ITTFC), National Council for Trade and Transport Facilitation (NCTTF) and National Single Window (NSW) Working Group (NSWWG) for implementation of NSW in the country. The team, which will prepare development projects proposal, will purchase and collect necessary materials as per Development Project Proposal. It will also finalize operational module of the projects and their implementation, said NBR officials. The Bangladesh government is

implementing the NSW in the country as recommended by the World Bank. The NSW would be established under the Regional Connectivity Project of the World Bank. The customs wing of National Board of Revenue (NBR) will act as the lead agency for setting up the NSW and will provide services to investors, entrepreneurs, exporters and importers in the NSW. Meanwhile, the NBR has also formed a 39-member National Single Window Working Group (NSW WG) to implement the online business process in the country. Finance Ministry's Internal Resources Division (IRD) Secretary, also the NBR Chairman, will lead the committee as President, while NBR member (customs modernization) will be the Member Secretary of the working group. The working group will identify the problems and challenges in implementing the project and will take steps to resolve the glitches. It also takes long term, medium term, and short-term, annual and monthly plans and will be responsible for implementing it. It will also work for strengthening capacity of government institutions and stakeholders and monitoring all the sub groups under the NSW WG.

2.13. Policy and Legal Framework

In the past, Bangladesh needed to adopt a controlled trade regime particularly for scarcity of foreign currency. Afterwards, Government started liberalizing its economy as well as trading system keeping consistency with the global system under GATT. Given highest priority to trade, Government facilitates exports and at the same time encourages uninterrupted imports of food & essential items, raw materials and capital machineries.

Trade related policies

- Export Policy 2018-21
- Import policy 2018-19
- FTA Policy 2010
- National Digital commerce policy 2018
- Leather and leather Goods policy 2019
- National API policy
- IP policy
- Competition policy 2012

Several ministries and agencies

- Ministry of Agriculture;
- Ministry of Health and Family Welfare;
- the Ministry of Fisheries;
- the Bangladesh Food Safety Authority/Ministry of Food;
- BSTI/Ministry of Industries remain responsible for TBT measures; and
- Ministry of Agriculture responsible for SPS measures.

Export Policy & Challenges for export diversification and expansion

- Bangladesh has been pursuing export-led growth and development through improving a trade friendly environment in particular, export facilitating atmosphere;
- Export is an important tool for economic activities, socio-economic development, employment & empowerment, poverty alleviation, social inclusion & stability, peace and prosperity;
- Prime focus of Export Policy is to achieve sustainable export promotion and development through export competitiveness, export diversification and market expansion;
- Export policies and strategies of Bangladesh are in the right direction in fulfilling the dream of transforming Bangladesh a middle income and developed country by the year 2021 and 2041 respectively;
- Export policy accommodates the spirit of 7th FYP in the field of export.

Objectives of Export Policy

- Accelerated and sustainable export growth;
- Taking target oriented steps to raise export earnings to US\$ 60 billion by 2021;
- Export product diversification including through new exportable product into export basket;
- Export diversification within the product such as developing various trend/ design/ fashion in the same product;
- Maintaining and expanding existing markets and penetrate into new markets;
- Producing products of international quality and standards and working with relevant Ministries/Departments in this regard (Mol, BSTI, MoA, NBR, BB, Fisheries Department etc.);
- Capacity building of exporters for maintaining compliance; and
- Boosting export competitiveness through various policy supports and cash incentives.

Trade Related Regulatory Frameworks

- ▶ Export Promotion Bureau Ordinance, 1977
- ▶ Bangladesh Tariff Commission Act, 1992
- ▶ Foreign Private Investment Promotion & Protection Act, 1980
- ▶ The Competition Act 2012
- ▶ The Patent and design Act 1911, amended in 2016 by CC
- ▶ Copyright Act 2005, rules 2006, trade mark act 2009
- ▶ New Custom Act 2018 and Old 1969 Act
- ▶ BSTI amendment Act 2018
- ▶ Quarantine Regulation act 2018
- ▶ Food safety act 2018
- ▶ Land port authority act 2001
- ▶ C&F Agent licensing rules 2016
- ▶ The baggage rules 2018
- ▶ SRO of AEO

During 2012-2018 , the range of Bangladesh's legal Instruments in numerous trade and trade related areas, including customs, standards, SPS, public procurement, competition, IPR, electricity, Jute, industrial policy, civil aviation was updated. The regulatory framework continues to consist of laws/acts, ordinance, SROs issued by relevant public sector agencies with the consultation of stakeholders to facilitate trade.

CHAPTER-3

RECOMMENDATIONS AND CONCLUSION

Trade facilitation covers all steps that can be taken in view of smoothing the flow of trade. The term is widely used to cover all sorts of non-tariff barriers. Trade Facilitation comes to the fore in order to handle all forms of NTBs or inadequacies. **Trade Facilitation** is therefore viewed as the most effective means of addressing such inefficiencies. Trade Facilitation means **identifying and addressing bottlenecks**-that are imposed by weaknesses in trade related logistics and regulatory regimes; that prevent timely, cost-effective movement of goods. Full implementation of the Trade Facilitation Agreement (TFA) by all the member countries will contribute in enhancing the efficiencies of the International Trade regime of the countries particularly of Bangladesh. The following recommendations are made for early implementation of the provisions of the TFA.

1) Coordinated Border Management:

For Coordinated Border Management (CBM) to succeed, one-stop unified platform needed for periodic performance reviews and better coordination among interagency groups leading to streamlining resolution of the impending issues arising at the border.

- a. A Lead Agency or a Single Integrated Agency, viz.-Bangladesh Customs, to coordinate various operations at the border point. In this context, co-location of the offices of different agencies under one roof may be set up. Relevant policy framework accompanied by regulatory norms and principles need to be formulated and placed in to implementation to support this coordination umbrella;
- b. The National Trade and Transport Facilitation Committee (NTTFC) should be made more effective and functional to coordinate with major trade stakeholders by clearly defining the policies, procedures, roles, and responsibilities for each of these bodies to enable full compliance of the stipulations of all the articles of TFA with the co operations of the Development Partners;
- c. *Policy and Regulatory Guideline/Manual:* A compiled policy and regulatory guideline/ Standard Operating Procedure (SOP) for cross border land port management need to be formulated. It is crucial to circulate and promote awareness and knowledge of relevant policy and legal framework in this field especially among the primary stakeholders involved at the delivery points.

2) Automation in the business processes of actors at the border.

An effective interface and active operating systems with Bangladesh Customs to improve clearance processes and procedures and minimize the cost of doing business should be in place. In this regard the National Single Window (NSW) project to be made fully operational that will cover 35 agencies and the private sectors which will allow electronic exchange of information, data sharing, and the electronic processing of declarations made by importers and exporters and thus facilitating trade by reducing the time and cost of doing business. Interagency coordination along with electronic verification of declarations could also be facilitated. This may lead to paperless environment, establishing national enquiry points, and launching websites and portals for information sharing and dissemination.

3) Automation

Another major challenge is incorporating an e-filing system in the official processes of the border agencies. For the border agencies, it is essential to follow a computerized system. It is also important that officials with sufficient authority to make decisions are posted at the border offices so that traders can receive decisions without delay, which would save cost and time. Introducing digital signatures would also help to avoid cumbersome procedures.

4) Updated customs valuation database

An effective customs valuation database to streamline the disputes that may arise between customs and the private sector may be put in place as against the existing customs valuation database captured data from ASYCUDA World as these data on product description are derived from the declarations made by the importers which are not detailed and may not be accurate.

5) Knowledge gap and lack of capacity-building initiatives

Capacity building of the officials and staff across the various border agencies to develop the skills and attitude in the field of trade facilitation, TFA measures and ICT systems to be ensured.

6) Authorized Economic Operators (AEO)

For specified cargo from Bangladesh to India or to other regional AEOs crossing the border, there should be a non-stop procedure in place. Corresponding to a cargo having had a central clearance in Bangladesh, there is in fact a stop that does not require filling in any documentation. For national AEOs importing goods in Bangladesh, there will not be physical examinations at the border; instead, all checks will be done as Post Clearance Audit (PCA). These benefits are based on the risk analysis done in the validation process for getting the status of AEO. Bangladesh Customs may use a list of sensitive goods for this purpose while exporting and importing goods from other countries. There may be an electronic cargo tracking system, and electronic seals together with GPS technology which may be used for monitoring purposes. This system may be extended across the regional countries having regional trade Agreements in future.

7) Mutual Recognition (MRAs) of Authorized Economic Operator (AEO) programs

The Bangladesh Government Customs may try to run a fully Operational Authorized Economic Operator (AEO) programme consisting of exporters, importers and manufacturers. Initially these AEOs may focus exclusively on customs matters and gradually on security which are existent in many countries of the World. In future, Bangladesh Government may go for mutual recognition (MRA) cooperation programme with India and other countries having AEO programme.

8) Mutual Administrative Assistance Agreements

To address the resolution of issues such as improving information exchanges to detect revenue fraud and the trafficking of illegal goods like drugs, narcotics, and firearms, Mutual Assistance Agreement with India and all other countries should be concluded for facilitating better trade.

9) Development of infrastructural facilities

Steps should be taken for the development of the Infrastructural facilities of all the land ports, LCSs including, roads, and railways etc. to facilitate quick the movement of these goods ensuring better regional connectivity.

10) Infrastructure and/or Logistics

Regulatory provisions should be made to ensure adequate infrastructure and logistics (such as, Yard, Warehouse, CC Cameras, etc.) for better management and operational efficiency of the land ports.

11) Sanitary and phyto-sanitary and technical barriers to trade

In order to reduce the effects of Sanitary and phyto-sanitary (SPS) and technical barriers to trade (TBT) barriers the following measures may be adopted: (i) Framing out

appropriate Policy and regulatory framework along with updating the existing and reforming legislation (b) Strengthen domestic enforcement of quality standards. (c) Increase the number of products requiring mandatory certification. (ii) Institutional strengthening (a) Expand interagency and public-private coordination. (b) Strengthen national food safety authority. (c) Close the information gap for private sector businesses and traders. (d) Upgrade the SPS- and TBT-related infrastructure (e) Upgrade and scale up laboratory facilities. (c) Develop incentive schemes for testing laboratories. (e) Build Skills and capacity of the personnel about SPS and TBT-related issues.

12) Laboratory Facilities:

Need based Testing Laboratories for conformity assessment of standards of products need to be installed at all land port points based on specific trading criteria and demand. Thus, for instance, a full-fledged office of the Bangladesh Standard and Testing Institute (BSTI) can be set up at all the land ports As part of requirement TFA provision, For Pre-Arrival processing, the existing provisions of the laws on (a) submission of manifest prior to the arrival of conveyance/goods; (b) lodging and processing of Customs declaration (e.g. bill of entry) including documentation prior to the arrival of the goods; and (c) Lodging of declaration in electronic format to be followed.

13) Risk management by Bangladesh Atomic Energy Commission:

Bangladesh Atomic Energy Commission should develop risk management system along with trained manpower.

14) Provision for Perishable goods

Specific legal provisions should be enacted for allowing expedited examination or release of perishable goods or release outside normal business hours. Under IPO and other legislation, customs decisions to release certain perishable goods are contingent on certification or authorization by other border authorities. Formal coordination or cooperative mechanisms among border authorities have to be established to ensure expedited treatment of perishable goods and arrangements for cold storage to be made at the land ports. Coordinated actions are required from Ministry of Commerce, National Board of Revenue, and Ministry of Shipping in this regard.

15) Cross-border agency cooperation:

For better trade facilitation, cross-border agency cooperation to be established to align the working hours, procedures and formalities, development of common facilities etc.

Transit Facilities:

Physically separate infrastructure, such as transit lane or berths to be developed for full-fledged operation of traffic in transit for transshipment of goods as BBIN Motor Vehicle is finalized and implemented in near future. Necessary amendment of the Custom Act has to be enacted and necessary rules detailing the transit administrative and customs procedures to provide for advance filing and processing of transit documentation and data prior to the arrival of goods to be issued and introduced for compliance with the TFA provision.

16) Multi-modal transport system:

Multi-modal Transit/Transshipment and linkage with land port, road, rail, sea and air connectivity is crucial for trade facilitation. In this regard adequate policy and regulations are needed to be formulated to facilitate Multi-modal transport systems. Also, members from the BGB and Police can be incorporated in the National Trade and Transport Facilitation Committee (NTTFC).

17) Accelerated TFA implementation:

TFA implementation roadmap needs to be periodically reviewed and further developed by setting appropriate targets, indicators and monitoring tools. Also, Regional TFA Support Schemes can be initiated at relevant regional meetings.

Conclusion:

- 1) Trade facilitation covers all steps that can be taken in view of smoothing the flow of trade. The term is widely used to cover all sorts of non-tariff barriers. Trade facilitation encompasses the simplification and harmonization of international trade procedures, covering the activities, practices and formalities involved in collecting, presenting communicating and processing data required for the movement of goods in international trade. Trade facilitation aims at developing a consistent, transparent, coherent, non-discriminatory and predictable environment for international trade transactions based on internationally accepted norms and practices resulting from simplification of formalities and procedures, standardization and improvement of physical infrastructure and facilities, harmonization of applicable laws and regulations. The main goal of trade facilitation is to reduce the transaction costs and complexity of international trade for businesses and improve the trading environment in a country, while maintaining efficient and effective levels of government control.
- 2) As a signatory of WTO's *Trade Facilitation Agreement (TFA)* the Ministry of Commerce has played a key role in mobilizing various government agencies to determine the path forward for the implementation of Bangladesh's TFA commitments. To coordinate all trade- and transport-related policies and activities in Bangladesh, and to manage all activities and initiatives related to the TFA, *the National Trade and Transport Facilitation Committee (NTTFC) has been established.*
- 3) Bangladesh adopted a range of measures to facilitate trade, including (i) *abolishing its import licensing system under the Ministry of Commerce in 1984, (ii) becoming a contracting party to the WCO's International Convention on the Harmonized Commodity Description and Coding System in 1987, and (iii) introducing the Automated System for Customs Data (ASYCUDA) at the National Board of Revenue (NBR) in 1994.* In 2010, Bangladesh signed the letter of intent to implement the WCO's Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework). Bangladesh acceded to the WCO's Revised Kyoto Convention on the *Simplification and Harmonization of Customs Procedures (RKC)*. Both events marked instrumental milestones toward improving trade facilitation.
- 4) It may be emphasized in the findings and recommendations that proper implementation of the TFA will promote the simplification, modernization and harmonization of trade processes to reduce cost and time, boost trade flows and increase the world GDP growth. For effective implementation of the TFA and for better cooperation, coordination and management among the relevant public and private sector agencies, the whole activities of the land ports is needed to bring under a single authority, particularly under the Bangladesh *land Port Authority (BLPA)*. Building of modern warehouses equipped with all modern loading and unloading facilities containers and other goods, providing sufficient testing facilities, constructing spacious connected roads and introducing of automated system would contribute facilitating and augmenting the capacity of the land ports thereby enhancing the cross-border trade between Bangladesh and India and other regional countries. Efficiency of the performance of the ports would also elevate with the engagement of adequate trained manpower on port operation and management in the land ports (LPs), land Customs Stations (LCS) particularly at the sanitary and phyto-sanitary and, immigration offices etc. Simplification and integration of various documents related to import and exports and making these compatible for electronic transaction is essential

to save time, cost and burden of the traders as well as the officials of all concerned. In order to facilitate the exporters in collecting clearance certificates from the Export Promotion Bureau (EPB) and Bangladesh Standards and Testing Institution (BSTI), Sanitary and Phyto-sanitary (SPS) authority, BSTI and SPS at all the land ports are essential. Receipt of these certificates electronically by the beneficiaries and the concerned agencies to be ensured to save time and cost. Establishment of modern warehouse by the private sectors in the land ports premises may also be considered for better export and import performances through land ports. Establishment of a well-planned spacious truck terminal along with all physical facilities such as food, lodging and recreational facilities for the drivers are needed to be set up at the ports to avoid increasing traffic. ASYCUDA and NSW program to be made fully operational at LPs and LCS for ensuring the establishment of digital corridor with a view to save time and cost. This programme may be interfaced with India and other countries for faster clearance of goods through the LPs.

- 5) Initiatives for faster implementation and formation of a strong monitoring mechanism are needed for the implementation of regional corridors, such as Asian Highway, BBIN, SASEC Road Corridor, BIMSTEC and BCIM Route. This will increase the regional road connectivity and reduce the transit time and transportation cost. Concrete steps from Government along with the private sector are required for expanding the national freight transportation fleet which is expected to reduce time and cargo handling cost. Automation and implementation of paperless trade agreement, easy and simplified access to finance for the traders, simplified regulations and procedures, better enforcement of regulations, bringin all the border trade related agencies under a Single Umbrella for better coordination, collaboration and cooperation are of fundamental importance for ensuring trade facilitation between Bangladesh and other neighbouring countries.

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Appendix-1: Direct Interviews with Question

Government of the People's Republic of Bangladesh
 WTO Cell, Ministry of Commerce
 Bangladesh Regional Connectivity Project-1
 3 Nos. of Studies Suggested by NTTFC under BRCP-1

“Agenda 3: How comparable countries are addressing implementation of TFA”

1.0. RESPONDENT CATEGORY:

(Code: 1=Custom, 2=Land Port Authority, 3=Ministry of Commerce)

2.0. PART A: GENERAL INFORMATION

2.1. Name of the respondent:.....

2.2. Name of the Organization:.....

2.2. Address: a) Present:.....

b) Permanent:.....

2.3. Contact No:..... E-mail ID:.....

2.4. Parent Ministry/Department:.....

2.5. Location/Work Place:.....

2.6. Major destination of the Land Port: (Code:1=Benapole, 2=Banglabandha,
 3=Burimari,4=Akhaura)

3.0. PART B : TECHNICAL INFORMATION

3.1.	What is the present status of Bangladesh in implementation of Trade facilitation Agreement?
3.2.	Is there any National Trade Facilitation Implementation Committee formed? (Code: 1=Yes, 2=No)
3.3.	If yes, please mention the constitution of the committee?
3.4.	Is there any member from the business community, Research/Scientific community? (Code: 1=Yes, 2=No)
3.5.	Is there any technical committee formed under the National TFA committee? (Code: 1=Yes, 2=No)
3.6.	If yes, How many technical committee already formed? (Code: 1=1, 2=2, 3=3, 4=4.5=5. 6= more than 5)
3.7.	Are there any gaps between the TFA and implementation status of Bangladesh? (Code: 1=Yes, 2=No)
3.8.	If yes, then what are the gaps between the TFA and Implementation status of Bangladesh?
3.9.	What are the present implementation Assistance of category A (measuring immediate action), B (measuring additional to implement) and C (need time and technical assistance) status? Category A: Category B: Category C:
3.10.	Do you think that TFA implementation status will be changed after Bangladesh's graduation from LDC Status? (Code: 1=Yes, 2=No)
3.11.	What kind of Financial and technical status are needed for the development partner to implement the TFA?
3.12.	What are the status and best practice of regional countries in implementation of TFA?

Appendix-1: Direct Interviews with Question

3.13.	What are the measures taking by the regional countries to advance the implementation process?
3.14.	What are the implementation challenges and recommendations for implementation of the TFA?
3.15.	What kind of supports are required for need assessment and the implementation of the Category C?
3.16.	Is there any International organization are involved in the area of regulatory reform for TFA implementation? (Code: 1=Yes, 2=No)
3.17.	If yes, then how many organizations are involved? (Code: 1=1, 2=2, 3=3, 4=4. 5=5, 6= more than 5)
3.18.	What are the comparison between Bangladesh and other regional countries in implementation of TFA?

Name of the Enumerator:

Date:

Signature:

Government of the People’s Republic of Bangladesh

**WTO Cell, Ministry of Commerce
Bangladesh Regional Connectivity Project-1**

“Agenda 3: How comparable countries are addressing implementation of TFA”

1.0. PART A: GENERAL INFORMATION

- 1.1. Where FGD take place:.....
- 1.2. Time:.....
- 1.3. What types of respondent participated in the FGD:

2.0. PART B : TECHNICAL INFORMATION

- 2.1. What is the present status of Bangladesh in implementation of Trade facilitation Agreement?
- 2.2. What are the gaps between the TFA and Implementation status of Bangladesh?
- 2.3. What are the requirements for complete implementation of TFA?
- 2.4. What are the present status of category A (measuring immediate action), B (measuring additional to implement) and C (need time and technical assistance) status?
- 2.5. What are the status and best practice of regional countries in implementation of TFA and the measures they are taking to advance the implementation process?
- 2.6. What kind of supports are required for need assessment and the implementation of the Category C?
- 2.7. What kind of Financial and technical support are needed for the development partner to implement the TFA?
- 2.8. Comparison between Bangladesh and other regional countries in implementation of TFA?
- 2.9. What are the implementation challenges and recommendations for implementation of the TFA?

Appendix- 2: Guideline for Focus Group Discussion

Participant list

Sl. No.	Name of the respondent	Designation	Name of the department	Mobile no.	Signature
01.					
02.					
03.					
04.					
05.					
06.					
07.					
08.					
09.					
10.					

Name of the enumerator:

Date:

Signature:

Government of the People's Republic of Bangladesh
WTO Cell, Ministry of Commerce
Bangladesh Regional Connectivity Project-1

“Agenda 3: How comparable countries are addressing implementation of TFA”

1.0. PART A: GENERAL INFORMATION

1.1. Name of the respondent:.....

1.2. Name of the Organization:.....

1.3. Designation:

1.4. Address: a) Present:.....

b) Permanent:.....

1.5. Contact No:..... E-mail ID:.....

1.6. Parent Ministry/Department:.....

1.7. Location/Work Place:.....

1.8. Major destination of the Land Port: (Code:1=Benapole, 2=Burimari,
3=Banglabandha,4= Akhura)

2.0. PART B : TECHNICAL INFORMATION

2.1. What is the present status of Bangladesh in implementation of Trade facilitation Agreement?

2.2. What are the gaps between the TFA and Implementation status of Bangladesh?

2.3. What are the requirements for complete implementation of TFA?

2.4. What are the present status of category A (measuring immediate action), B (measuring additional to implement) and C (need time and technical assistance) status?

Appendix-3: Guideline for Key Informant Interview

- 2.5. What are the status and best practice of regional countries in implementation of TFA and the measures they are taking to advance the implementation process?
- 2.6. What kind of supports are required for need assessment and the implementation of the Category C?
- 2.7. What kind of Financial and technical assistance are needed of the development partner to implement the TFA?
- 2.8. Comparison between Bangladesh and other regional countries in implementation of TFA?
- 2.9. What are the implementation challenges and recommendations for implementation of the TFA?

Signature of the Key Informant with official Seal

Signature:

Office seal:

Name of the enumerator:

Date:

Signature:

Terms of Reference

Consultancy/Research firm for conducting 03 studies suggested by NTTFC in FY 2018-19.

Background

The Government of the People's Republic of Bangladesh has received an SDR 150 million Credit from the International Development Association (IDA) - a member of the World Bank Group - for financing the cost of the Bangladesh Regional Connectivity Project I (BRCP-I), being jointly implemented by the Bangladesh Land Port Authority (BLPA), National Board of Revenue (NBR) and Ministry of Commerce. The second component of this umbrella project is being implemented by the Ministry of Commerce as a separate technical assistance project. The overall objective of this technical assistance project is to strengthen trade related institutional capacity in order to ensure active and sustainable cooperation between multiple trade-related stakeholders and economic empowerment of women traders.

This technical assistance project consists of following three (3) components:

- Component A: Develop (pilot) programs to support female traders and entrepreneurs. This component will pilot activities to help address barriers to women becoming more integrated into regional and global supply chains and trading opportunities.
- Component B: Capacity Development Support for the National Trade and Transport Facilitation Committee. The inter-ministerial National Trade and Transport Facilitation Committee (NTTFC) has been set up to coordinate all trade and transport-related policies and activities in Bangladesh, and will also serve as the Advisory Committee for the Project.
- Component C: Improvements to Bangladesh Trade Portal and to set up a National Enquiry Point for Trade. The Bangladesh Trade Portal (BTP) was launched in March 2016. This component will support further upgradation of the BTP to expand its functionality to include information of relevance to potential Bangladesh exporters and to ensure that content is kept up to date. This component will also set up the National Enquiry Point for Trade, which will help Bangladesh to meet a key requirement of WTO Trade Facilitation Agreement.

The Ministry of Commerce intends to apply part of the IDA Credit for procuring consultancy services from qualified research/consultancy firms or institutions/individuals to conduct three studies selected from the list of studies identified under NTTFC activities of the project (Component B). These studies aim to develop in-depth understanding about three relevant areas of trade facilitation and are directly linked with the activities of three implementing agencies of the BRCP-1 umbrella project.

RFP SD 01 NTTFC BRCP1 MOC

Section 7. Terms of Reference 80

2. Scope of Consultancy Services:

The project will conduct the following three studies in 2018-19 fiscal year that are critical for export promotion and trade facilitation:

- Agenda 1: Review of collaborative border management-institutional mechanisms for
- Agenda 2: Analysis of laws and regulations governing border operations;
- Agenda 3: How comparable countries are addressing implementation of TFA.

These studies will be conducted under a single package to explore best output from the study.

The detail scope of the proposed studies is given below:

Agenda 1: Review of collaborative border management-institutional mechanisms for coordinating across Sectors/ministries and across countries

Border clearance processes are among the most important and problematic links in the global supply chain. According to Doing Business data, it takes three times as many days, nearly twice as many documents, and six times as many signatures to import goods in poor countries than it does in rich ones. Delays and high transaction costs at the border undermine a country's competitiveness by increasing the cost of exports and reducing reliability of supply. Therefore, trade facilitation reform that improves border management procedures has become an important development issue, as shown by the increased levels of investment in trade facilitation reform by governments and the development community alike.

Traditionally, the major tasks of border management related to export and import trade of a country includes:

- Protection and prevention of loss of revenue through smuggling and improper filing of trade documents;
- Protection of the health and well-being of the community through preventing illegal entry of harmful medicinal products and other psychotropic substances;
- Protection of flora and fauna and preventing entry of the same which would be detrimental to the agricultural interests of the country; and
- Prevention of illegal entry and exit of arms, explosives and other materials of like nature.

Border management involves many agencies, such as security, immigration, trade, customs, transport, sanitary and phyto-sanitary agencies and port authorities. Given the complexity of the issue, the improvement of border management may entail strong political commitment, active involvement of border agencies, sustainable financial and technical inputs, and maximum use of international instruments.

As a result of the complex nature of the requirement of many agencies at the border, interagency cooperation and coordination is required to ensure a safe and efficient border management. Besides ensuring that border security is not compromised, an effective border management can generate monetary and non-monetary benefits for the business community and result in the furtherance of legitimate trade. The benefits may include but are not limited to the following:

- Saving of compliance costs arising from simplification and harmonization of processes, procedures and formalities (preparation and submission of required documentation);
- Saving of costs for services related to transportation, cargo handling, warehousing and cargo examination;
- Saving of time arising from expeditious border and customs clearance, inspections and other forms of frontier control.

As mentioned earlier, the categories of controlling agencies involved in border management is similar in all the countries concerned. They may differ in the naming of the organization. The services include, the Frontier service, Customs service, Ministry of Shipping and its port authorities, Ministry of Agriculture in the capacity of veterinary and phyto-sanitary control, Ministry of Health (for sanitary and epidemiological control and in some vested responsibility for radiation control), and Ministry of Transport (Standards organizations for the assurance of conformity to national standards may also play a part). In the main, some of the organizations are not required to be physically present and can be well-served by evidence of documentary controls. Coordination and collaboration can take the form of empowering a single authority at the border crossing to function for the agency concerned. Clear guidelines and procedures will, however, have to be established. Adequate and continuous training must also be provided to the empowered agency. Coordination can also take the form of constant and regular meetings and dialogues between agencies to share and exchange information and reduce the over-lapping of responsibilities. An appropriate and clear definition of responsibilities for the border agencies may lead to efficient border management. Otherwise, it will cause confusion and abuse of authority. Without appropriate and clear definition of responsibilities, one agency may take actions without consulting other relevant agencies, or exercise authority in the areas which should be regulated by other agencies.

Good inter-agency coordination is essential to effective border management. For example, if the frontier and customs services operate at the border crossings on a daily basis (24/7), the other agencies must also do likewise. Lack of such coordination and juxtaposition of working hours will be detrimental and can lead to doling up border clearance and may add substantially to the costs of the importer/exporter. Intra-agency coordination is also equally important. The failure for the same agency with various posts and offices spread around the country, either at border posts or inland offices, failing to harmonize their procedures or failure to receive pertinent information from each other, can lead to incompetency of actions taken. Prompt communications and exchange of information will play a positive role not only for officials of controlling government agencies involved in border management but also for the trading community.

Apart from collaboration among domestic agencies there is also need to have an effective bilateral cross-border cooperation and multinational cooperation on border management issues. Multinational cooperation would also include the cooperation with relevant international organizations in creating, adopting and implementing different international standards and best practices harmonizing and adding effectiveness in coordinated border management.

Given the coordination and collaboration among local border clearing agencies and cooperation between border clearing agencies of neighbouring states are critical for effective trade facilitation this study has the following objectives to understand the current situation of collaboration of border management agencies as well as finding ways to create an enabling and coordinated institutional mechanisms for domestic coordinated border management processes.

1. What are the good practices utilised elsewhere to facilitate better management at the borders (e.g. Norway and Sweden/EU border, Switzerland and France/EU border)? Good practices should reflect applicable handbooks/guidelines for collaborative border management.¹²
2. Against that good practice template,
 - 2.1. what is the current status of coordination and collaboration among border agencies in Bangladesh?
 - 2.2. how is the intra-agency coordination mechanism in different border management agencies?
 - 2.3. how is the inter-agency coordination mechanisms among different border management agencies?
 - 2.4. what is the status of cross-border agency cooperation? What is the level of local cooperation between officials of both sides of the border, bilateral cooperation between neighbouring states and multinational cooperation?
 - 2.5. provide recommendations to establish an effective and efficient coordinated border management system (including identification of leading organization and capacity building needs) in Bangladesh.

Agenda 2: Analysis of laws and regulations governing border operations

Trade facilitation has emerged as a key factor for international trade efficiency and the economic development of countries. This is due to its impact on competitiveness and market integration and its increasing importance in attracting direct foreign investments. Over the last few decades, countries have made significant progress in lowering trade tariffs and dismantling quota systems. International trade has increased and manufacturing has become more global, with developing, emerging and transition economies connecting with international supply and value chains in terms of both their exports and imports. The worldwide distribution and sourcing cycles, along with just-in-time and just-in-sequence logistics services and the emergence of e-business, has created pressure on governments to ensure efficient, fast and reliable border crossing and clearance procedures. Governments started to realize that their export economies heavily depend on efficient import processing, hence the need to have a holistic approach for a more efficient management of end-to-end trade transactions. Lack of transparency about rules and regulations, redundant and lengthy clearance processes, and multiple documents requirements in different formats and with different data elements, increase the costs and time of doing trade. Today these obstacles are seen as posing greater barriers to trade than tariffs and quotas do. Hence, it is more important than ever to achieve trade facilitation to enhance administrative efficiency and effectiveness, reduce costs and time to markets, and increase predictability in global trade.

In order to achieve the goal of trade facilitation there is a need to make trade across borders (imports and exports) faster, and cheaper and more predictable, whilst ensuring its safety and security. In terms of focus, it is about simplifying and harmonizing formalities, procedures, and the related exchange of information and documents between the various partners in the supply chain. There are great potential gains from trade facilitation for both governments and the business community. Public entities will profit in terms of enhanced trade tax collection, better use of resources and increased trader compliance. A more efficient and transparent delivery of public services will allow the administration to maintain high security levels and effective government control, while diminishing opportunities for corruption. Traders will gain in terms of higher predictability and speed of operations and lower transaction costs, resulting in more competitive exports on global markets. For countries as a whole, reducing unnecessary delays and costs attracts investments, and supports growth and job creation.

The fundamental principles of trade facilitation are transparency, simplification, harmonization, and standardization. While the transparency within border operations promotes openness and accountability of a government's and administration's actions, simplification of laws and regulations governing border operations eliminates all unnecessary elements and duplications in trade formalities, processes and procedures. Harmonization promotes the alignment of national procedures, operations and documents with international conventions, standards and practices. It can come from adopting and implementing the same standards as partner countries, either as part of a regional integration process or as a result of business decisions. The principle of standardization facilitates the process of developing formats for practices and

procedures, documents and information internationally agreed by various parties of border operations. Standards are then used to align and, eventually, harmonize practices and methods.

In order to facilitate effective border operations, there is a need to have an enabling environment that involves different types of interventions and activities addressing the various dimensions of the government. This includes regulatory reforms aiming at a clear, concise, transparent legal framework. However, it requires an in depth analysis of law and regulations that are critical for border operations. It will include laws and regulations of different agencies that are involved in trade facilitation and border operations. This study has therefore aimed to conduct a study to do an elaborate analysis of regulatory regime that encompasses activities of different organizations. This study will explore the answers and guide the government through preparing recommendations in the following areas of regulatory regime of border operations:

- a. What are the good practice's elsewhere in terms of organizations/laws/rules/regulations to facilitate better management at the borders?
- b. What are the organizations involved in trade facilitation through their border management tasks in Bangladesh and how do they relate to international good practice?
- c. What are the critical laws, rules and regulations in border operations for trade facilitation in Bangladesh and how do they relate to international best practice?
- d. How are these laws aligned with the trade related agreements and conventions and how do they relate to international good practice?
- e. How are these laws facilitating trade for exporters and importers in Bangladesh and how do they relate to international good practice?
- f. What adjustments or modifications are required for making these laws efficient, effective and harmonized for trade facilitation?

Agenda 3: How comparable countries are addressing implementation of TFA

The WTO's Trade Facilitation Agreement (TFA) has a key role to play in helping developing and least developed countries to reduce their trade costs linked to handling imports and exports. Many of the rules in the TFA are designed to be beneficial to businesses, especially SMEs. However, concerns remain in developing and least developed countries about whether they have the resources and expertise to implement many of these rules and procedures, for which they will need technical and financial assistance from the international community.

In order to translate the challenges of TFA implementation into opportunities the Ministry of Commerce needs to know the short term requirements in the categorization and notification of TFA provisions as well as in estimating the financial and technical resources required to implement their category C commitments. It also needs to build the capacity of the institutions in addressing the challenges. The ministry may also need to build strong partnership with the private sector. The ministry will also need to prepare an implementation roadmap for each of the TFA priority measure, for instance: Advance Ruling Systems, Authorized Economic Operators and Post Clearance Audit, National Enquiry Points, among others. Subsequently, the MOC will need to estimate the costs and resources required for implementation of prioritized TFA measures and to approach donors to raise funds to mobilize technical assistance. The MOC has therefore planned to conduct this study with the following objectives:

- a) Identification of current status of Bangladesh in implementation of the TFA;
- b) Identification of gaps between the agreement and present 'situation in implementation of the TFA;
- c) Identification of requirements for complete implementation of TFA;
- d) Identification of status and best practices of regional countries in implementation of TFA and the measures they are taking to advance the implementation process;
- e) Comparison between Bangladesh and other regional countries in implementation of TFA;
- f) Recommendations for addressing the implementation challenges.

3. Timeframe of the Services:

The duration of the assignment is anticipated to run for a period of six months commencing on the date of signing the agreement. The Consulting Firm shall report to the Project Director or his assigned official for any clarification with regard to the assigned responsibilities or any issues that need to be mitigated.

SI.No.	Report/ Deliverables	Expected date of Delivery
01	Inception Report	Within 02 Week from contract signing
02	Literature review and data collection	From Week 03-20 from contract signing
03	Presentation of the draft findings in a Workshop	Within 21 weeks from contract signing. All cost of the workshop will be borne by the Consultant.
04	Submission of the Final Reports	Within 24 weeks of contract signing

4. Expected deliverables from the firms/institutions:

The consultancy firm will at least submit the following reports for each of the studies to the project authority:

- a) Inception Report
- b) Draft Report
- c) Final Report

The Inception Report (IR) will contain scopes, methodologies and work plan for each of the studies separately and in detail. The IR must have an elaboration of study questions and objectives. This elaboration should follow the detail of research methodologies to be applied for each of the studies. The detail plan of quantitative and qualitative analysis and methods for data analysis will also have to be included in the inception report. The methodologies should include justification for choosing a particular method of data collection, sampling design and indicators, data sources, detail of data collection methods and a set of data collection instruments to be used in each of the studies, detail of field survey or study and limitations in study. The inception report should also contain the detail of key persons engaged in the study and their specific responsibilities. It should also contain the plan for monitoring and evaluation of study progress by the research firm and the client's representatives. The work plan also needs to be detail so that the client understands how the studies will reach to final stage of report writing.

Draft Final Report (DFR) will contain detailed findings, qualitative and quantitative analysis on findings. The structure of DFR should at least contain executive summary of the study, introduction, literature survey, methodology of the study, findings of the study, discussion and analysis, recommendations and conclusions, references and annexures. This study will have three separate DFRs. Report should be delivered in English version.

The Final Report (FR) of the study should be submitted to PIU on agreed formats before the end of the contract period. The report should at least contain executive summary introduction, literature survey, methodology, findings, discussions and analysis, lesson learned, recommendations/suggestions, conclusions, references and database in the annexure. The FR should also have a discussion about the observations of the stakeholders including clients and their answers. This study will have three separate FRs. Report should be delivered in English version.

All reports will be evaluated by the technical committee of the project and fit recommendations of the technical committee will have to be reflected in the reports before finalization of the same.

The consultant will arrange for proof reading, if required to maintain the quality. All field notes and the data set should be submitted as annexure with the final report. Follow up meetings will be held time-to-time between the contracted agency/consultant and BRCP MOC. Ten (10) printed copies of each of the final reports should be submitted along with soft copies. During the implementation, any other information that

is important may be added deleted during discussion periods, which may become an integral part of the TOR.

5. Methodology of Study

Sampling: Depending on sub-components and components, the sampling unit will be decided in consultation with the implementing agency(s). A sample frame including number participants in different data collection methods will be developed using standard sampling framework for each study topic according to agreed catchment area(s)/ principles r discussion with the implementing agencies.

Document Review: The studies will have a large number of document reviews to do analysis and comparison among regulatory regimes.

Questionnaire: The survey questions will be developed and agreed with the related implementing agency(ies). Testing of the questions will be required.

Key Informants Interviews:

To verify data collected from beneficiaries, group or individual interviews with informants will need to be organized. Approach to selecting KII and guide is to be elaborated by the firm.

Focus Group Discussion:

The survey team can use the FGDs tool. The FGDs will complement the data generated from the survey questions and through other methods. The FGDs will be carried out in mix separate male/female groups as appropriate and will be carried out based on an elaborated guide approved beforehand by the related implementing agency(ies). Detailed documentation of the proceedings of the FGDs will be maintained.

Public Consultations

These studies will also include public consultations at selected locations with the relevant stakeholders in discussion with the implementing agency (ies).

Data Analysis and reporting

The data will be processed in SPSS or similar data processing software. The qualitative data will be analyzed by using NVIVO or other similar software. Privacy of the survey data will be strictly maintained by the consultant/firm.

6. Consulting Firms qualification and experiences

The interested consulting firm should provide evidence of the following in their applications:

The Consulting firm shall have the legal capacity to enter into the contract;

- The firm should have at least 07 years of general experience in providing consulting services out of which at least 03 years of experience in national and international trade related research or studies for public and private sector;
- The firm should have successfully completed at least one service contract related to national and international trade including border management operations of Bangladesh within last 5 years;
- The firm should have experience in working with development partner's funded projects (IDA financed project experience would be desirable);
- The required average annual turnover of the consulting firm shall be at least Tk. 30 Lac in last three years;
- A capacity statement on available training facilities, IT equipment, logistics support, transport and office space;
- Undertaking that the firm has not been blacklisted or debarred by any Government Organization or by IDA;
- List of key professional staff including proposed core team for the assignment, showing qualification and experience including the projects/assignment on which they have worked, their role in the assignment/project and duration of their engagement with the assignment/project.
- **Required Documents:** The company must submit the following documents:
 - a) Company Registration, Up to date Tax payment certification and VAT registration certificate;
 - b) Audited Financial statement (last 03 Years);
 - c) Company Brochure.

7. Team Composition and their Qualifications

The proposed services under this Terms of Reference shall be carried out by using a firm (Consultant) with adequate experience in designing and delivering the expected output of the study. The firm should propose the structure and composition of its team members. It should list the main disciplines of the assignment, the key experts, technical and support staff. An indicative team structure may be as follows:

- A. A: Team Leader-1.
- B. International Trade Expert-1;
- C. C: Legal Expert-1.

Position	Duration (man months)	Qualification, Experience and Responsibility
Team Leader-01 No.	06	<p>Team Leader (TL) must have a minimum of 15 years of general experience out of which at least 10 years' relevant prior experience. He must have relevant Master's degree from a recognized university preferably in International Trade, Trade Law, Business Administration or other related areas. She/he must have experience in working with trade regulating agencies and familiarity with trade environment and related international agreements. Must have experience of working with complex, multi-system environments in public sector.</p> <p>The Team Leader will take the overall responsibility for the execution of the assignment in accordance with the TOR and also for the coordination of all professional inputs. She/he will be responsible to the Employer and maintain close contact with Project Director (Employer's representative) to ensure that the contract is implemented in accordance with the World Bank guidelines. The Team Leader will act as the Consultant's authorized representative for both the design and implementation supervision phase and make decisions on all matters pertaining to the consulting services.</p>
International Trade Expert-01 No. (National Consultant)	06	<p>The incumbent must have a minimum of 15 years of general experience out of which at least 05 years' relevant experience in international trade areas. She/he must have relevant Master's degree from a recognized university preferably in International Trade, Trade Law, Business Administration, Operations Management, IT Management or other related areas. She/he must have experience in trade facilitation, logistics, infrastructure/connectivity assessment and planning. She/he must have least 8 years customs and border management experience. She/he should have familiarity with trade and transport issues in South Asia with specific exposure to overland trade, and cross border goods movement. She/he should have strong written and verbal skills in English Knowledge and understanding of business practices of trade regulating agencies.</p>
Legal Expert-01 No.	06	<p>The incumbent must have a minimum of 10 years of general experience out of which at least 05 years' relevant experience in trade related laws. She/he must have relevant Master's degree from a recognized university preferably in Law or Trade Law or International Trade or other related areas. She/he must have experience of working with trade regulating agencies. She/he should have strong analytical skills and understanding of trade regulating rules and regulations of Bangladesh.</p>

The Consulting firm will also propose program support staff as per their work plan.

8. Payment

Payments shall be made in line with agreed-on outputs according to the following schedule:

- Inception Report: Ten (10%) per cent lump-sum of contract price shall be paid upon submission of the Inception Report duly accepted by the Client.
- Draft Final Report: Forty (40%) per cent lump-sum of contract price shall be paid after submission the draft report duly accepted by the Client and
- Final Report: Fifty (50%) per cent lump-sum of contract Price shall be paid after submission the final report duly accepted by the Client.
- All relevant taxes and VAT shall be deducted at source at the applicable rates by the Government of Bangladesh.

9. Miscellaneous

The firm (consultant) will facilitate monitoring of studies by the employer, and World Bank officials. The project will provide to the Consulting firm all key program documents & reports such as:

- Relevant extract of Technical Assistance Project proposal (TAPP), if required;
- Sharing relevant up to date project information for a better understanding of the project;
- Providing timely feedback to the consulting firm on inception report, questionnaire, sampling, training module, draft reports etc.;
- Any logistic support such as transportation as well as office space will not be provided by the client.



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ISO 9001:2015

