

# Improving Regional Trade Procedures & Processors

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1. **Key barriers to trade** [Regional –intra regional-international].
  - Insufficient or non availability of market information – information on trading processes.
  - Limited inter agency and regional agency connectivity
  - Complex border taxes and other levies.
  - Cargo clearance time- expenditure- documentation- unpredictable processes.
  - Ad-hoc regulatory controls.
  - Logistic flexibilities in ports and airports.

# Impact of cumbersome/ non transparent trade processes.

- Adverse environment for FDI.
- Delays and expenses to trade.
- Leads to corruption and malpractices.
- Threat to legitimate trade and tax revenue.

# Use of ICT in fulfilling procedure (paperless trade).

## ❑ **Progress**

- Legal framework in place required for e-clearance.
- Sri Lanka customs on “ASYCUDA world” system.
- Electronic manifest module- Banks connectivity in place.
- Ports and airports with improved IT background.
- Fast tracking the electronic cargo clearance system initiated by NARC, with ICTA as technical advisor.

## ❑ **Challenges**

- No nominated “champion” for SW initiative.
- Stake holder connectivity-logistic –human resources technical capacity.
- Data security, data exchange and sharing with accountability.
- Network support.
- Legal updates.

# Which specific procedure/ processes hardest to meet?

- Appointing of a champion body to implement SW concept.
- Stake holders to comply with SW tasks.
- Changes and simplification of laws and regulations relevant to stake holders.
- Implementation of trader and broker registration system.
- Risk base examination of cargo- sampling procedure.

# Suggestions at national level.

- Electronic clearance system- medium term to be paperless SW concept.
- Government priority to proceed with SW concept as the highest trade facilitation tool.
- Trade-customs business processes, procedures and rules to be published.
- Advance rulings on customs valuation and classification and trade processes.
- Risk base cargo inspection system. E.g. – AEO.
- & channel based.
- Predictability on trade practices- less bureaucratic discretion.
- Extended working hours with related agencies.
- Compliance with the RKC standards and best practices.