

Ghana National Single Window Conference

Singe Window and the WTO Trade Facilitation Agreement Key Tools for Trade Development

Tom Butterly
Director and Lead Consultant

Accra, 9-10 May 2017

Session 3: Trade Development and the Ghana National Single Window

The Role of the WTO TFA and the Single Window in Developing Ghana's Trade and Investment

Tom Butterly
Director and Lead Consultant

Ghana National Single Window Conference. Accra, 9-10 May 2017

Agenda

- 1. Economic benefits of the WTO TF Agreement**
- 1. Single Window as an implementation tool**
- 2. Developing the export and investment potential**

The WTO TF Agreement – economic benefits

I will be citing three main reports:

1. WTO World Trade Report 2015 – Section D: Estimating the Benefits of the Trade Facilitation Agreement
2. OECD: Trade Facilitation and the Global Economy: State of Play in 2017 (not yet published)
3. OECD: Economy Wide Impacts of Trade Facilitation: A Metro Model Simulation (2017 – not yet published)

WTO World Trade Report 2015

- Full implementation of the Trade Facilitation Agreement (TFA) will:
 - reduce global trade costs by an average of 14.3 per cent.
 - African countries to see the biggest average reduction
 - Annual gains of between US\$ 750 billion and well over US\$ 1 trillion dollars per annum,
 - Additional 2.7 per cent per year world export growth and more than half a per cent per year to world GDP growth

WTO World Trade Report 2015

- increase the opportunity for implementing developing countries to participate in global value chains.
- micro, small and medium-sized firms are more likely to export and to increase their export shares than large firms.
- positive attraction for more foreign direct investment
- Improved revenue collection (greater compliance and level of trade) and reduced incidence of corruption.

OECD- Potential trade costs reductions by regions (%)

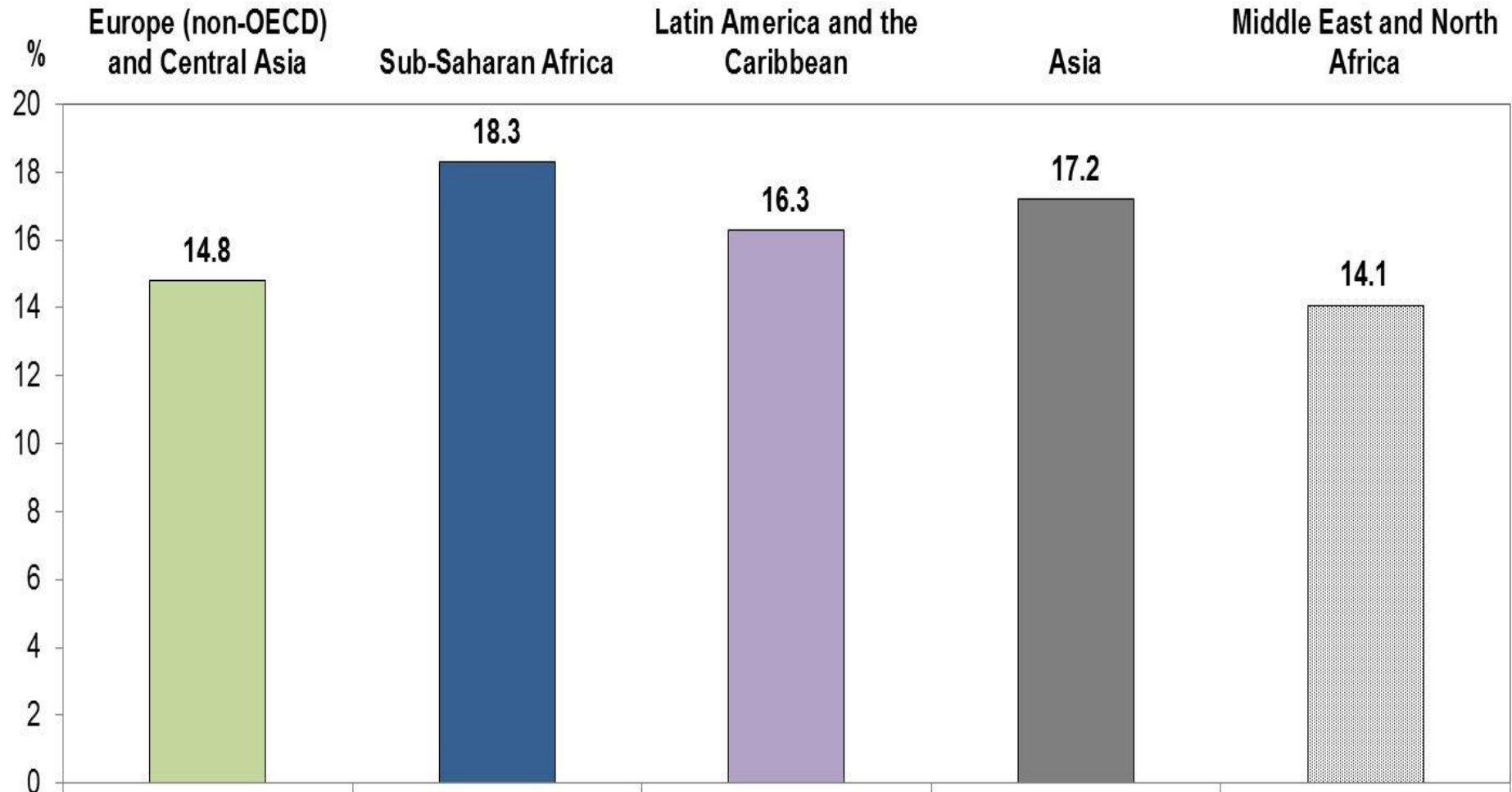


Table D.3: Estimated increases in exports by level of development under various TFA implementation scenarios from regression-based simulations (percentage change and billion current US\$ increase)

	TFI _i		TFI _{ij}	
	Percentage change	bUS\$	Percentage change	bUS\$
"Conservative" scenario				
Developed	10	697.11	16	1,453.77
G-20 developing	7	264.86	19	601.66
LDCs	13	11.15	10	16.67
Other developing	9	159.44	12	320.59
Total		1,132.6		2,392.7
"Liberal" scenario				
Developed	10	697.11	18	1,514.70
G-20 developing	9	387.86	15	778.05
LDCs	13	12.06	12	19.21
Other developing	11	207.64	15	404.96
Total		1,304.7		2,716.9
"Full" scenario				
Developed	10	697.11	26	1,664.71
G-20 developing	12	629.20	27	1,168.48
LDCs	35	40.06	36	47.44
Other developing	20	421.95	31	684.23
Total		1,788.32		3,564.87

Source: WTO Secretariat.

Table D.5: Estimated increases in the number of products by destination due to TFA implementation by level of development (percentage change)

	Baseline	New HS6
"Conservative" scenario		
Developed	9.1	9.8
G-20 developing	6.2	6.7
LDCs	11.8	12.8
Other developing	8.4	9.1
"Liberal" scenario		
Developed	9.1	9.8
G-20 developing	8.4	9.1
LDCs	12.1	13.1
Other developing	10.5	11.3
"Full" scenario		
Developed	9.1	9.8
G-20 developing	10.7	11.6
LDCs	32.9	35.6
Other developing	18.4	20.0

Some Points to note

- **Degree of implementation makes a huge difference on level of impact**
- **Early implementers will benefit the most**
- **Positive value chain impact – seamless, rapid, efficient connection to global economy**
- **Positive impact on time sensitive products**
- **Positive impact on rural poor – perishable products**
- **Positive impact on SMEs**

Some Points to note

- **Lower cost to import – challenge for local producers – need to adjust (support and diversify)**

Single Window Key Implementation Tool for TFA

Article 10.4 of the WTO TFA

Single Window also covers ...

- **Article 1.1. Publication and availability of information - Information available through internet**
- **Article 8: Border Agency cooperation**
- **Article 7 : Release and Clearance of Goods (pre-arrival processing, electronic payment, risk management)**
- **Article 10: (Simplification of) Formalities connected with importation and exportation**

Single Window is actually ...

- a real game-changer, and that is why it is so popular as a key trade facilitation reform programme

To Actualise this Export Potential

... we need to develop/strengthen the Export Base

- **... the companies to produce the products to world market class (quality, packaging, pricing, etc)**
 - **... the products to Export**
 - **... market research and development – for the new market scenarios**
 - **..... export promotion!**
 - **Otherwise**
-

Concluding Comments

- **Massive potential for trade development under the WTO TFA**
- **Single Window is a key enabling tool**
- **Full implementation of the agreement is where the real benefits lie**
- **The early implementers will reap the most benefits**
- **Need to develop the export base to realise these benefits**
- **Positive revenue and investment impact**
- **Review and revise if necessary the national trade development strategy – integrated approach**

Questions and Discussion