# Initiatives of National Trade & Transport Facilitation Committee &

Pakistan Customs for Trade Facilitation

# National Trade and Transport Facilitation Committee-Pakistan(NTTFC)

- NTTFC initially established in August 2001.
- Re-constituted in February 2018 with the aim to comply with the requirements of WTO Agreement on Trade Facilitation.
- A public/private sector joint venture.
- Consensus based decision making.
- Coordination and technical support by NTTFC for implementation by concerned ministry or organization.

### **NTTFC:** Composition

#### Representatives of Federal Ministries:

Commerce, Communication, National Food Security, Information Technology, Science & Technology, Planning & Development/National Logistic Cell (NLC);

#### Representative of Public Sectors Entities:

Federal Board of Revenue (FBR), State Bank of Pakistan, Trade Development Authority of Pakistan, Small & Medium Enterprise Development Authority

#### Representatives of Private Sector/Trade Bodies:

Federation of Pakistan Chamber of Commerce & Industry (FPCCI), All Pakistan Shipping Association, Insurance Association of Pakistan, All Pakistan Dry port Association, Pakistan International Forwarders Association, All Pakistan Custom Agents Association, Goods Carriers Association, International Chamber of Commerce Pakistan, Pakistan Association for Small & Medium Enterprises

#### NTTFC: Terms of Reference (ToRs)

- Support implementation of policies about the WTO Trade Facilitation Agreement, UNESCAP Framework Agreement of Cross border Paperless Trade in Asia & Pacific, TIR Convention 1975.
- Review the policies related to Trade Facilitation (TF) Strategies
- Identify issues and problems faced by the private sector w/r to TF
- Develop & promote measures for the simplification & harmonization of trade & transport procedures to reduce cost and improve efficiency of international trade.
- Undertake coordination of efforts of concerned organizations in the field of international trade & transport.
- Promote adaption of standard trade & transport terminology & international codes for trade and transport information.

#### **NTTFC:** Some achievements

- Introduction of UN Layout Key (UNLK) based documents:
  - Goods Declaration into a Single Administrative Document
  - Standardization of Phyto-sanitary Certificate
  - Health certificate issued by Animal Quarantine Department
  - Commercial invoices for exporters
  - Uniform Customs & Practices for Documentary Credit (UCP 600)
- Standardization of Ship Clearance Forms in accordance with IMO FAL Convention for submission to all organizations
- Assisted port authorities to implement IMO's ISPS codes at designated port facilities and Pakistani ships to meet international Security requirements
- Modernization of freight forwarders by introducing Standard Trading Conditions, Minimum Qualification Standards and Code of Conduct

#### NTTFC: Achievements contd.

- Assisted fishing industry to develop efficient cool chain system for meeting requirements of international standards
- Assisted PHEDEC, All Pakistan Fruits & Vegetables Association (APFVA) in identifying processing, cold storage and refrigerated transport requirements to decrease post-harvest loss of horticultural products
- Partnered in efforts to achieve accession to various conventions:
  - Istanbul Convention on ATA Carnet for Temporary Admission, 1990.
  - Montreal Convention for International Carriage by Air, 1999
- Partnered in efforts in drafting legislations: Carriage by Air Act, 2012,
  Carriage of goods by Sea Bill &Land Port Authority Bill.

#### Initiatives by Pakistan Customs: WeBOC

- 2002, a document "The Vision" prepared by Pakistan Customs for modernization (single window & paperless)
- 2005: Development of Pakistan Customs Computerized System (PaCCS)
  by customs with help of M/s Agility Micro Clear
- 2011: Development of WeBOC (Web based One Customs), a home grown customs single window paperless system,
- April 2011: WeBOC rolled out as pilot at Karachi port
- 2019: Development of WeBOC Glo- an improved version.

#### **WeBOC-Salient Features**

- Cargo information received before vessel arrives
- On-line manifest filing by shipping lines
- Communication with terminal operators through EDI messaging
- Web-Based GD filing, online interaction and on line payment of duty and taxes
- Risk Management System (maximum processing in Green and Yellow (only online assessment - no examination/inspection) channel
- All routine custom processes performed online by customs without involvement of trader or agent:
- Assessment, Examination/inspection conducted round the clock
- Loading and gate out events computerized Automation of manifest clearance

## Integrated Transit Trade Management System (ITTMS)

- Pakistan as a "HUB" of East-West and North-South Trade & Transportation
- Establishing a Customs Trade Facilitation Complex at the border points: Torkham, Chaman & Wahga.
- Immigration, Customs and other Govt. agencies under one roof
- Dedicated terminals, sheds, integrated weigh bridges & scanners for containers/vehicular traffic, explosives and for passengers' baggage
- Work has started at Torkham and to be completed within 4 years.
- Work at Chaman border terminal also started recently.
- Torkham & Chaman on located on CAREC corridors 5 &6

### **TIR Convention Updates**

- July 21, 2015 Pakistan acceded to the UN Customs Convention on the International Transport of Goods under cover of TIR Carnets (TIR Convention), 1975
- 27 January 2017 the Guarantee Agreement between PNC-ICC and Pakistan Customs; and the Trilateral Cooperation MOU between IRU, PNC-ICC and Pakistan Customs were signed
- 20 Oct 2017: TIR Rules notified vide SRO 1066/2017
- Jul 2018: TIR Role out: First consignment received from Iran via Mirjawa/Taftan. Later-on TIR consignments also received via Torkham route.

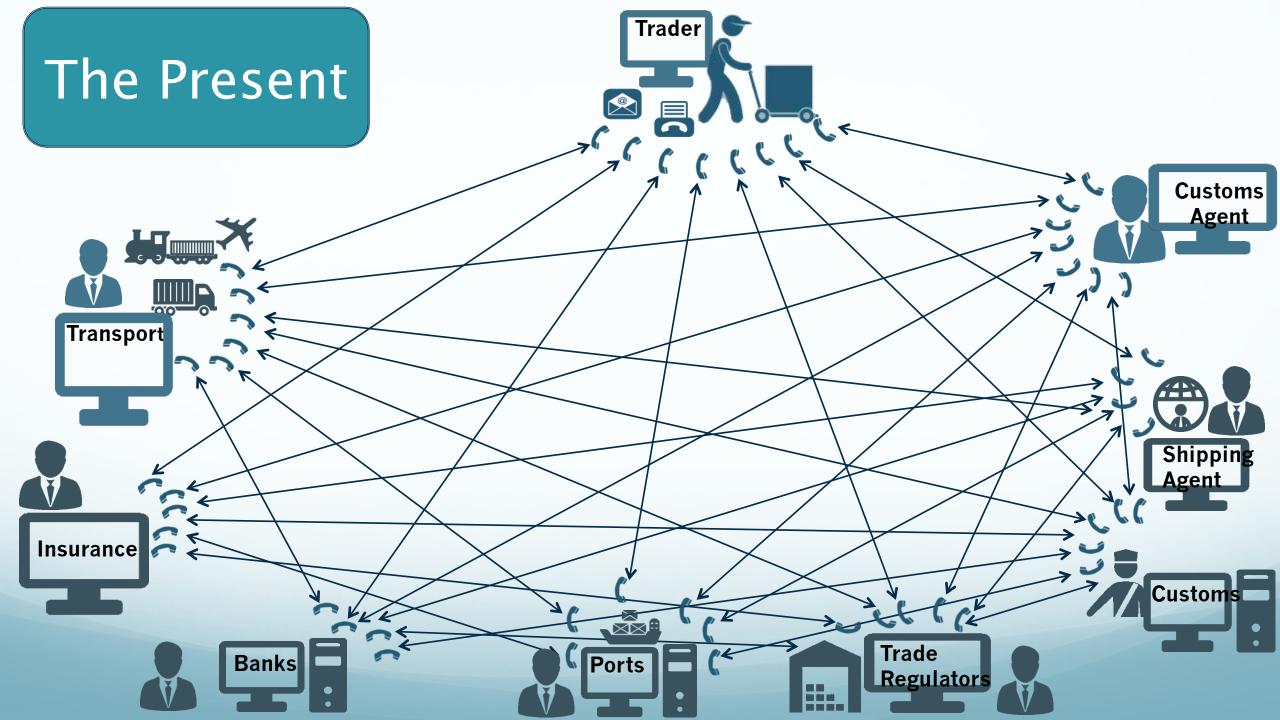
#### Locations for implementation of TIR Convention (Where)

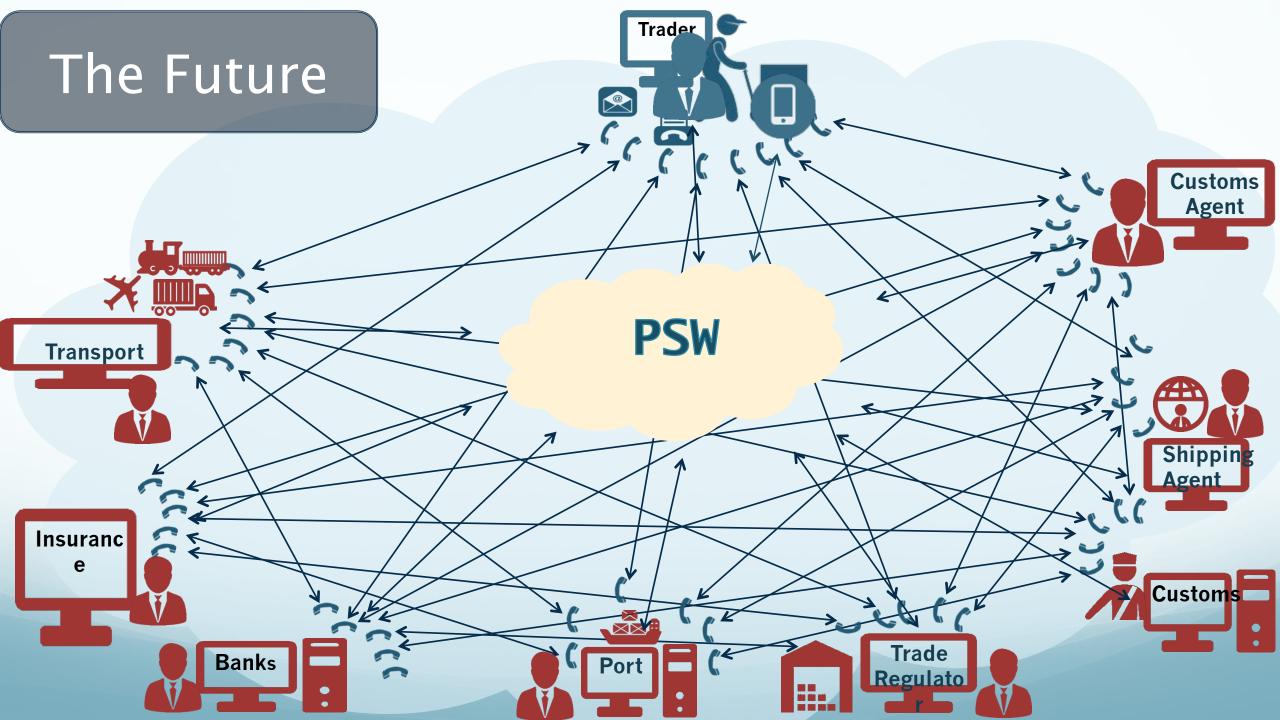
- Border Customs Stations1 (BCS) eligible to handle TIR operations:-
- 1) Karachi
- 2) Gwadar
- 3) Taftan
- 4) Chaman
- 5) Torkham
- 6) Sost

- Inland Customs Stations2 (ICS) for handling TIR operations:-
- 1) NLC, Hyderabad
- 2) Railway Dry port, Quetta
- 3) Multan Dry port
- 4) Lahore Dry port
- 5) Faisalabad Dry port
- 6) Margala Dry Port, Islamabad
- 7) Railway Dry Port, Peshawar

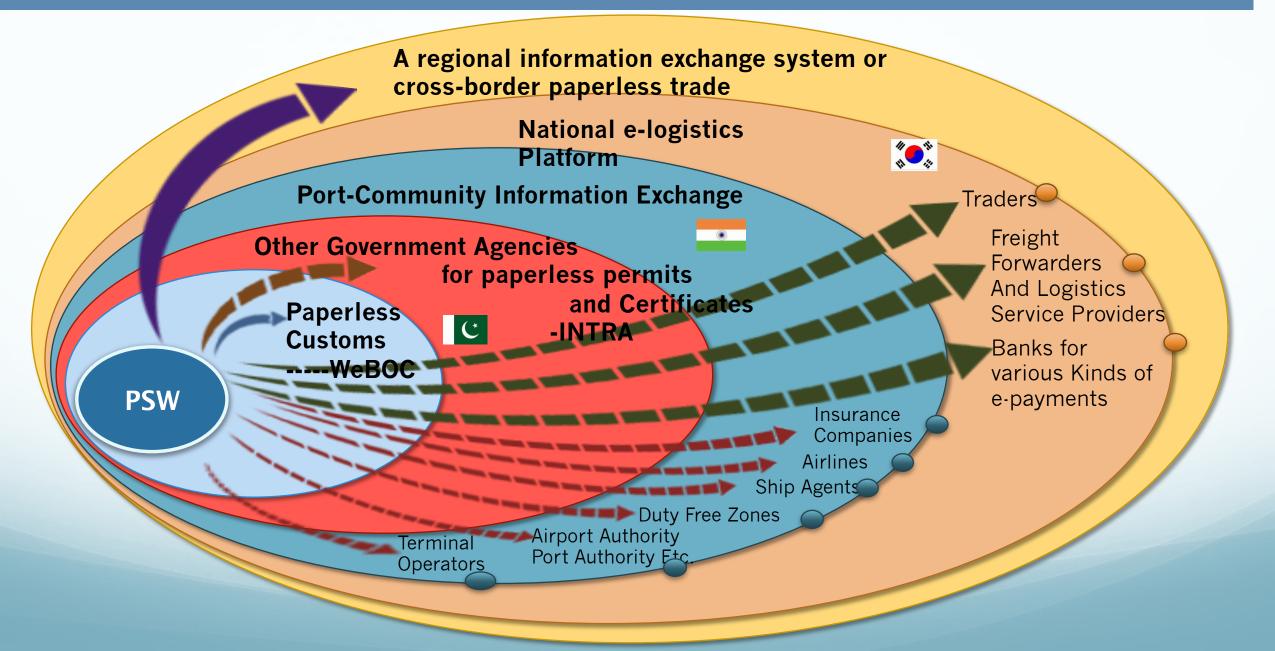
### Pakistan Single Window (PSW)

- Oct 2017: Pakistan Customs designated as Lead Agency by PM office
- August 2018: Concept paper approved by the Govt.
- Feb 2019: Completion of Business Processes Mapping (BPM) of 32 entities
- Mar 2019: Validation of BPM &start of BPR
- Apr 2019: Completion of Infra-structure need assessment
- May 2019: Completion of BPR document & guidelines
- Jul 2019: Draft PSW Act
- Aug 2019: Completion of detailed Project design document.





#### **Developing PSW**



### WTO Trade Facilitation Agreement

- Pakistan ratified TFA on 27th October, 2015 and communicated its schedule of commitments to the WTO in 2016.
- Currently, Pakistan is ranked at 142 on the Trading Across Border indicator of Ease of Doing Business Report 2019.
- For TFA implementation, Pakistan is undertaking following programs:
  - National Single Window (NSW),
  - a system of Advance Ruling,
  - Authorized Operators,
  - Border Cooperation and
  - a robust Risk Management System.

# Authorized Economic Operator Program (AEOP)

- Jul 2019: Federal Government approved establishment of Authorized Economic Operator Program.
- Notification has been issued.
- Draft rules are under process.
- Awareness seminars are held.
- Pilot launching is scheduled for Feb 2020
- Formal launching is scheduled for July 2020