WTO Trade Facilitation Agreement (TFA) and Public Investments

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“It is critical to prioritize those reforms areas likely to yield the highest payoff.”

Source: IMF
Exporting is Costly for Bangladeshi Traders

• Doing Business ranks Bangladesh at #176 (190 economies) on Trade. Why?
  – Export Border compliance: 168 hours @ $408.
  – Documentary compliance: 147 hours @ $225.

• Compare: High Income OECD Countries:
  – Export Border compliance: 12.5 hours @ $139.
  – Documentary compliance time is 2.4 hours @ $35.
Trade Facilitation Is Important for Bangladesh

- Trade drives economic growth and boosts employment
- Studies: Each day of delay in export of apparel equals a 0.6% tariff.
- Bangladesh nets a 9.5% ‘ tariff’. (Compare: Importing countries charge a 6.5% tariff.)
- WTO TFA aims to do this by simplifying, modernizing, and making transparent export and import processes.
- Bangladesh ratifies TFA and, inter alia, fully commits to make information available through internet.
TFA Provisions Make Trading Easier

• PUBLICATION
  – Information Available Through Internet.
  – Enquiry Points
  – Notification
• ADVANCE RULINGS
• PROCEDURES FOR APPEAL OR REVIEW
• FEES AND CHARGES
• RELEASE AND CLEARANCE OF GOODS
• BORDER AGENCY COOPERATION
Questions? Comments?

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