

# **Expert Meeting on ICT Solutions to Facilitate Trade at Border Crossings and Ports**

**16 October 2006**

It is my pleasure to welcome you to our Expert Meeting on ICT SOLUTIONS TO FACILITATE TRADE AT BORDER CROSSINGS AND IN PORTS.

With this Expert Meeting we continue a **sequence of meetings** where, over the last years, we have followed recent trends in international trade and transport and analyzed their implications for our member countries. Many of you participated in our previous Expert Meetings that dealt in depth with the issues of multimodal transport, transit trade, and trade facilitation as an engine for development. During these previous meetings, one issue was again and again identified as being particularly crucial, and that is the issue of Information and Communication Technologies – ICTs.

Ladies and Gentlemen, **developments in international trade and transport** go hand in hand with an ever more widespread use of ICTs by traders and transport service providers. This also has a significant bearing on Customs and other operations at border crossings and in ports. ICTs are playing an increasing role in the design and implementation of Customs modernization programmes and other trade and transport facilitation measures. ICT applications can reduce waiting times at border crossings and at ports, secure appropriate processing of fees and Customs duties, simplify formalities, and provide timely information to transport operators. The use of ICTs in areas such as Customs automation, electronic documentation and advance information in logistics will without doubt **continue to grow** in coming years. Developing countries must be proactive in reaping full benefits from ICT tools available worldwide to reduce transaction costs and enhance supply capacities.

Trade and transport procedures at times remain cumbersome and costly in many developing countries and especially LDCs. The reasons for this undesirable situation may be found in an aggregate of circumstances that can be reduced to two words: **information** and **environment**.

Trade facilitation, which is aimed at simplifying international trade documentation and procedures, is in essence an information system activity. **Information** is significant because a document is nothing but “vehicle” for trade and transport data. A trade procedure encompasses information retrieval, storage, processing and transmittal. What used to be a manual activity can and needs to be improved by ICTs.

Trade facilitation is also an **environment**-related discipline: it cannot be successful if certain contextual elements are not present. The feasibility and success of the implementation of trade facilitation programmes depend on surrounding factors such as the quality of public administration, human, financial and institutional resources, the availability of international transport and logistics services, and of course readiness to effectively use ICTs.

When both – information technologies and an appropriate environment – are available, trade facilitation becomes a success story. Information technologies and the required environment are the **two major factors for successful implementation of trade facilitation programmes in developing countries**. However, one should not believe that the introduction of ICT is in itself a sufficient condition to achieve greater efficiency. ICTs will be beneficial only if existing administrative and commercial practices are overhauled prior to the computerization of procedures, something we have clearly seen in the cases of successful implementation of customs automation programmes.

Experience with **our ASYCUDA programme** clearly shows that Customs automation leads to enhanced revenue collection and administration controls, faster release of cargo from Customs clearance and reduced physical examination of goods. It is also clear that Customs automation

needs to be embedded in a process of simplifying and standardizing documents and procedures, a review of the legal regime and extensive capacity-building programmes.

**During the next three days**, you will analyze recent trends in global trade and transport, as well as the resulting requirements for Customs modernization and other trade and transport facilitation measures. These requirements will need to be related to available ICT tools and their applicability to the realities of developing countries and Least Developed Countries. I also expect that you will discuss capacity building and technical assistance requirements to implement specific technology-based trade facilitation measures, including those concerning the institutional, commercial, legal and operational environment for Customs and other operations at border crossings and in ports.

I wish you every success in your endeavours.