



# Pacific Region



## Trade Facilitation Challenges for Women Traders and Freight Forwarders

Survey findings and recommendations



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## Acknowledgements

This report summarizes the main challenges that cross-border traders are facing related to trade facilitation at the firm level across Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. This report also includes recommendations to address the challenges identified.

The work related to the individual country surveys and this report was led by Heidi Stensland Warren, Maria Liungman, June Ghimire, and Aileen Yang from the World Bank Group (WBG). The team benefited from guidance and useful comments from colleagues across the World Bank and the International Finance Corporation. Rollout of the surveys and preliminary analysis was conducted by Tebbutt Research in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. IC Net Inc. provided support in Fiji.

Financial support for this work was provided by the Trade Facilitation Support Program.<sup>1</sup>

The WBG team would like to recognize the governments of Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu respectively for their invaluable contribution to the project, including through the provision of trader data.

<sup>1</sup>The Trade Facilitation Support Program is funded by Australia, Canada, the European Union, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom, and the United States of America.

# Snapshot of countries covered

Number of Active Cross-Border Trading Firms (2018): 10,257<sup>2</sup>

	Population (total and % by gender, 2018) <sup>3</sup>	GDP (current US\$ billion, 2018)	GNI (current US\$ billion, 2018)	Income category (2018) <sup>4</sup>
Fiji	883,483 (49.3% F/50.7% M)	5.537	5.161	Upper-middle income
Papua New Guinea (PNG)	8,606,316 (49.0% F/51.0% M)	23.412	22.795	Lower-middle income
Samoa	196,130 (48.3% F/51.7% M)	0.820	0.790	Upper-middle income
Timor-Leste <sup>5</sup>	1,267,972 (49.5%/50.5%)	1.569	2.249	Lower-middle income
Vanuatu	292,680 (49.3%/50.7%)	0.906	0.915	Lower-middle income



Business woman and her family, Vanuatu  
© Tom Perry/World Bank

	Labor force participation rate (% ages 15 and older, 2018) women/men <sup>6</sup>
Fiji	40.7/79.3
PNG	48.1/49.4
Samoa	33.6/58.3
Timor-Leste	62.1/72.9
Vanuatu	61.7/79.4

	WTO Trade Facilitation Agreement ratification date <sup>7</sup>
Fiji	May 1, 2017
PNG	March 7, 2018
Samoa	April 21, 2016
Timor-Leste	Not yet acceded to the WTO
Vanuatu	May 6, 2020

<sup>2</sup> This number is based on a list of firms provided by the governments of Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu and reflects initial efforts to exclude duplicates, government entities, etc. that would not be eligible for the survey. Some ineligible firms may still be included in this number, which further remediation work subsequently identified.

<sup>3</sup> World Development Indicators database.

<sup>4</sup> Based on WBG fiscal year 2020 (calendar year 2018) data calculation: upper-middle income is defined as GNI per capita between \$3,996 and \$12,375. Lower-middle income is defined as GNI per capita between \$1,026 and \$3,995.

<sup>5</sup> Timor-Leste is on the list of fragile and conflict-affected situations (FCS) maintained by the World Bank Group. FCS have high levels of institutional and social fragility and/or are affected by violent conflict. This classification is used as a tool to help the WBG adapt its approaches, policies, and instruments in difficult and complex environments.

<sup>6</sup> World Development Indicators database.

<sup>7</sup> WTO Trade Facilitation Agreement Facility.



Employees at Ben's Trading Limited, exporter of agricultural products, Fiji  
© Jason Chute/World Bank

	Merchandise EX & IM (% of GDP, 2018)	Main exports	Main imports
Fiji	67.9	Sugar, garments, gold, timber, fish, molasses, mineral water, and coconut oil <sup>8</sup>	Manufactured goods, machinery, petroleum products, food, and chemicals
PNG	60.0	Natural gas (liquified or in the gaseous state), base metals clad w/ silver and base metals (silver or gold clad w/ platinum), copper ores and concentrates, gold, crude palm oil, nickel mattes, precious metal ores and concentrates, green coffee, naphtha, frozen tunas, prepared dishes and meals based on fish, cocoa beans <sup>9</sup>	Mineral products, chemicals and allied products, machinery and mechanical and electrical appliances and parts thereof, vehicles/ aircraft and associated transport equipment, base metals and articles thereof, vegetable products, prepared foodstuffs/beverages/sprits and tobacco
Samoa	49.8	Re-exports, fresh fish, taro, nonu juice, coconut-based products <sup>10</sup>	Petroleum oils and oils from bituminous minerals, meat and edible offal of fowls, vehicles, wood/coniferous, cereals, fish preparations, wheat or meslin flour, telephones for cellular networks, medicaments <sup>11</sup>
Timor-Leste	36.0	Coffee, candle nut, aluminum <sup>12</sup>	Mineral fuels, vehicles (other than railway or tramway rolling stock) and parts thereof, paper and paperboard, electrical machinery and equipment and parts thereof, machinery and mechanical appliances/parts thereof, beverages/spirits/vinegar, cereals, textiles, plastics, iron or steel articles
Vanuatu	45.6	Kava, alcoholic drinks, sawn timber, coconut oil, copra, beef, cocoa, coffee <sup>13</sup>	Mineral fuels, food and live animals, machines and transport equipment, basic manufactured goods, miscellaneous manufactured goods, chemical products, beverages and tobacco

<sup>8</sup> Import and export data taken from Investment Fiji.

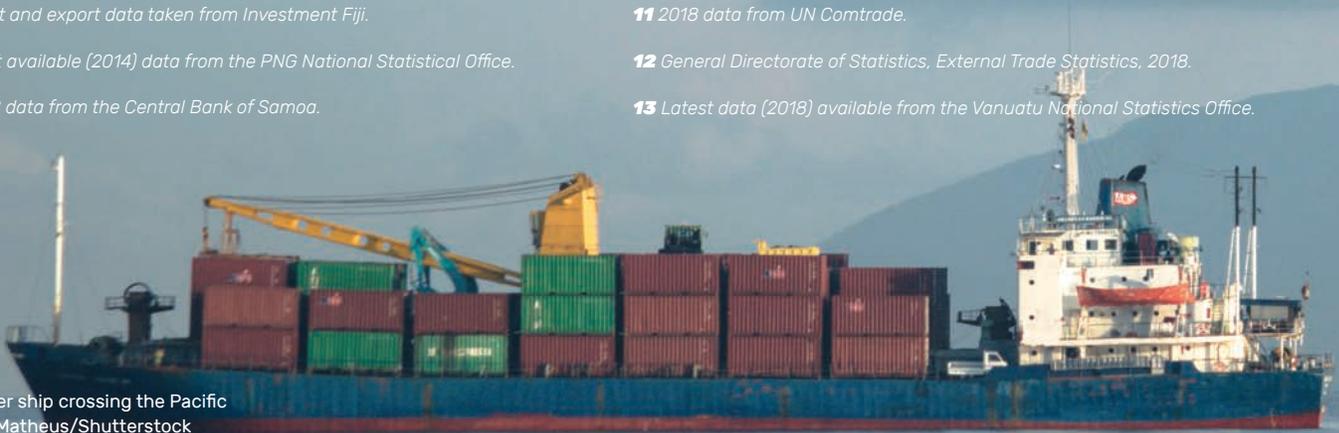
<sup>9</sup> Latest available (2014) data from the PNG National Statistical Office.

<sup>10</sup> 2018 data from the Central Bank of Samoa.

<sup>11</sup> 2018 data from UN Comtrade.

<sup>12</sup> General Directorate of Statistics, External Trade Statistics, 2018.

<sup>13</sup> Latest data (2018) available from the Vanuatu National Statistics Office.



Container ship crossing the Pacific  
© Jose Matheus/Shutterstock

# Key recommendations

Survey findings demonstrate **opportunities for the governments of Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu** to improve the design of trade facilitation interventions to better address traders' needs (women in particular):

Additional recommendations based on observations through WBG trade projects in the region:



Establish and promote National Trade Facilitation Committees



Improve access to and understanding of official border regulations and procedures among traders and freight forwarders



Introduce and/or strengthen formal trade consultations between the government and the private sector



Improve collaboration with the private sector through trade/industry associations



Identify and address reasons for delayed release of goods



Strengthen and promote electronic payments systems



Publicize official grievance procedures



Improve regional cooperation



Secure enough resources for trade facilitation reforms and improve donor coordination at national and regional levels

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Mere Samisoni, Owner of Hot Bread Kitchen, Fiji  
© Jason Chute/World Bank

# 1 Executive summary

Gender equality is central to the World Bank Group's (WBG) twin goals of ending extreme poverty and increasing shared prosperity in a sustainable manner. Contributing to that end, trade is an engine of growth that creates better jobs, reduces poverty, and increases economic opportunity. Research shows that comprehensive trade liberalization in developing countries increases economic growth by an average of 1.0 to 1.5 percentage points, resulting in 10 to 20 percent higher income after a decade. Trade has increased incomes by 24 percent globally since 1990, and 50 percent for the poorest 40 percent of the population.<sup>14</sup>

No country, however, can achieve its potential or meet the challenges of the 21st century without the full and equal participation of women and men. Gender inequality can cause economies to be less competitive internationally – particularly for countries with export potential in industries that have high women employment.<sup>15</sup> As such, ensuring that women can equally participate in international trade is especially important as trade can improve economic outcomes for women by creating better jobs that move women into the formal economy and increase women's wages.<sup>16</sup> Ultimately, reducing gender gaps can boost economic growth and productivity by directly increasing the size of the labor force; leading to greater income equality; and increasing economic resilience with greater export diversification, especially in developing countries.<sup>17</sup>

Generally, trade facilitation measures are assumed to be non-discriminatory and apply to all traders in their design; however, these measures may not necessarily impact or benefit all traders in similar ways. There is a global lack of data on how trade facilitation interventions impact traders by gender at the firm level.<sup>18</sup> There is also a global vacuum of knowledge of the proportion of cross-border traders who are women.<sup>19</sup> Few countries, if any, can easily confirm the number of women that

undertake cross-border trade. This lack of gender-specific data may reinforce biases against women in policy making as sex disaggregated data is fundamental to assess how different policies and actions impact women and men differently.

To help fill the data gap to make trade facilitation projects more inclusive to women traders, the WBG has collected data – through surveys – on challenges to cross-border trade of goods faced by both women and men at the firm level in the Pacific Islands region.<sup>20,21</sup>

Countries in the Pacific Islands region face unique development challenges: they are physically detached from major markets, tend to have high levels of gender inequality, and confront the worst impacts of climate change, making them some of the most vulnerable countries to natural disasters in the world.<sup>22</sup> These challenges increase trade costs and make it difficult for the Pacific Island countries to trade effectively and competitively. To overcome the challenges of size and isolation, trade capacity could be increased for countries to effectively integrate into the global trading system and thus improve their economic opportunities.<sup>23</sup> One way to do this is through the implementation of trade facilitation measures that lower time and costs to trade.

This report compares the findings of surveys across five countries in the region: Fiji, Papua New Guinea, Samoa, Timor-Leste and Vanuatu.<sup>24</sup> Fiji, Samoa, and Vanuatu are archipelagos; Timor-Leste is a small island country within the Malay Archipelago; and Papua New Guinea occupies the eastern half of the West Pacific island of New Guinea and consists of another 600 smaller islands and atolls. All the Pacific Island countries except for Papua New Guinea are small states with populations under 1.5 million.<sup>25</sup> Despite their remoteness from each other and other larger economies, the five island nations surveyed are open to trade (with merchandise trade

**14** World Bank, *Trade has been a global force for less poverty and higher incomes*, 2017.

**15** World Bank, *World Development Report 2012: Gender Equality and Development*, 2011.

**16** World Bank and World Trade Organization, *Women and Trade: The Role of Trade in Promoting Gender Equality*, 2020.

**17** International Monetary Fund, *Pursuing Women's Economic Empowerment*, 2018.

**18** Higgins, *Gender Dimensions of Trade Facilitation and Logistics: A Guidance Note*, 2012.

**19** In this note, "traders" is used interchangeably with "firms" but should be understood to represent registered firms undertaking cross-border trade and not individual, private traders.

**20** Target countries for the project in the Pacific region are Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu.

**21** The survey questionnaire focuses on main areas of the WTO Trade Facilitation Agreement. The WTO TFA came into force on February 22, 2017, and contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. Consequently, the survey questionnaire does not cover trade in services.

**22** World Bank, 2019. <https://www.worldbank.org/en/country/pacificislands/overview>

**23** Pacific Islands Forum Secretariat, *A strategy to support development in the Pacific*, 2013.

**24** This report builds on the more detailed country reports to compare findings across these countries in order to identify any possible trends among them.

**25** IMF, *Resilience and Growth in the Small States of the Pacific*, 2016.

ranging from 36–68 percent of GDP). All five countries are net importers, and Fiji serves as a maritime transshipment hub for the Pacific Islands region.<sup>26</sup> While trade is very important to this region, the surveys found that women-led firms, however, are underrepresented compared to men-led firms across all the surveyed countries. This highlights an opportunity to potentially increase the participation of women in trade by understanding and addressing the challenges they face.

The survey in the five countries was launched prior to the outbreak of COVID-19 in the region.<sup>27</sup> The economic disruption caused by the pandemic has disproportionately impacted women since a larger share of women work in sectors and types of firms that have been particularly hard-hit (e.g. manufacturing).<sup>28,29</sup> Maintaining trade flows as much as possible during the pandemic allows countries to continue public health provision and distribution of health-related goods and services.<sup>30</sup> Maintained trade flows are also critical to inclusive recovery.

#### Survey respondents include:

- Firms that engage in cross-border trade of goods (disaggregated by gender of the firms' owner or manager)
- Freight forwarders (not disaggregated by gender due to the small sample)

The pandemic has highlighted the urgent need for trade facilitation reforms, such as paperless and automated systems, to keep critical goods flowing through borders. The survey findings, though collected prior to the pandemic, should be viewed in this context and used to raise awareness around the importance of trade facilitation in expediting the movement, release, and clearance of goods.

<sup>26</sup> WTO Trade Policy Review (WT/TPR/S/330).

<sup>27</sup> The survey was first piloted in Fiji between May–June 2019. The other countries were surveyed between February–April 2020.

<sup>28</sup> WBG, Policy Note: Gender dimensions of the COVID-19 pandemic, 2020; Tralac, Blog: COVID-19 and its implications for women, 2020.

<sup>29</sup> WTO, The Economic Impact of Covid-19 on Women in Vulnerable Sectors and Economies, 2020.

<sup>30</sup> Smith R. D., Trade and public health: facing the challenges of globalization. *Journal of epidemiology and community health*, 2006.

Some of the key findings and trends on the trade facilitation challenges faced by surveyed traders at the firm level in the region, regardless of gender, include:

- Many traders in PNG, Vanuatu, and Timor-Leste experience longer than 10 days or more release times for imported goods.
- There is a lack of awareness among traders of the National Trade Facilitation Committee's (NTFC) existence in each of the surveyed countries, though, there is slightly higher awareness among freight forwarders.
- There is little awareness of official grievance procedures wherein between one-third to over three-quarters of traders either believe there are no official complaint/grievance procedures for when their consignments are withheld or do not know whether any procedures exist.
- There is a lack of a coordinated, central source of information on official regulations and procedures, leading many traders and freight forwarders in the surveyed countries to have to go to more than one source to find information on changes to regulations and procedures.

Although the experiences between men and women traders were not significantly different in most areas, the survey found that women traders experience greater challenges in several aspects compared to their men counterparts. Examples include:

- More women traders in PNG and Samoa have difficulty in finding information on border regulations and procedures than their men counterparts.
- There is an information gap across all the countries wherein fewer women traders are aware that import/export declarations can be submitted electronically, and fewer women traders are aware that customs allows pre-declaration of shipments prior to arrival at the port.
- Fewer women traders are regularly consulted than their men counterparts, except in Samoa.
- Fewer women traders are represented in trade/industry associations, except in Vanuatu and Samoa.
- Slightly more women than men traders across the region have caretaking responsibilities that impact their ability to trade.
- Fewer women traders across the region physically visit the border regularly to undertake trade processes and procedures than men.

**Section 2** of this report explains why a study on women cross-border traders at the firm level, particularly as it relates to trade facilitation, is useful. **Section 3** provides a description of the survey sample and the methodology used to carry out the survey. **Section 4** presents the findings of the trade facilitation and gender survey, including analysis of cross-border trade challenges by gender.<sup>31</sup>

The survey has highlighted several areas that could be addressed by the governments of Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu to improve the trade facilitation environment in their respective countries. Specific emphasis in the recommendations has been made to address asymmetric gender barriers that occur in cross-border trade processes and procedures (see **section 5** of this report).

**31** *The survey work confirmed gaps in several areas, but a deeper assessment would be required to determine the exact reasons why these gaps occur. While the team has a number of hypotheses on the reasons to these gaps, the existing data does not confirm these and makes it difficult to distinguish between correlations and causations. The hypotheses are therefore not included in this report.*



Female trader, Papua New Guinea  
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## 2 Filling data gaps on women cross-border traders

There is a growing body of research on why fewer women participate in cross-border trade. Women, for example, face challenges related to access to finance (trade-related activities typically require a lot of capital and collateral), have lower literacy levels and less knowledge about cross-border trade regulations and procedures, face higher export costs as owners of smaller firms as well as exclusion from distribution networks.<sup>32</sup> The International Trade Center (ITC) finds that while regulations do not necessarily discriminate, procedural obstacles may discriminate when firm managers or owners have to comply with cross-border standards or regulations and interact with national officials. Through a business survey, the ITC found that women-owned firms report a higher share of procedural obstacles due to information and transparency issues, informal or high payments, and discriminatory behavior compared to their men counterparts.<sup>33</sup>

There are still, however, significant data gaps on the exact nature of barriers that women-led firms face in undertaking cross-border trade and on the gendered impact of improved customs and border procedures. Filling these gaps is essential

to optimize the design and implementation of effective policy reforms and program interventions that maximize gains from trade for all.

To this end, the World Bank Group has initiated work to fill some of the data gaps on women cross-border traders and the specific barriers that they face in undertaking cross-border trade at the firm level. The work makes use of the WTO Trade Facilitation Agreement (TFA), which contains provisions for expediting the movement, release, and clearance of goods, including goods in transit. The TFA sets out measures for customs compliance issues and for effective cooperation between customs and other appropriate authorities on trade facilitation. Trade facilitation measures can help reduce transaction costs to import and export with simplified, transparent trade procedures. The TFA is particularly important for developing countries as they strive to increase exports and overall trade and to strengthen domestic economic activity. The WBG, through this work, seeks to examine how measures within the TFA can be harnessed to address the specific barriers that women-led firms participating in cross-border trade experience.

**32** WTO, *Gender Aware Trade Policy*, 2017.

**33** ITC, *SME Competitiveness Outlook 2016: Meeting the standard for trade*, 2016.



Ferry at the Salelologa Wharf in Samoa  
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### 3 Methodology behind the report

Efforts to identify the universe of traders in each of the five countries preceded the survey. The team created master lists of firms that engage in cross-border trade based on the complete list of active traders in 2018 that were provided by the governments of Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu.<sup>34</sup> The team eliminated entries that were (1) agents and not traders, (2) further duplicates, (3) missing valid contact, or (4) missing contact phone number and were unresponsive to email to obtain a contact phone number. On-the-ground research to identify additional possible candidates for the survey was undertaken. Lists of freight forwarding firms<sup>35</sup> for each country were compiled using official government and online sources.<sup>36</sup>

Given that the number of active trading firms varied by country, the team used two sampling methodologies. The survey was first piloted from May to June 2019 in Fiji, which has 4,700 active trading firms. Quota sampling was used in Fiji to ensure that a variety of responses were collected across different firm sizes and industries for both women and men-led firms.<sup>37</sup> With a minimum quota set at 250 for women-led and men-led firms respectively, the team interviewed 279 men and 250 women traders working with micro, small, medium, and large-sized firms and sectors in Fiji.<sup>38</sup> For the other countries, which have smaller numbers of traders, the team contacted all cross-border trading firms with valid contact information to participate in the survey

<sup>34</sup> Work to compile the population list for the sample frame began in 2019, and at that time, 2018 data was the latest available.

<sup>35</sup> In this note, a freight forwarder is a firm that arranges the imports and exports of goods for other companies.

<sup>36</sup> Tools used to identify additional trading and freight forwarding firms were [www.freightnet.com](http://www.freightnet.com); [www.cargoyellowpages.com](http://www.cargoyellowpages.com); blanket email asking for contact details; hard copies telephone white and business pages; and door-to-door visits on the ground.

<sup>37</sup> Women-led versus men-led is used when a firm is either owned and/or managed by a woman or man. A firm is "woman owned" if (1a)  $\geq 51\%$  of the shares are owned by a woman or (1b)  $\geq 20\%$  is owned by a woman; (2) it has  $\geq 1$  woman as CEO/COO/President/Vice President; and, (3) has  $\geq 30\%$  of the board of directors composed of women (where a board exists). "Managed" refers to the highest management individual in the firm.

<sup>38</sup> The eligibility criteria for the survey included firms of any size engaged in cross-border trade (import and/or export), as well as whether the respondent owns/manages the firm. State-owned enterprises were excluded. In addition to gender, sectors were analysed using the Harmonized Schedule as such: HS Sections 1-4 (animal, vegetable products, beverages, tobacco), HS sections 5-10 (minerals, chemicals, rubber, leather, wood, paper products), HS sections 11-12 (textile, footwear), HS sections 13-15 (stone, glass, precious stones, metals), HS sections 16-19 (machinery, transport equipment, medical instruments, ammunitions), and HS sections 20-21 (artwork/collectors' pieces/antiques and miscellaneous manufactured articles). In addition, the World Bank Enterprise Survey's definition of firm sizes is used: micro (1-4 employees), small (5-19 employees), medium (20-99 employees), and large (100 employees and above). Annex 1 provides additional details on the survey methodology and rollout.

from February to April 2020. The team interviewed a total of 1,446 firms in the region, 886 led by men and 560 led by women.

The team contacted all listed freight forwarders with valid contact information in each country to provide responses to a simplified version of the trader questionnaire. The team interviewed a total of 92 freight forwarding firms in the region. Given the small sample sizes for women and men freight forwarders in each country, the gender analysis provided for freight forwarders by country is limited, and freight forwarder responses are reported as-a-whole rather than disaggregated by gender. **Tables 1** and **2** provide breakdowns of the survey respondents by gender and size of the firm.

Interviews were undertaken by phone and were conducted in English in Fiji, PNG, Samoa, and Vanuatu. In Timor-Leste, the questionnaire was also translated and conducted in Tetum and Portuguese.

**Table 1. Breakdown of Trader Survey Respondents by Gender and Size of Firms**

	Micro (1-5)	Small (6-19)	Medium (20-99)	Large (100+)	TOTAL
<b>Fiji</b>					
Men	27	100	99	53	279
Women	82	81	62	25	250
<b>Total</b>	<b>109</b>	<b>181</b>	<b>161</b>	<b>78</b>	<b>529</b>
<b>Samoa</b>					
Men	24	41	32	8	105
Women	19	25	34	2	80
<b>Total</b>	<b>43</b>	<b>66</b>	<b>66</b>	<b>10</b>	<b>185</b>
<b>Vanuatu</b>					
Men	114	93	47	12	266
Women	49	39	22	4	114
<b>Total</b>	<b>163</b>	<b>132</b>	<b>69</b>	<b>16</b>	<b>380</b>
<b>PNG</b>					
Men	11	18	32	35	96
Women	3	15	24	28	70
<b>Total</b>	<b>14</b>	<b>33</b>	<b>56</b>	<b>63</b>	<b>166</b>
<b>Timor-Leste</b>					
Men	42	54	35	9	140
Women	11	21	11	3	46
<b>Total</b>	<b>53</b>	<b>75</b>	<b>46</b>	<b>12</b>	<b>186</b>
<b>Total Region</b>	<b>382</b>	<b>487</b>	<b>398</b>	<b>179</b>	<b>1,446</b>

**Table 2. Breakdown of Freight Forwarder Survey Respondents by Gender and Size of Firms**

	Micro (1-5)	Small (6-19)	Medium (20-99)	Large (100+)	TOTAL
<b>Fiji</b>					
Men	6	8	11	7	32
Women	0	4	3	3	10
<b>Total</b>	<b>6</b>	<b>12</b>	<b>14</b>	<b>10</b>	<b>42</b>
<b>Samoa</b>					
Men	1	1	4	1	7
Women	1	1	1	0	3
<b>Total</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>10</b>
<b>Vanuatu</b>					
Men	4	2	3	1	10
Women	1	1	0	0	2
<b>Total</b>	<b>5</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>12</b>
<b>PNG</b>					
Men	1	1	3	4	9
Women	0	4	1	3	8
<b>Total</b>	<b>1</b>	<b>5</b>	<b>4</b>	<b>7</b>	<b>17</b>
<b>Timor-Leste</b>					
Men	4	5	2	0	11
Women	0	0	0	0	0
<b>Total</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>0</b>	<b>11</b>
<b>Total Region</b>	<b>18</b>	<b>27</b>	<b>28</b>	<b>19</b>	<b>92</b>

The questionnaire used for the Trade and Gender Study was piloted in Fiji and refined prior to further roll out of the survey work in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. Consequently, a few questions do not have comparable data for all five countries.

The survey was limited to identifying constraints that existing traders face. Therefore, it may suffer from a selection bias because it did not explore obstacles to engaging in trade among women firms that currently only trade domestically (possibly as a result of barriers to cross-border trade). Exploring the reasons of non-engagement in cross-border trade would require a deeper assessment of why non-trading women firms do not trade, which goes beyond the scope of this survey and likely also the WTO Trade Facilitation Agreement (additional details of the sampling strategy and survey methodology are provided in [Annex 1](#)).

Given that 81 percent of survey respondents exclusively import, the survey findings for the Pacific Islands region do not distinguish between importers and exporters unless otherwise specified.<sup>39</sup> This, however, may be possible in other regions and could provide additional insights once the survey is rolled out in other regions.

<sup>39</sup> The survey results have been analysed and synthesized to identify key takeaways. Survey participants are not identified in the report in order to preserve confidentiality.



Port Vila, Vanuatu  
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Female trader in Vanuatu  
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## 4 Summary of findings: Regional trends

# General trader and freight forwarder findings

## Sample Population Profile

This section contains a brief overview of the sample population. While gender is the focus of this survey, it is also important to view the sample population beyond sex to include contextually critical variables such as age, education level, and other variables to gain insights on the demographics of the survey respondents.

■ **Women-led firms are underrepresented compared to men-led firms across all the surveyed countries.** PNG was also found to have the highest rate of freight forwarding firms led by women (47 percent), followed by Samoa (30 percent). The survey team could not identify any freight forwarding firms led by women in Timor-Leste.

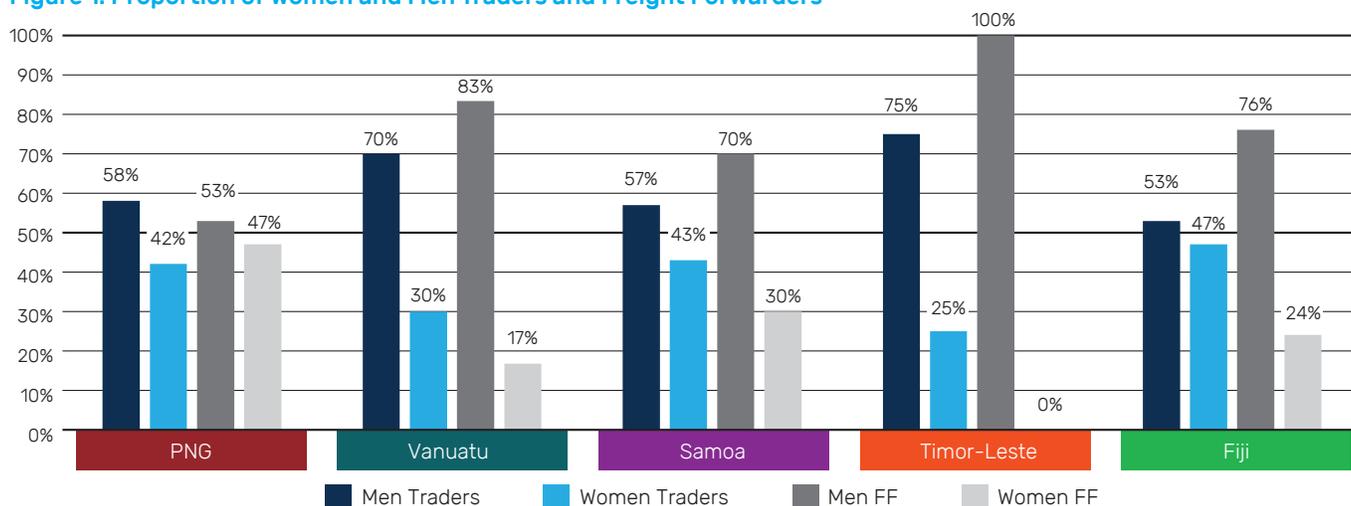
■ The incidence of women and men traders leading micro-sized firms is highest in Vanuatu and lowest in PNG. In contrast, PNG has the highest incidence of large firms led by both women and men traders compared to the other countries. The

incidence of women traders leading medium-sized firms is the highest in Samoa.

■ **Women traders tend to be younger than men traders across the region.** The younger women traders are located in Vanuatu and Timor-Leste where 33 percent are under the age of 36 years old in each country. The largest cohort of women traders is 36–45 years old, with PNG (51 percent) and Fiji (49 percent) reporting the highest number of women traders in this age group. In Timor-Leste, 64 percent of freight forwarders are between 36–45 years, compared to 50 percent for Samoa, 47 percent for PNG, 31 percent for Fiji, and 25 percent for Vanuatu. Freight forwarders in Vanuatu are generally older with 42 percent between 46–55 years.

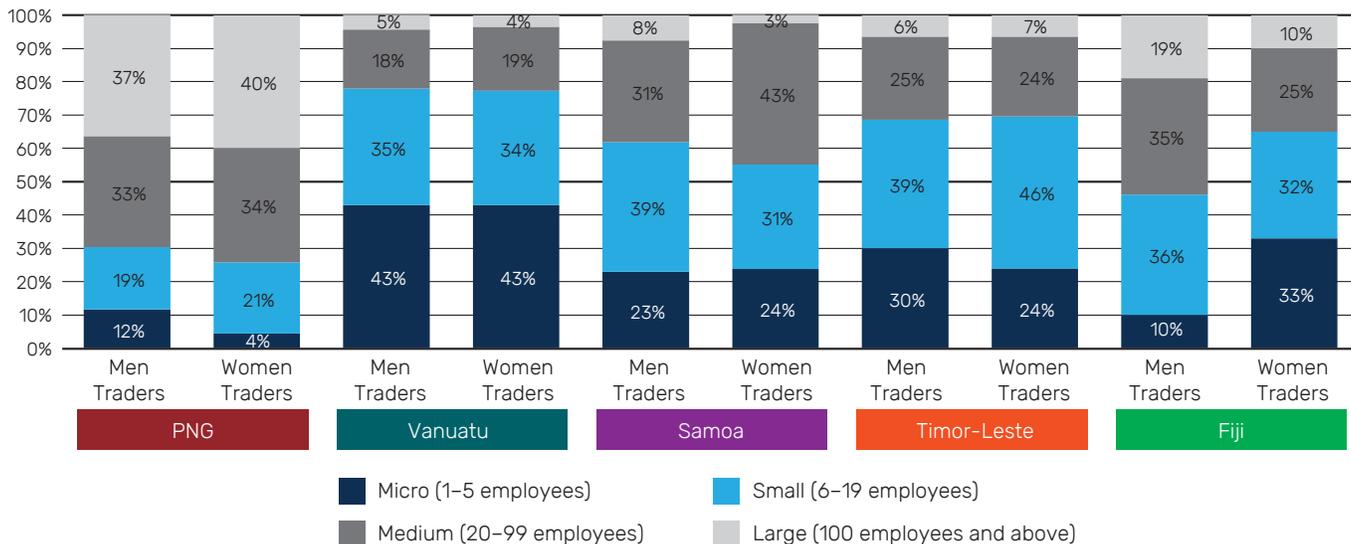
■ In Timor-Leste, large firms are more likely to be led by traders older than 55 years of age than in other surveyed countries. Forty-two percent of large firms in Timor-Leste are led by traders older than 55 years of age. This is compared to only 10 percent for Samoa, 13 percent for Vanuatu, and 14 percent for PNG and Fiji respectively. In contrast, for PNG, 49 percent and 46 percent of small and medium firms respectively are led by traders aged 36–45 years old. In PNG, more women traders aged 35 years or younger lead micro (67 percent) and small (60 percent) firms than men traders in the country. More than half (55 percent) of micro firms in Timor-Leste are led by women traders between 36 and 45 years old.

Figure 1. Proportion of Women and Men Traders and Freight Forwarders

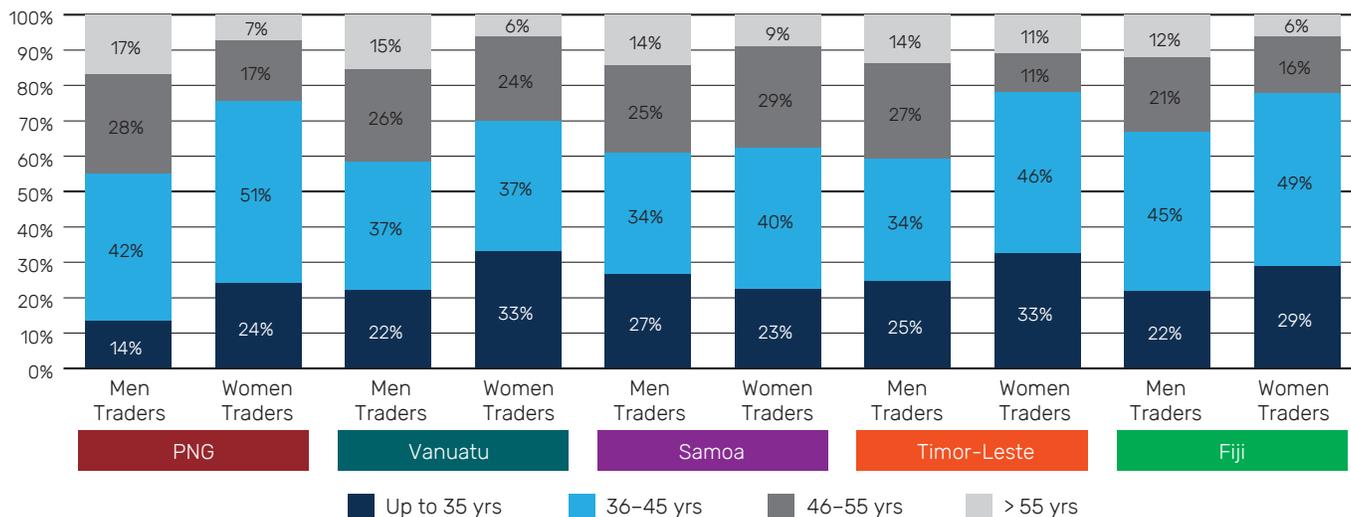


Note: The percentages for Fiji reflect the non-proportional quota sampling procedures used in Fiji.

**Figure 2. Traders by Gender and Firm Size**



**Figure 3. Traders by Gender and Age Gender**



■ **Educational attainment levels are high in the region.**

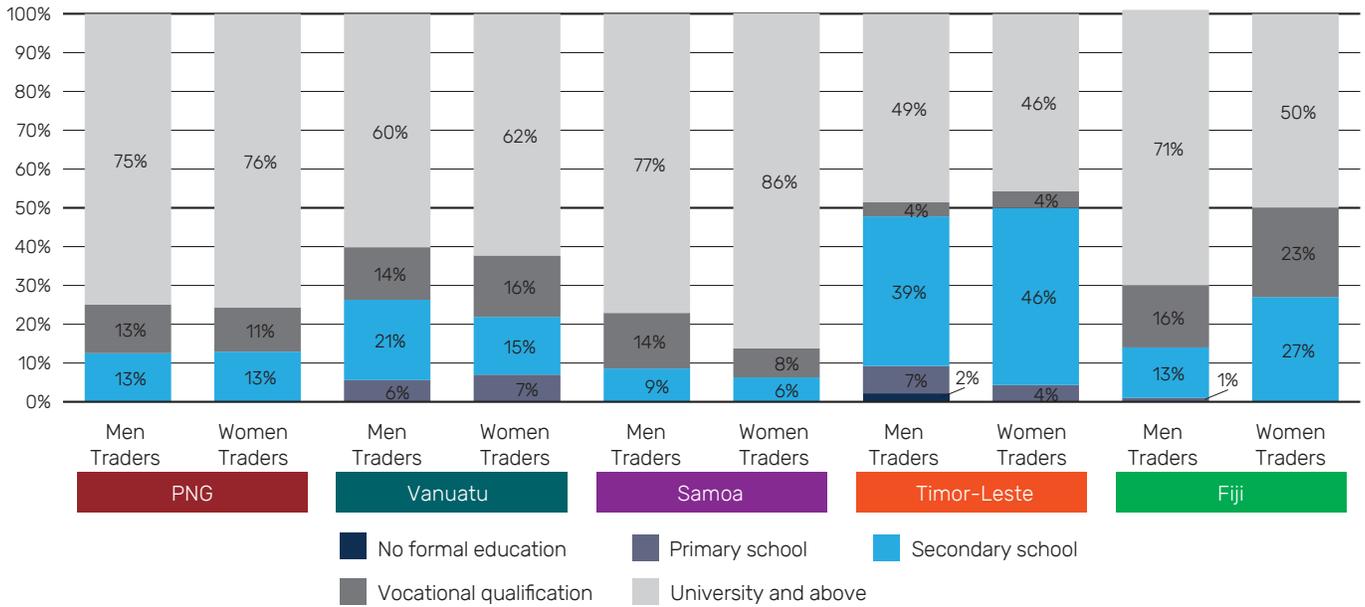
By country, women traders in Samoa reported the highest incidence of all surveyed traders attaining university-level education and above. The lowest incidence of women traders having at least university-level education is in Timor-Leste, closely followed by Fiji, at around 50 percent. For men, the highest incidence of traders with at least university-level education is in Samoa, and the lowest was reported by Timor-Leste. Across the region, all freight forwarders have a minimum of secondary education, with at least 70 percent of freight forwarders in PNG, Vanuatu, and

Samoa having at least university-level education. The incidence of freight forwarders having at least university-level education is lower in Fiji (62 percent) and Timor-Leste (46 percent).

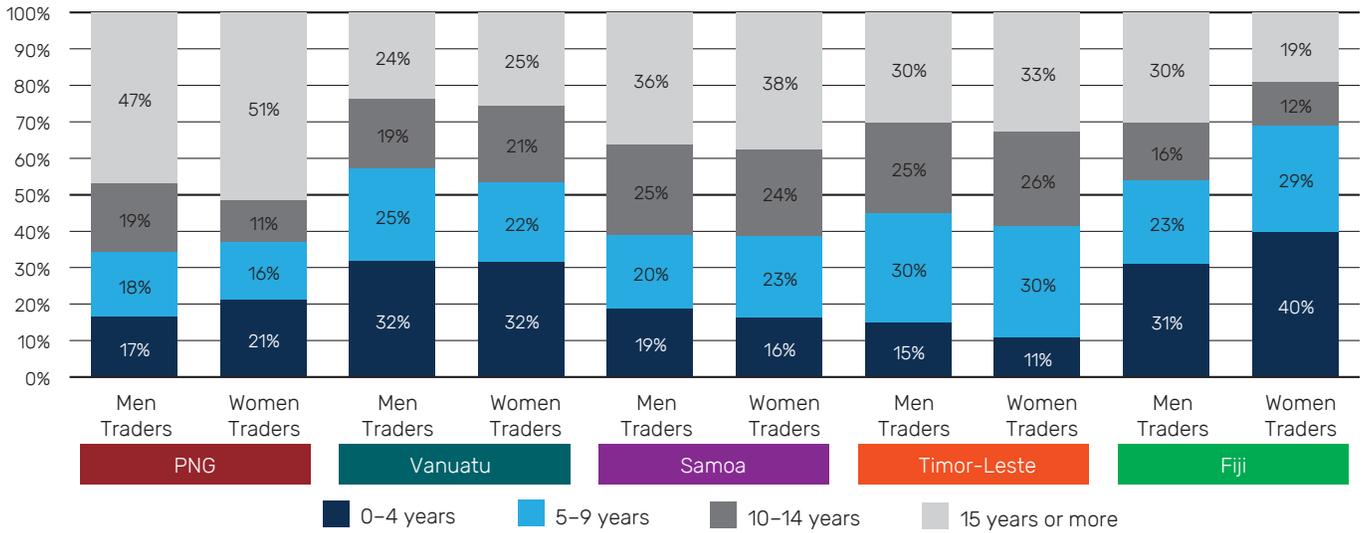
■ **More women traders in Fiji than in the other surveyed countries have been trading for less than four years.**

Both men and women traders in PNG are relatively better established in the cross-border trade profession than in the other countries, with almost 50 percent stating they have been trading for 15 years or more.

**Figure 4. Traders by Gender and Education Status**



**Figure 5. Years Engaged in Cross-border Trade by Gender**



## Imports and Exports

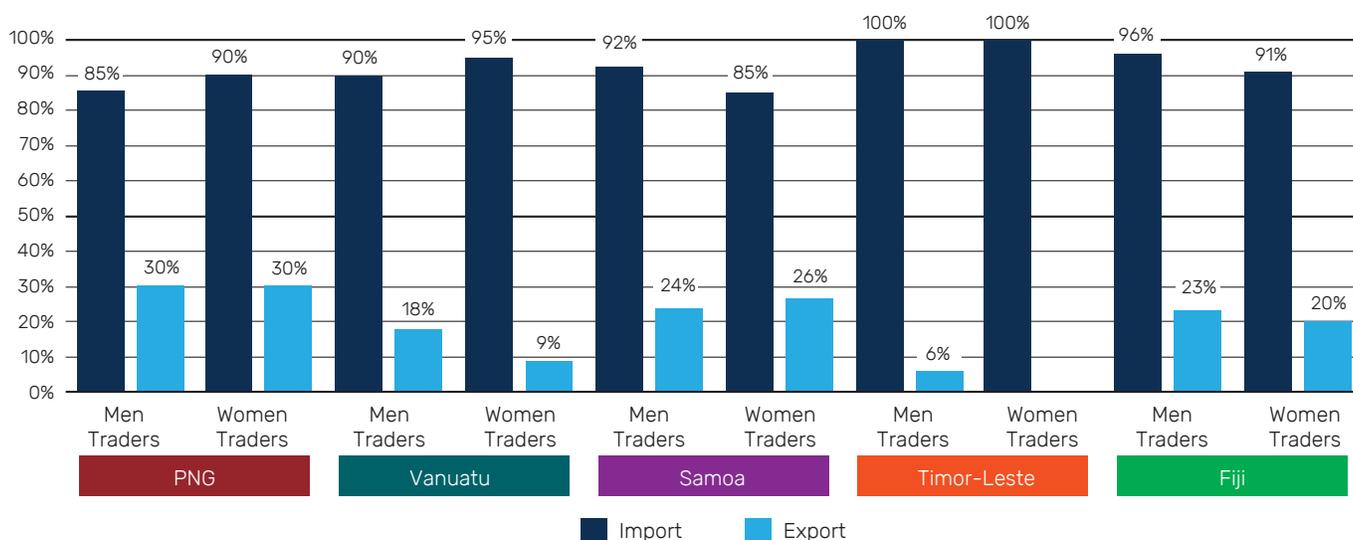
■ **The majority of women and men traders across all countries reported that they engage only in the importation of goods.** Fewer firms in the region export goods, and export activity is strongest in PNG, with both 30 percent of women and men traders exporting products. Exporting activity was weakest in Timor-Leste where only 6 percent of men and no women traders export products.

■ **With a few exceptions, women traders tend to import more light industry products compared to men traders, who tend to import more from the heavy industry.<sup>40,41</sup>** More women-led firms import products within HS sections 1–4 (animal and vegetable products, beverages) than men-led firms in PNG, Vanuatu, and Timor-Leste. Across the region,

more men traders import goods within HS section 16–19 (machinery, vehicles, arms) than women traders. Fiji and Vanuatu reported the highest percentage of women traders importing products within HS section 11–12 (textiles and footwear), while women traders in Samoa reported the highest percentage for importing products within HS sections 5–10 (mineral and rubber products).<sup>42</sup>

■ More women traders in PNG and Fiji export products within HS sections 1–4 (animal and vegetable products, beverages) than men-led firms in these two countries.<sup>43</sup> Further, a higher percentage of women traders in Vanuatu and Samoa export products within HS sections 5–10 (mineral and rubber products) than men traders in these two countries. More women traders than men traders also export goods within HS sections 11–12 (textiles, footwear) across the region.

Figure 6. Trade Activity by Gender



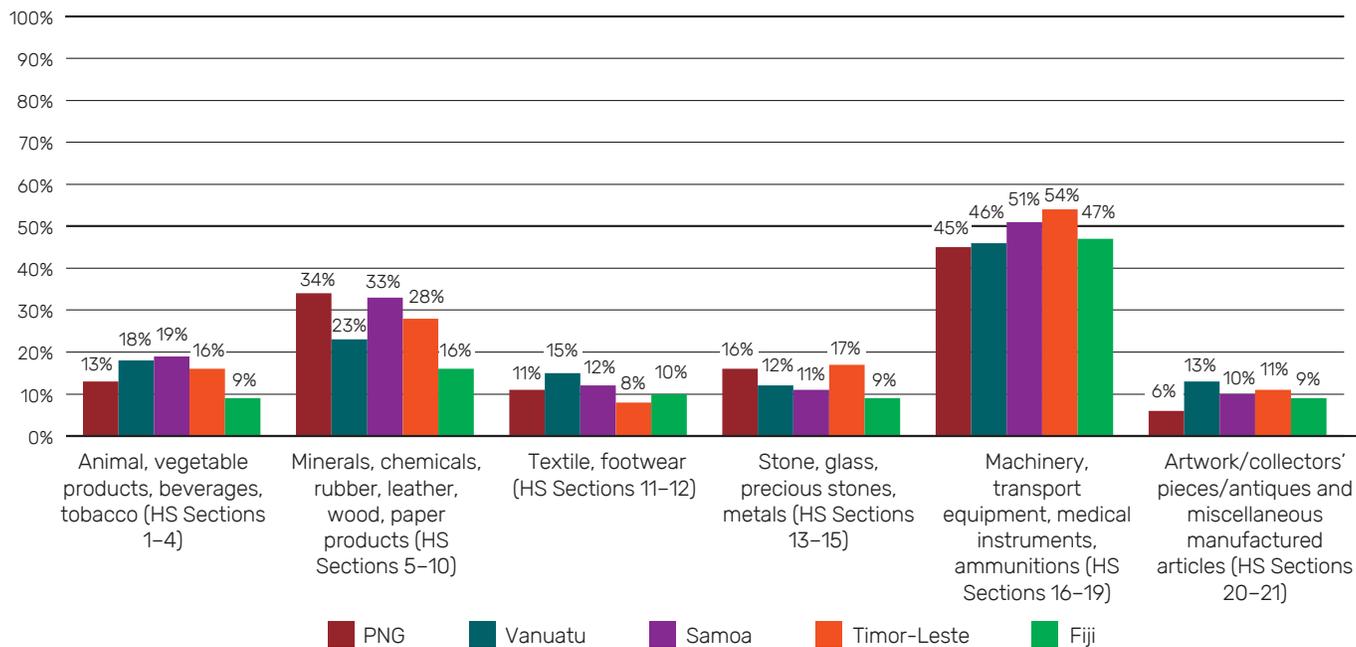
<sup>40</sup> Heavy industry: shipbuilding, chemicals, chemical fertilizers, internal combustion engines and vehicles, finished iron and steel products, aluminium products, electrical appliances, petroleum products. Light industry: food processing, textiles, building and construction materials, wood products, rubber products, plastics, alcoholic beverages, tobacco products.

<sup>41</sup> This statement refers to number of firms surveyed that import within this HS category, not volume imported within this HS category.

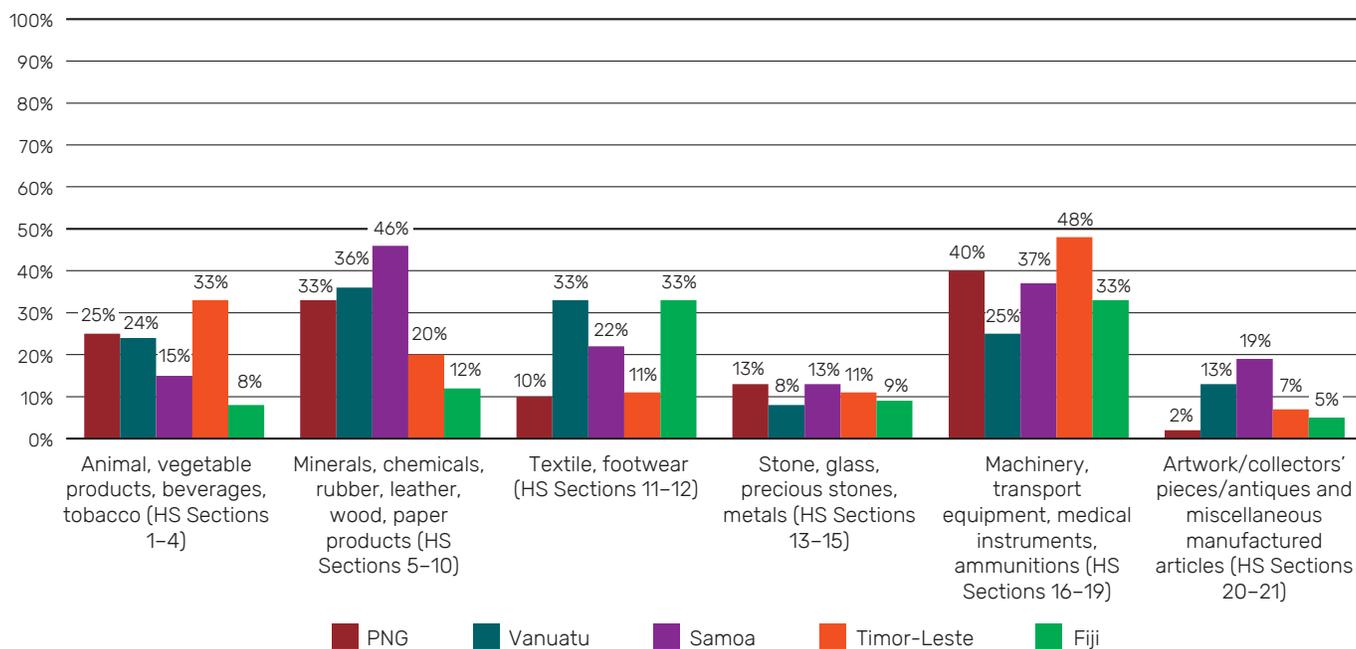
<sup>42</sup> See HS Nomenclature 2017 edition for details on the types of products that fall into each HS category (Online: <http://www.wcoomd.org/en/topics/nomenclature/instrument-and-tools/hs-nomenclature-2017-edition/hs-nomenclature-2017-edition.aspx>).

<sup>43</sup> This statement refers to number of firms surveyed that export within this HS category, not volume exported within this HS category.

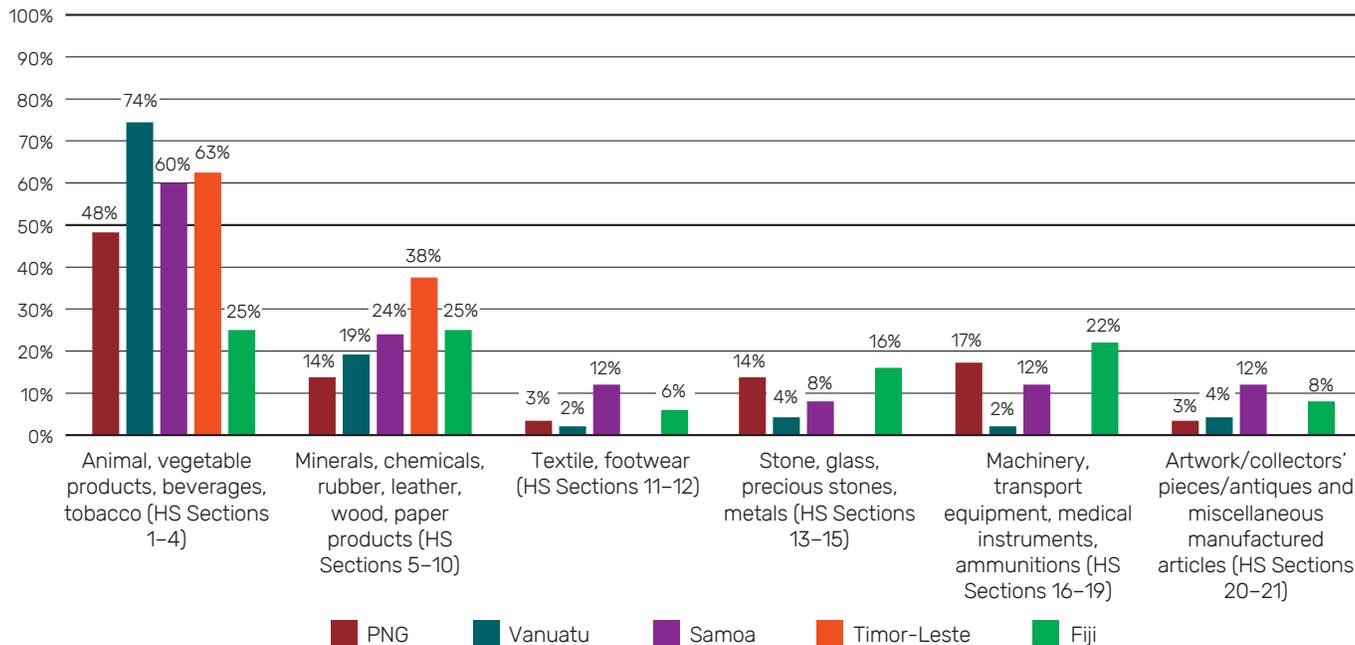
**Figure 7A. Main Products Imported (Men Traders)**



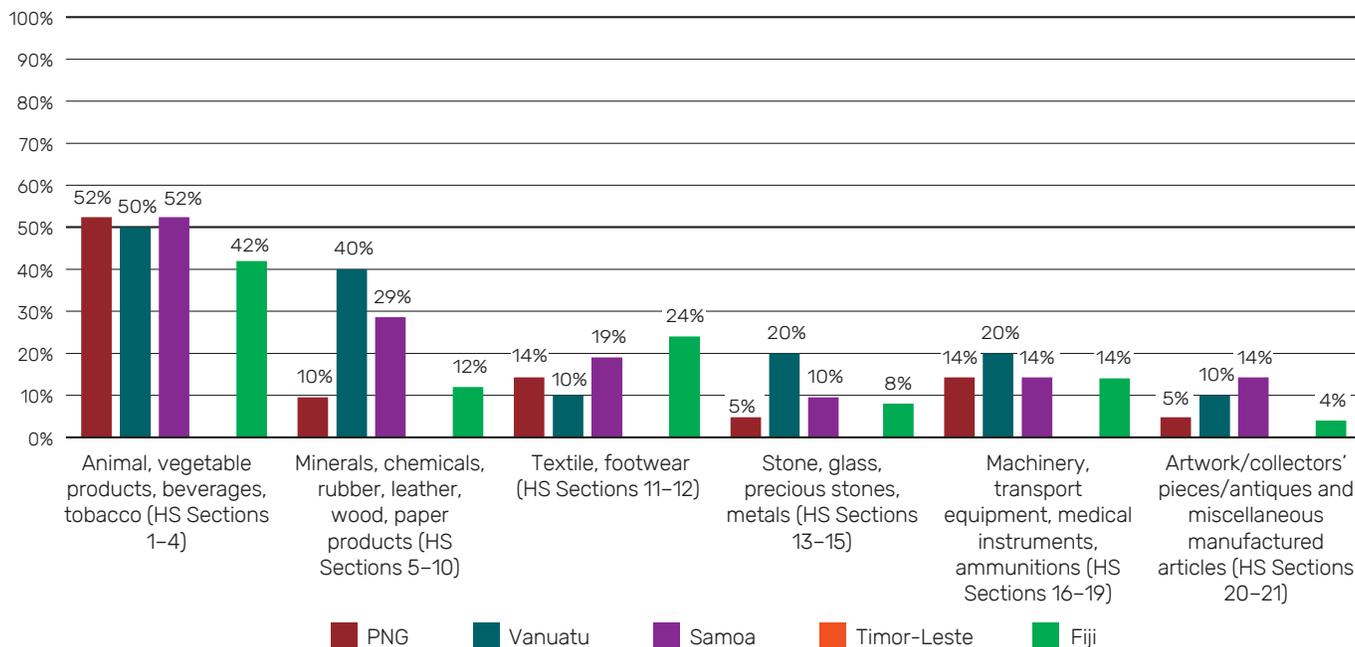
**Figure 7B. Main Products Imported (Women Traders)**



**Figure 8A. Main Products Exported (Men Traders)**



**Figure 8B. Main Products Exported (Women Traders)**



■ These survey results align with the national statistics of each respective country. All five survey countries are net importers rather than net exporters.

- PNG's top import products nationally are mineral products, chemicals and allied products, machinery/mechanical/electrical appliances, and vehicles/aircrafts/associated transport equipment. Its top export products nationally include agriculture products such as coffee, fish products, and cocoa beans.

- Vanuatu's top import products nationally are mineral fuels, food and live animals, machines and transport equipment, basic manufactured goods, miscellaneous manufactured goods, chemical products, and beverages and tobacco. Its top exports nationally include kava, alcoholic drinks, sawn timber, coconut oil, copra, beef, cocoa, and coffee.

- Samoa's main imports nationally are petroleum oils and oils from bituminous minerals, poultry meat and edible offal, vehicles, wood/coniferous, cereals, fish preparations, wheat or meslin flour, cell phones, medicaments. Its main exports are fresh fish, taro, nonu juice, and coconut-based products.

- Timor-Leste's main imports are mineral fuels, vehicles and parts, paper and paperboard, electrical machinery and equipment and parts, machinery and mechanical appliances/parts, beverages/spirits/vinegar, cereals, textiles, plastics, iron or steel articles.

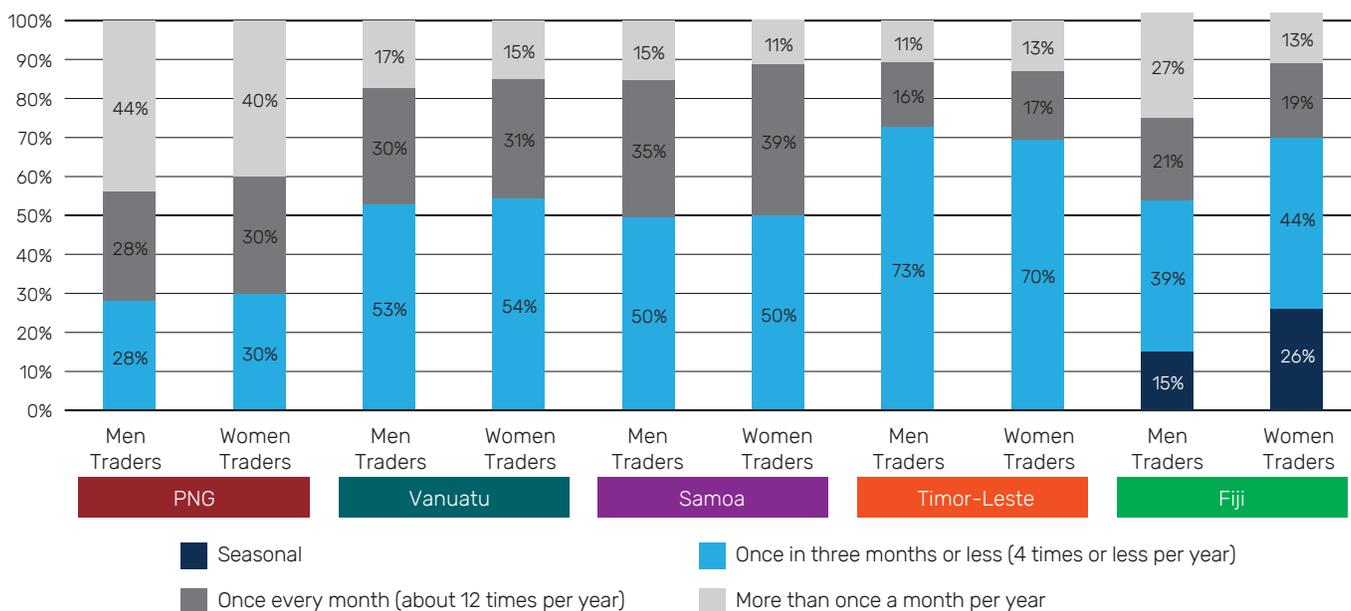
- Fiji's main imports are manufactured goods, machinery, petroleum products, food, and chemicals. Its main exports are sugar, garments, gold, timber, fish, molasses, mineral water, and coconut oil.

### Frequency of Trade

■ **Except for PNG, trade is rather irregular with less than a quarter of traders trading more than 12 times a year.**

The most infrequent traders are located in Timor-Leste with 73 percent of men and 70 percent of women trading four times or less per year. Women traders in Fiji also trade on an infrequent basis with 44 percent stating that they trade four times or less per year and a further 26 percent trading only seasonally. The most frequent traders are from PNG where 44 percent of men and 40 percent of women trade more than once a month, and the highest frequency of trading among PNG traders is by large-sized firms.

Figure 9. Frequency of Trading by Gender



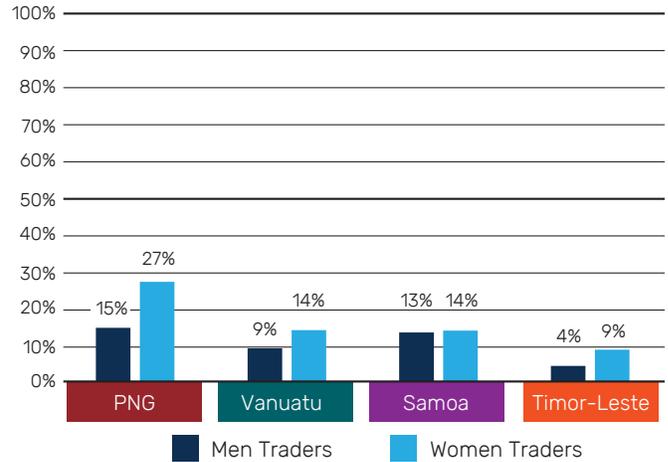
## Caretaking

■ **Slightly more women traders than men traders report having caretaking responsibilities that impact their ability to trade.** Around a quarter of women traders in PNG reported having caretaking responsibilities that affect their ability to trade across borders (the highest of the surveyed countries), indicating more women in PNG have the burden of double duty (family caretaking as well as professional work responsibilities) than other countries surveyed.

## Financing

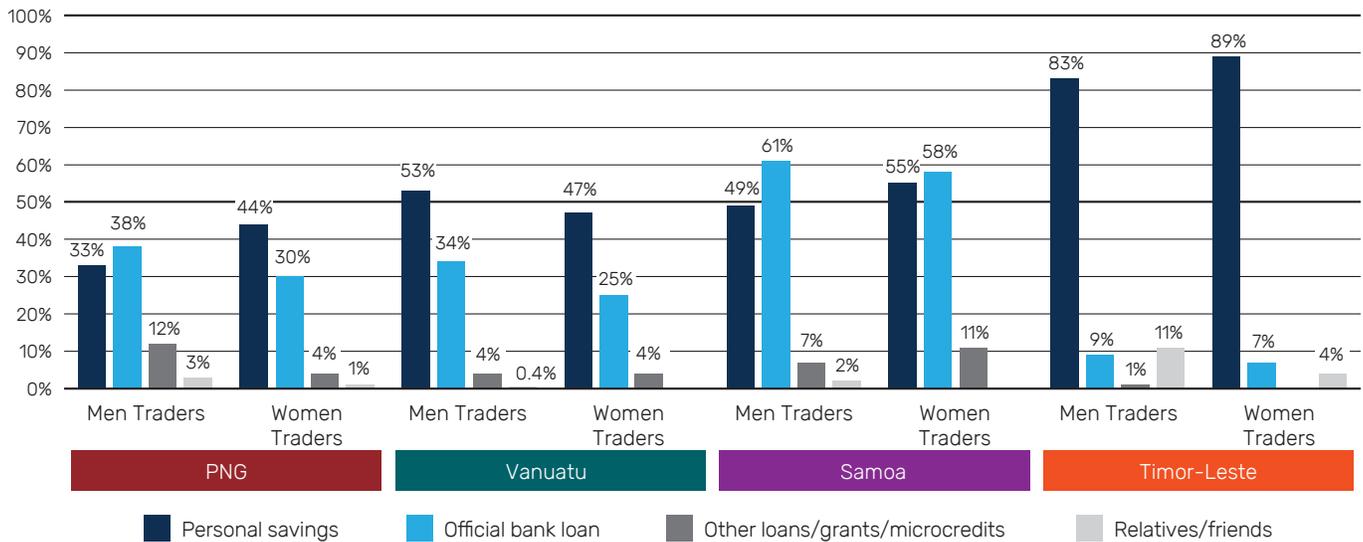
■ **Personal savings is a widely used source of finance, especially for micro to small traders.** Timor-Leste reports a higher use of personal savings for both women and men traders. In Samoa, more than half of the traders also use official bank loans, reporting the higher usage rates of this financing method for both men (61 percent) and women traders (58 percent).

**Figure 10. Family Care Obligations are Impacting Ability to Trade<sup>44</sup>**



Note: This question was refined after conducting the pilot survey in Fiji. As such, there are no comparable survey results for Fiji for this specific question.

**Figure 11. Sources for Financing Business<sup>45</sup>**

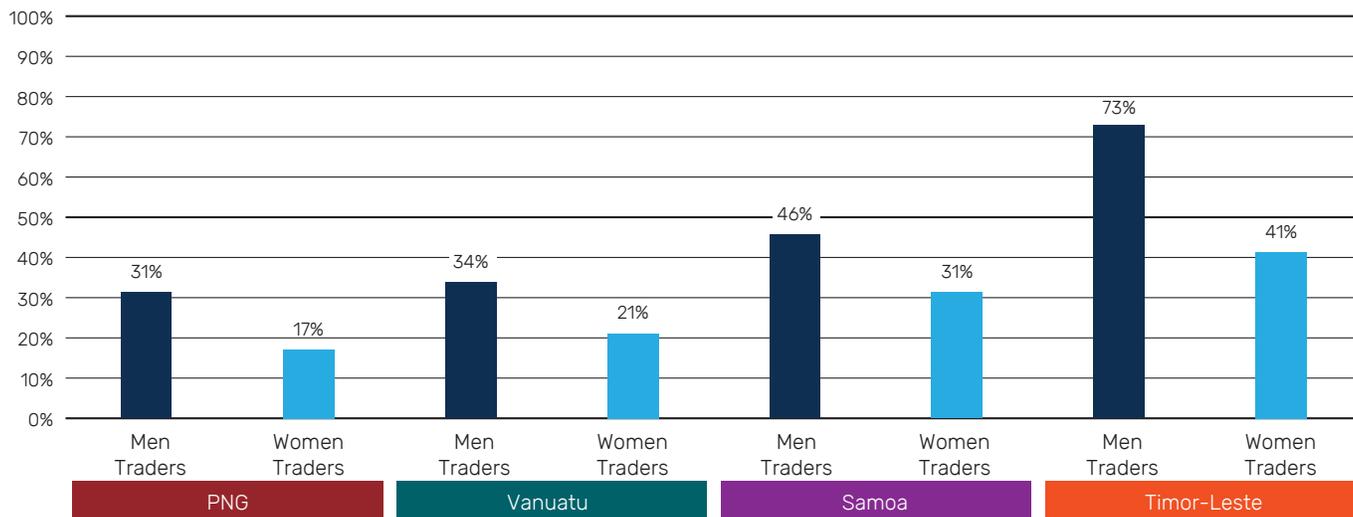


Note: This question was added after refinements were made to the Fiji pilot survey prior to further roll out of the survey work in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable survey results for Fiji for this specific question.

<sup>44</sup> Care taking responsibilities cutting into the workday in terms of regular work hours

<sup>45</sup> Given that this was a multiple-choice answer option, some sums may be more than 100%. One option "any other" is not reflected in the figure, hence some countries do not sum up to 100%.

**Figure 12. Percentage of Traders Regularly Visiting the Border to Undertake Trade Processes and Procedures by Gender**



Note: This question was added after refinements to the Fiji pilot survey were made prior to further roll out in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable survey results for Fiji.

### Moving Goods and Use of Intermediaries

(Note: In the island country context, “border” refers to the seaport or the airport. In the case of Timor-Leste and Papua New Guinea, it may also include usage of the land border each country shares with Indonesia.)

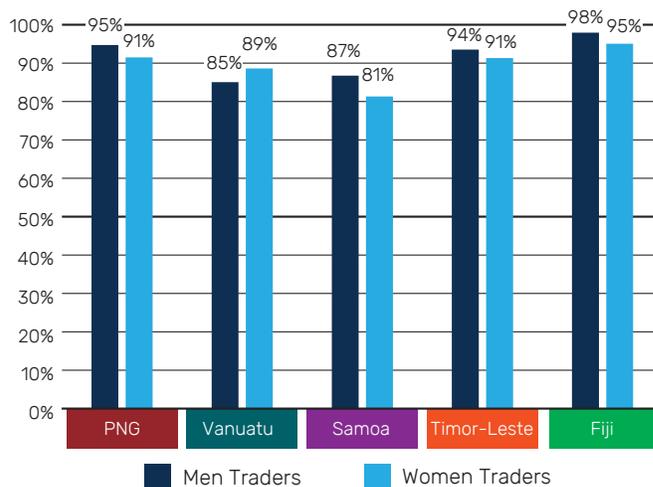
■ **More men traders than women traders regularly visit the border personally to undertake trade processes and procedures.** Of the countries surveyed with comparable data, Timor-Leste has more traders that regularly visit the border to undertake trade processes and procedures. PNG has the fewest women traders that regularly visit the borders.

■ **Irrespective of gender, the majority of traders in all the surveyed countries use freight forwarders or customs brokers/agents to help with their cross-border trade activities.**

■ Traders hire freight forwarders or customs brokers/agents primarily to handle paperwork and shipping, with some minor differences in the rates of use by country and by gender of trader. The key differences are that traders in PNG have lower use of the paperwork services provided by freight forwarders/custom agents than other countries. Timor-Leste’s use of freight forwarders for shipping services is the lowest among the countries, and Timor-Leste and Fiji reported the lowest use of freight forwarders/customs agents for handling warehousing.

■ **The main benefits highlighted by traders for using freight forwarders or customs brokers/agents is that they speed up the process and handle all the paperwork.** The benefit of avoiding safety issues at the border is more prominent among traders in Samoa than in the other

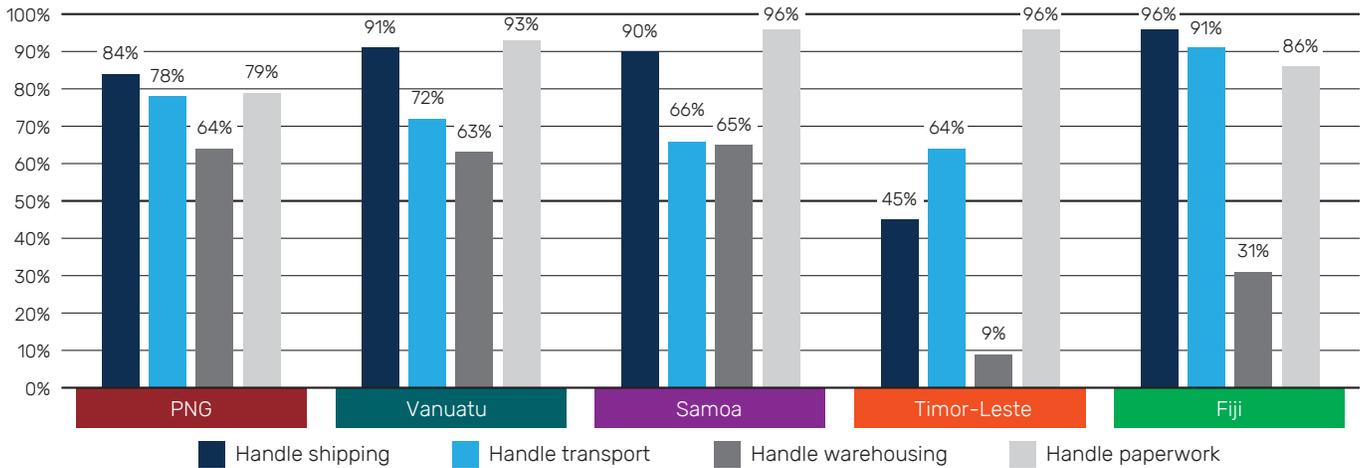
**Figure 13. Proportion of Traders Using Freight Forwarders or Customs Brokers/Agents by Gender**



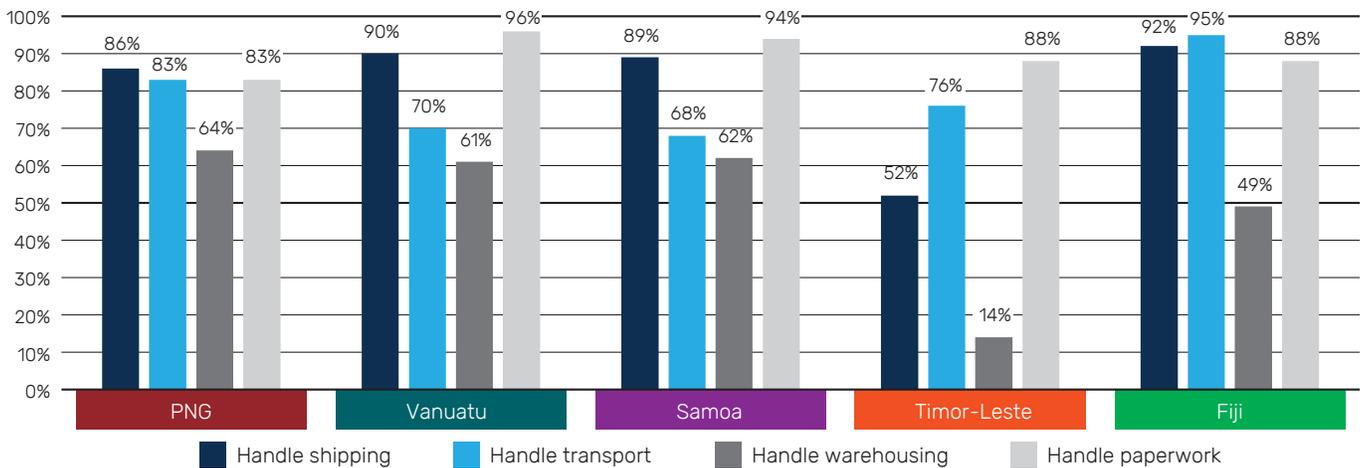
countries. In Vanuatu, 30 percent of men and 27 percent of women traders stated that the use of freight forwarders or customs brokers/agents is mandatory by law. In Timor-Leste, 34 percent of men traders also indicated it is mandatory by law. It is important to note that under WTO TFA Article 10.6 on the use of customs brokers, WTO Members shall not introduce any new requirements that mandate the use of customs brokers, and any measures related to the use of custom brokers must be notified and published promptly.<sup>46</sup>

<sup>46</sup> World Trade Organization, Agreement on Trade Facilitation (Online: [https://www.wto.org/english/docs\\_e/legal\\_e/tfa-nov14\\_e.htm](https://www.wto.org/english/docs_e/legal_e/tfa-nov14_e.htm)).

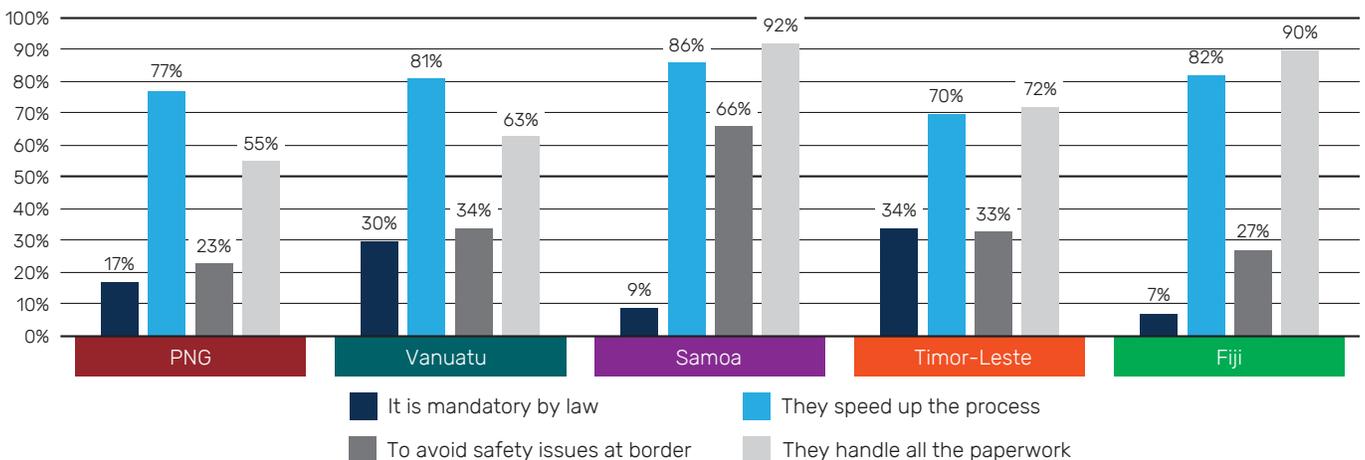
**Figure 14A. Services Freight Forwarder/Customs Broker/Agent Are Hired For (Men Traders)**



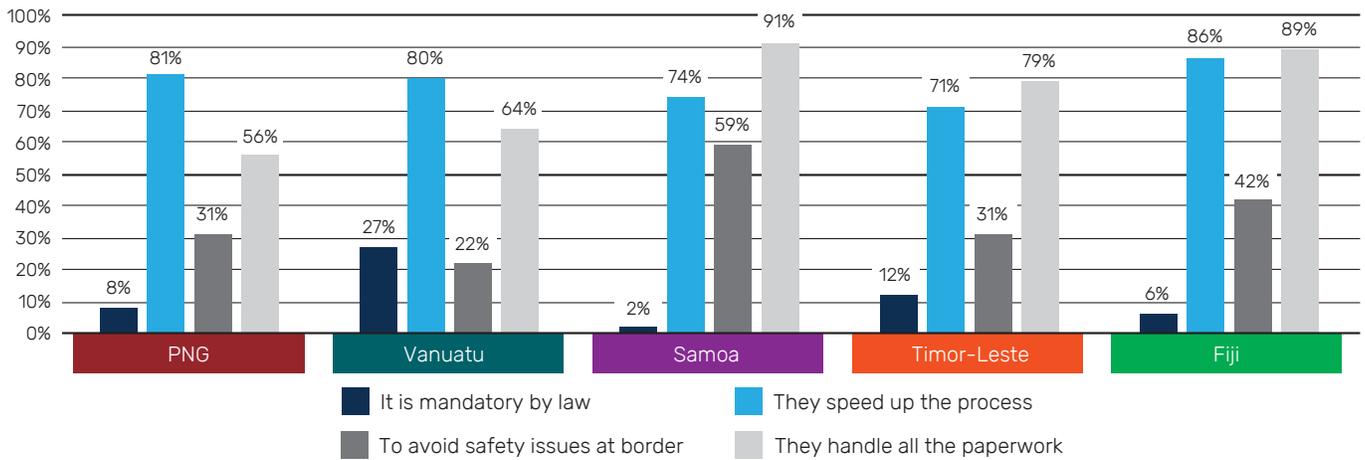
**Figure 14B. Services Freight Forwarder/Customs Broker/Agent Are Hired For (Women Traders)**



**Figure 15A. Reasons for Using Freight Forwarder/Customs Broker/Agent (Men Traders)**



**Figure 15B. Reasons for Using Freight Forwarder/Customs Broker/Agent (Women Traders)**



## Trade facilitation-specific findings

The following section presents the trade facilitation-related findings of the survey. These findings serve to identify whether specific trade processes and procedures present challenges for undertaking cross-border trade.

### (i) Port Opening Hours

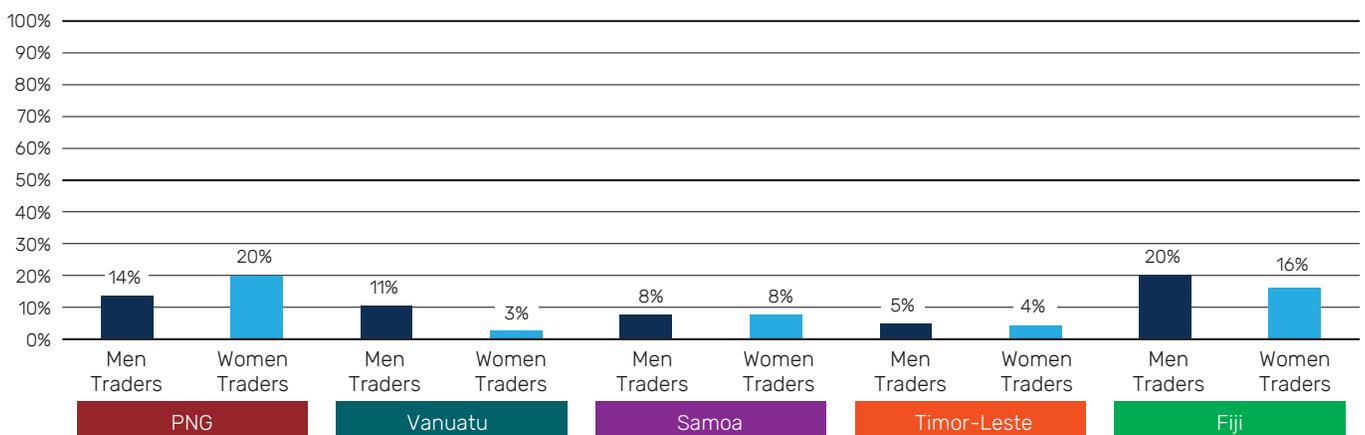
Restrictive port opening hours can have a negative impact on international trade and on supply chains. If goods are delayed at ports awaiting physical inspection and clearance, the

increased time to clear goods at ports could adversely affect the cost of doing business and increase trade costs. Longer clearance times, as a result of restrictive hours or inefficient border processes, have been found to significantly increase the cost of trading, and therefore, reduce international trade. Global supply chains can be affected when restrictive port opening hours delay the intermediate goods required as inputs for production. Additionally, there can be an increased risk of theft and spoilage if goods are not adequately secured or stored while waiting for border clearance.

Related survey finding(s):

- **The majority of traders across the region do not see the airport or seaport opening hours in their respective countries as restrictive to their ability to trade.**<sup>47</sup> On the other

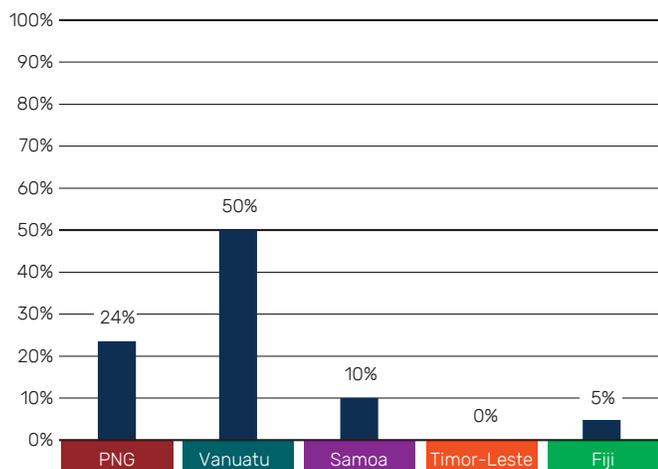
**Figure 16A. Percentage of Traders by Gender that View Airport or Seaport Opening Hours as Restrictive to Trade**



Note: Traders may believe that (1) opening times are inconvenient or (2) hours of border agencies in the country differ or adjoining border post hours differ

<sup>47</sup> In the case of Timor-Leste and Papua New Guinea, traders and freight forwarders may also use the land border each country shares with Indonesia.

**Figure 16B: Percentage of Freight Forwarders that View Airport or Seaport Opening Hours as Restrictive to Trade**



Note: The sub-sample size for freight forwarders is N = 17 for PNG, N = 12 for Vanuatu, N = 10 for Samoa, and N = 42 for Fiji. Data for freight forwarders is not disaggregated by gender due to the small sample size.

hand, more freight forwarders find opening hours to be inconvenient than traders in PNG, Vanuatu, and Samoa. Fifty percent (6 out of 12) of freight forwarders in Vanuatu reported opening hours to be inconvenient, which is the highest incidence out of all countries surveyed. This is followed by 24 percent (4 out of 17) of freight forwarders for PNG, 10 percent (1 out of 10) for Samoa, 5 percent (2 out of 42) for Fiji, and none for Timor-Leste.

**(ii) Consistency in Implementation of Border Procedures**

The consistent application of border procedures provides predictability and certainty for businesses engaging in cross-border trade. If border procedures are inconsistently implemented, traders may face additional costs of complying with regulation and thereby contributing to increase the time and costs of international trade.

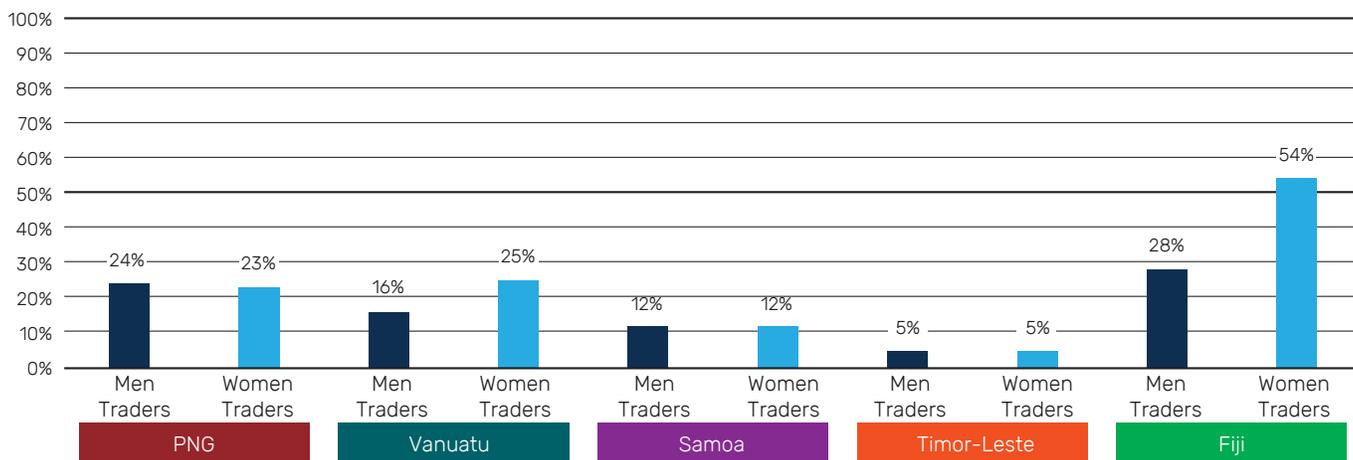
Related survey finding(s):

- The majority of traders and freight forwarders across the region that interact with border officials stated that official regulations and procedures are consistently implemented by border officials, with the exception of women traders in Fiji.

**(iii) Time to Release Goods**

Unnecessary delays at borders – including long wait times to release goods by border officials – increase trade costs and can also erode the competitiveness of traders.<sup>48</sup> Transparent, efficient, and predictable trade can lead to significant reduction in trade costs, particularly allowing traders the benefit of just-in-time services and reduced inventory costs.<sup>49</sup> Knowing the average time it takes to clear goods at the border helps businesses make important decisions such as planning stock levels.

**Figure 17. Perception that Border Procedures Are Not Consistently Implemented/Do Not Know if Consistently Implemented**

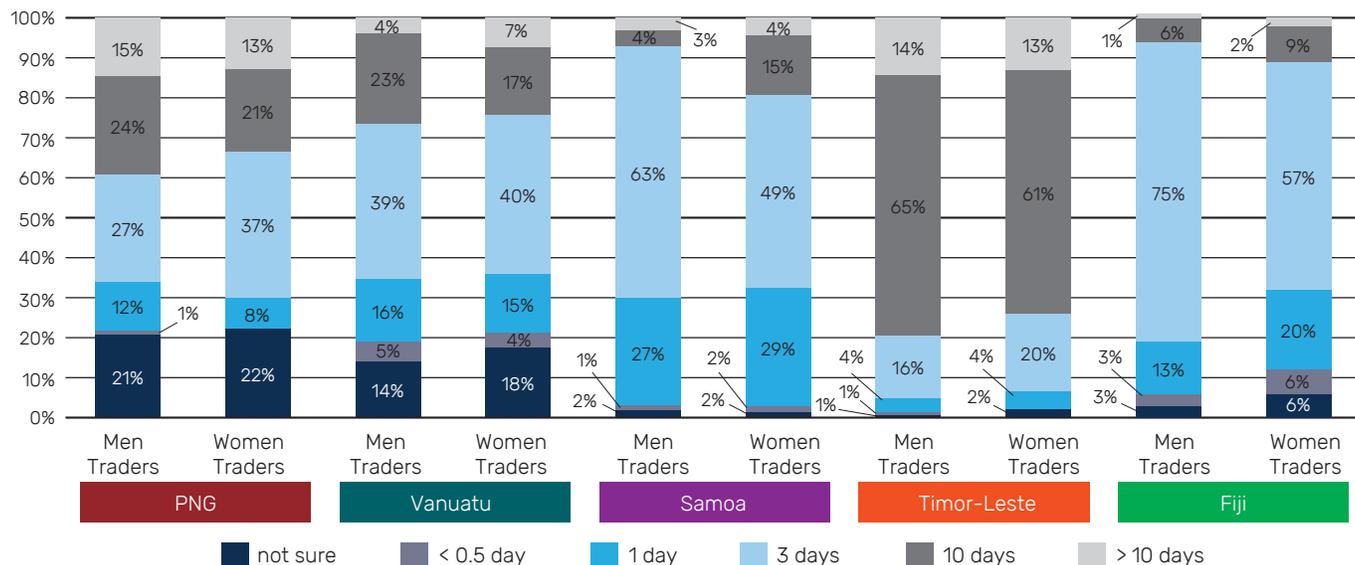


Note: "No" and "Do Not Know" responses are combined.

<sup>48</sup> World Customs Organization, *World Customs Organization and Management System Handbook: strategic and practical information*, 2007.

<sup>49</sup> International Trade Centre, *Faster customs, faster trade: Using technology for trade facilitation*, 2018; World Bank Group, *Contribution and Effectiveness of Trade Facilitation Measures*, 2018.

**Figure 18. Time Taken to Release Imported Goods<sup>50</sup>**



Note: Due to rounding to the nearest whole number, totals may exceed 100 percent.

The publication of the average time to release goods is a useful tool for traders and is currently in the planning stage for PNG.

Related survey finding(s):

- More traders in Timor-Leste than in the other surveyed countries state that Timor-Leste customs requires 10 days or more to release their imported goods (79 percent of men and 74 percent of women traders). This result is similar for freight forwarders in Timor-Leste where 73 percent (8 out of 11) stated it takes 10 days or more for customs to release imported goods. Thirty-nine percent of men traders and 34 percent of women trader in PNG, as well as 27 percent of men traders and 24 percent of women traders in Vanuatu, stated that it takes 10 days or longer to release imported goods. Traders in Fiji and Samoa experience shorter release times for their imported goods, with many having their goods released by customs in three days or less.

- The rates of inspection for imported goods within each of the countries are similar for both men and women traders.** Inspection rates are highest among traders in Samoa with 79 percent stating their goods are inspected all the time. In comparison, it is 63 percent for PNG and 49 percent for Vanuatu traders. In contrast, only 5 percent of traders in Timor-Leste stated their imported goods are inspected all

the time, and 89 percent of traders never had their goods inspected at all. The survey findings in Timor-Leste are different from those of the time release survey undertaken in 2019 that found 57 percent of single administrative documents (SADs) in the first six months of 2019 were directed through the red channel and only 31 percent through the green channel. (Note: This question was not asked during the Fiji pilot survey.)

**(iv) Access to and Understanding of Official Border Regulations and Procedures**

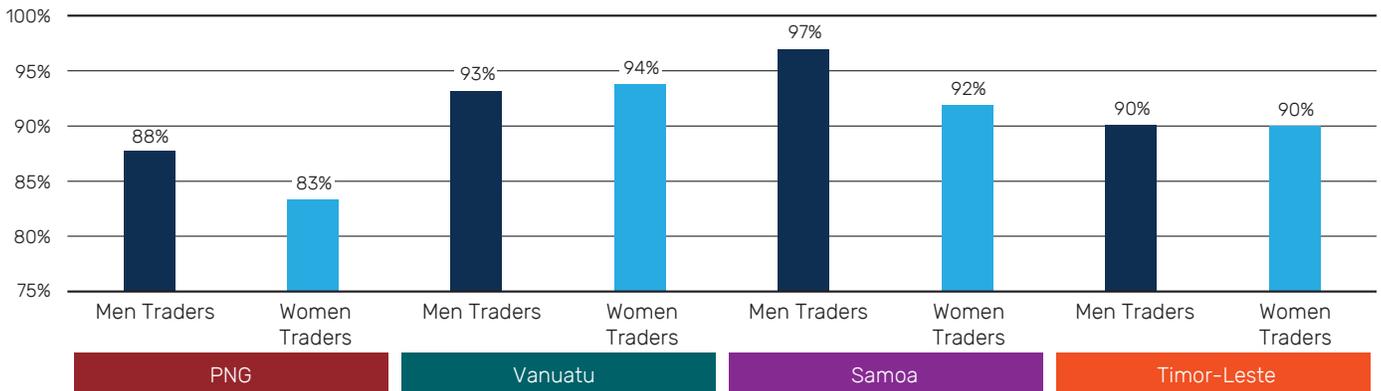
Accessing and understanding official regulations and procedures is important for transparency, compliance, and predictability of the trading environment. The publication and dissemination of changes to relevant laws and regulations must be done with sufficient advance notice and in easy-to-understand language. If traders are unaware of new customs rules and regulations, or if they cannot understand them, they may face additional compliance burdens and costs for not properly meeting requirements.

Related survey finding(s):

- The majority of traders and freight forwarders across the region that need to look for information on official borders and procedures stated that it is easy to find; though, some do have trouble.** More women traders in PNG

<sup>50</sup> Respondents that only transship goods are excluded from the results on average release times because transshipped goods are generally not released from customs.

**Figure 19. Information on Official Border Regulations and Procedures is Easy to Find**



Note: This question was added after refinements to the Fiji pilot survey were made prior to further roll out in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable survey results for Fiji.

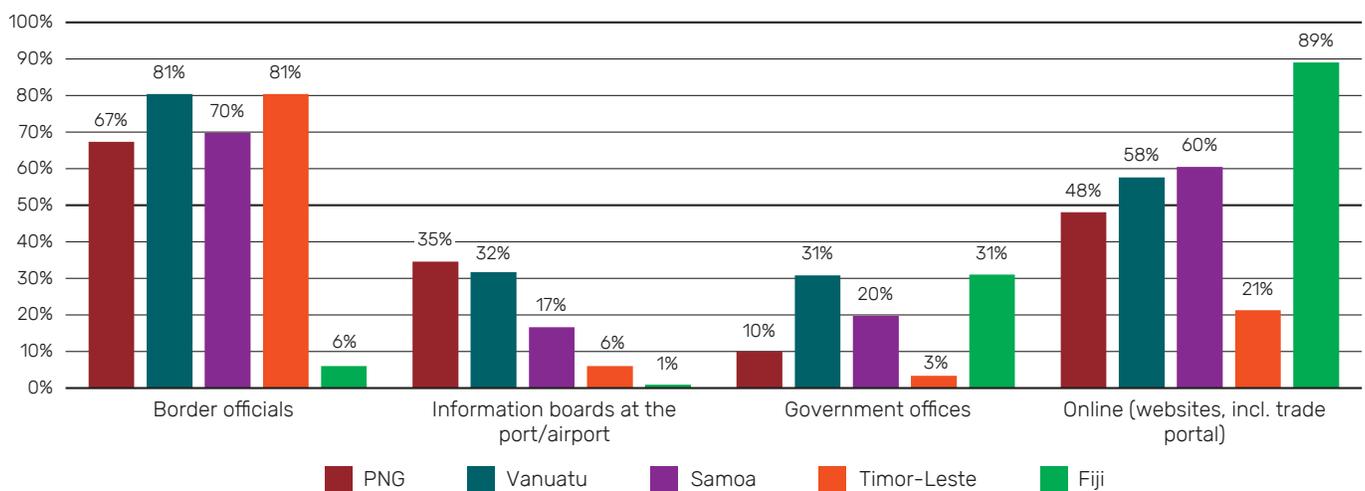
have difficulty in finding information than their women counterparts in Vanuatu, Samoa, and Timor-Leste. More women traders in PNG and Samoa also have difficulty in finding information than their men counterparts. More freight forwarders in Timor-Leste (27 percent) and PNG (24 percent) reported difficulty in finding information out of the surveyed countries with comparable data.

■ **Both men and women traders across the region – except for Fiji – rely on border officials as a key source of information for official border regulation and procedures.**

Traders are more likely to rely on online sources in Fiji. By gender, more women traders seek information from government offices compared to men traders across all the countries. In Timor-Leste, the use of online sources may be low because fixed broadband coverage is limited, and internet costs are high.<sup>51</sup>

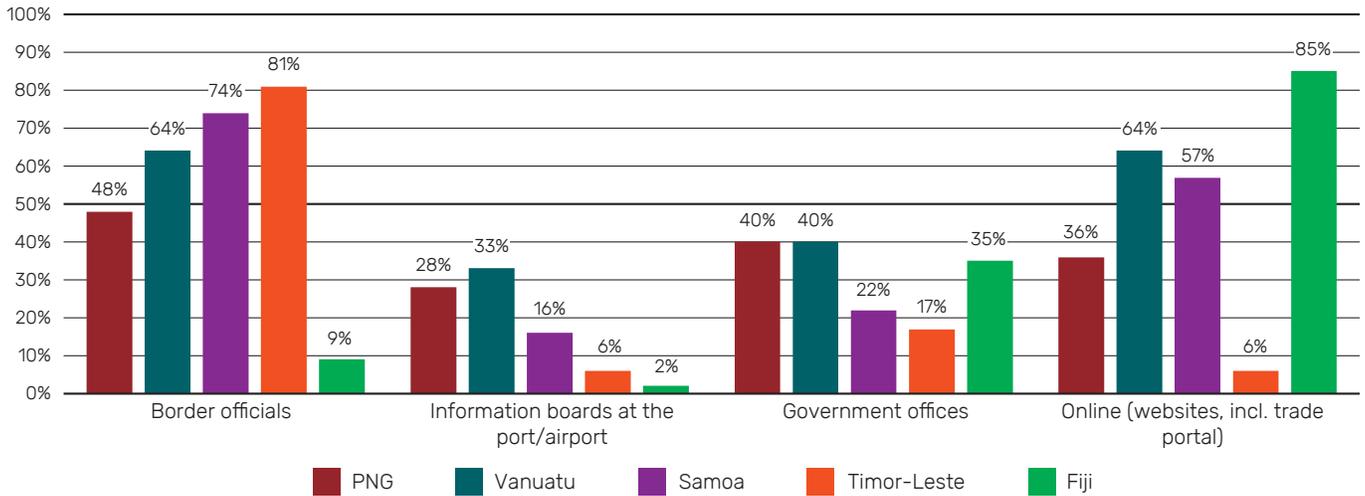
■ Freight forwarders in Fiji, PNG, and Samoa use mainly online sources for information on border regulations and procedures. Online sources are used to a lesser degree in Timor-Leste and Vanuatu by freight forwarders.

**Figure 20A. Sources on Information on Official Border Regulations and Procedures (Men Traders)**



<sup>51</sup> Business Wire, Timor Leste (East Timor) – Telecoms, Mobile and Broadband, 2019 (Online: <https://www.businesswire.com/news/home/20190606005755/en/Timor-Leste-East-Timor-Telecoms-Mobile-Broadband>).

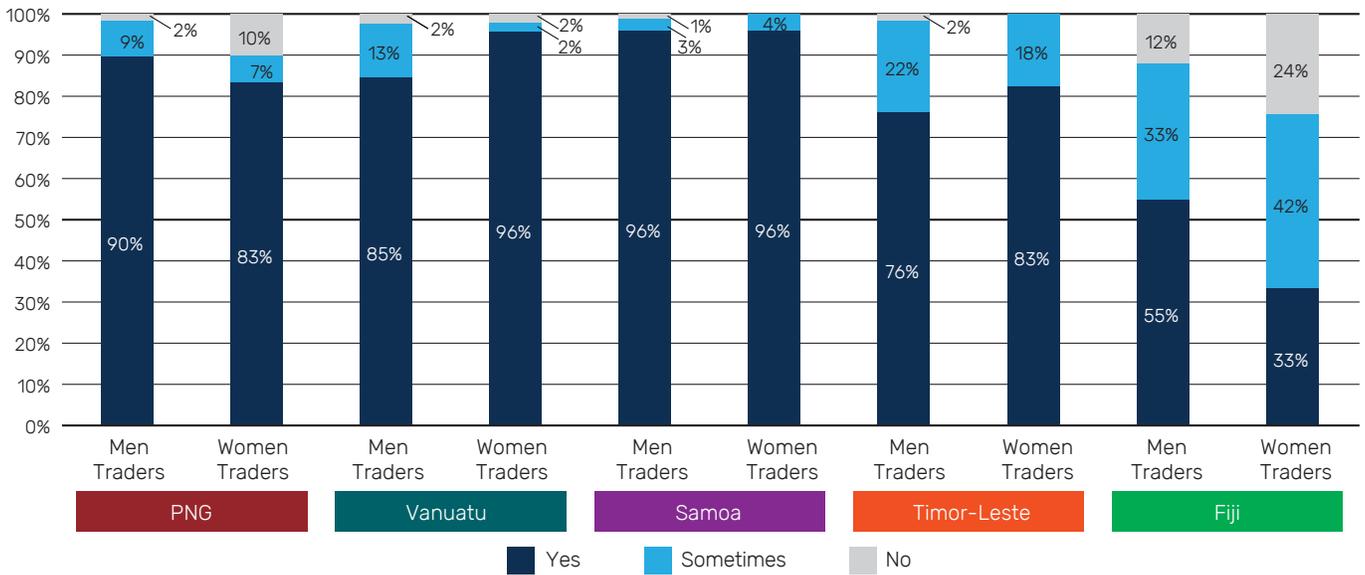
**Figure 20B. Sources of Information on Official Border Regulations and Procedures (Women Traders)**



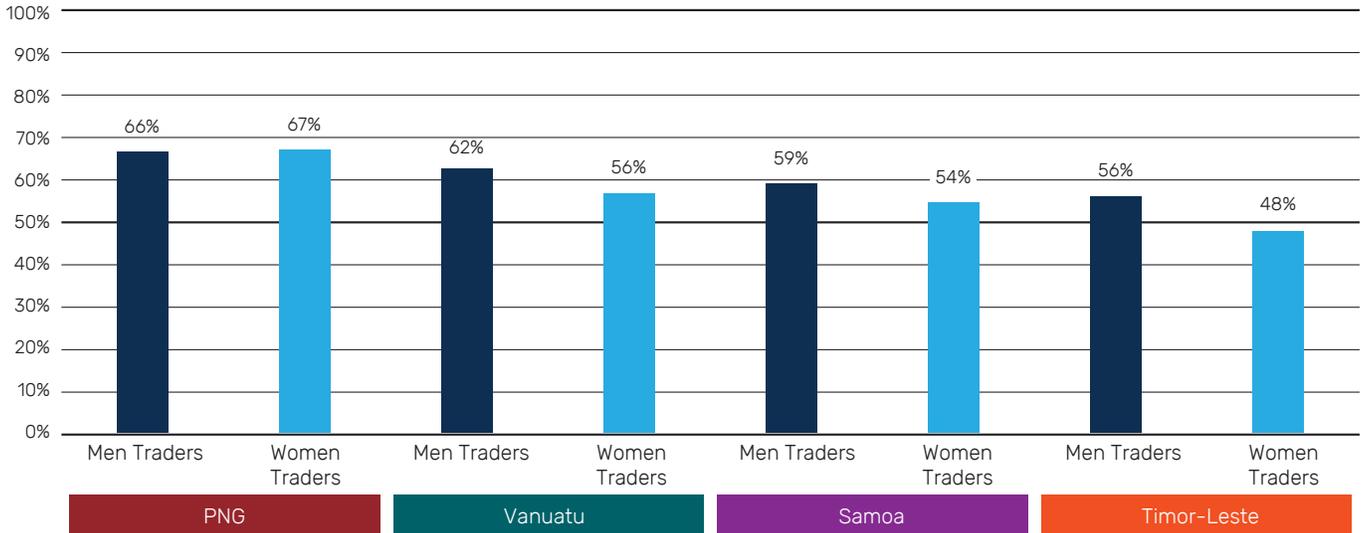
■ **The majority of traders across the region – though less in Fiji - have no trouble understanding information on border processes and procedures.** By gender, there is a significant difference reported in Fiji where only 33 percent of women traders stated that information is easy to understand all the time compared to 55 percent of men traders. Around 90 percent of freight forwarders in PNG, Vanuatu, and Samoa stated that information is easy to understand all of the time. This response is at a lower 55 percent for freight forwarders in Timor-Leste.

■ **Around half of the traders surveyed generally have to go to multiple sources for information on changes to border processes and procedures.** Freight forwarders in Timor-Leste (82 percent) and Vanuatu (75 percent) reported the highest incidence of using multiple sources for information on changes to border processes and procedures of the countries with comparable data.

**Figure 21. Official Trade Regulations and Procedures are Easy to Understand**



**Figure 22. Percentage of Traders by Gender That Need to Use Multiple Sources for Information on Changes to Border Processes and Procedures**

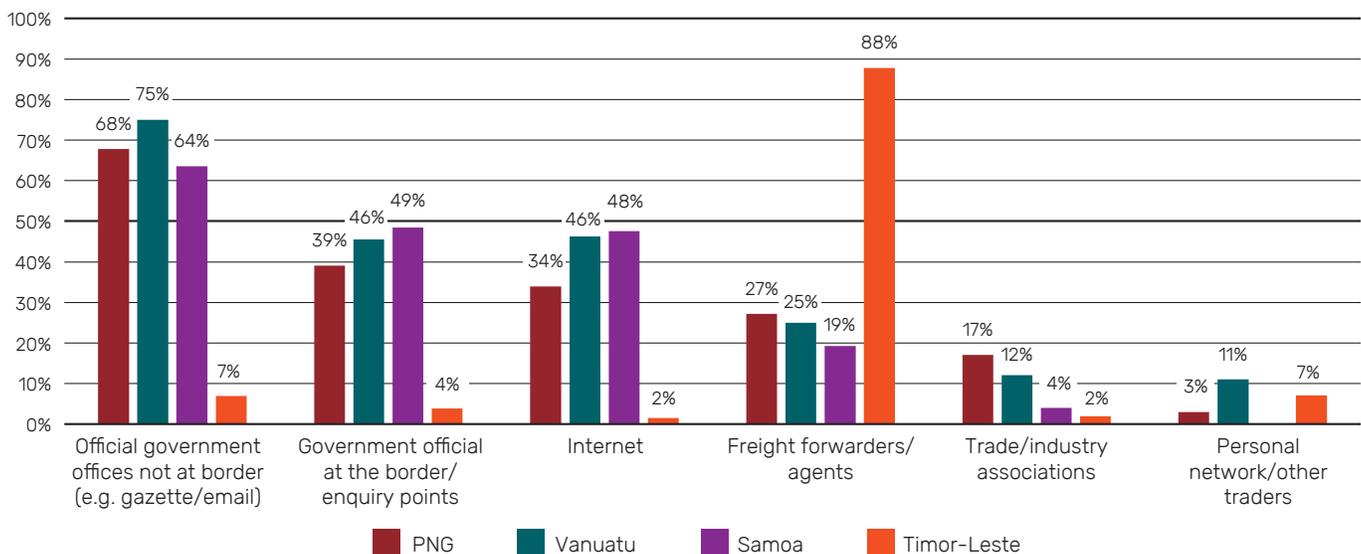


Note: This question was added after the refinements of the Fiji pilot survey were made prior to further roll out in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable results for Fiji for this question.

■ **Official government offices not at the border are more widely used in PNG, Samoa, and Vanuatu than in Timor-Leste for information on changes to official border regulations and procedures.** Traders in Timor-Leste use freight forwarders as their main source for information on changes

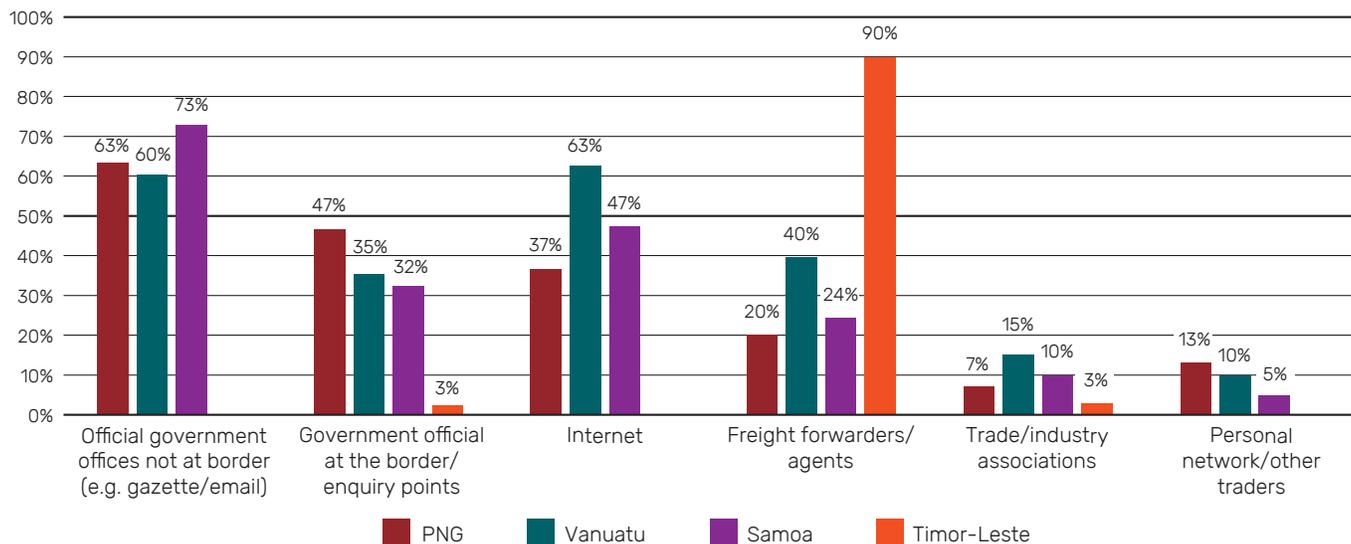
to official regulations and procedures. Women traders in Vanuatu are more active in using online sources compared to both their men counterparts domestically and the women traders in the other countries surveyed with comparable data.

**Figure 23A. Sources of Information on Changes to Official Border Regulations and Procedures (Men Traders)**



Note: This question was refined after conducting the pilot survey in Fiji. As such, there are no comparable survey results for Fiji for this specific question.

**Figure 23B. Sources of Information on Changes to Official Border Regulations and Procedures (Women Traders)**



**(v) The National Trade Facilitation Committee (NTFC) and Membership in Trade/Industry Associations**

■ The NTFC’s role is to streamline procedures and implement trade facilitation measures at the national level. It is also an important mechanism for domestic coordination and stakeholder (public and private) engagement and can serve as a good mechanism for obtaining buy-in and consensus on reform implementation priorities. The NTFC is especially important because differing interests can spark resistance, and the NTFC can mitigate conflicts by improving the coordination among participants and border agencies, as well as providing leadership across relevant government entities.

■ As a WTO member, PNG established an NTFC in 2014 as part of its obligations under the WTO Trade Facilitation Agreement. Samoa has a de facto<sup>52</sup> NTFC that is coordinated jointly by the Ministry of Foreign Trade and the Ministry for Revenue (Customs).<sup>53</sup> The government of Timor-Leste approved the creation of the National Trade Facilitation Committee in 2016.<sup>54</sup> Fiji’s NTFC was established and held its first meeting in 2017.<sup>55</sup> Vanuatu’s National Trade Facilitation Steering Committee began operating in July 2017 under the National Trade Development Committee.<sup>56</sup>

<sup>52</sup> De facto Committee: existing committee, although not created by a legal instrument.

<sup>53</sup> UNCTAD, Trade Facilitation Committees around the World (Online: <https://unctad.org/topic/transport-and-trade-logistics/trade-facilitation/national-trade-facilitation-bodies/map>).

<sup>54</sup> República Democrática De Timor-Leste, Resolução Do Governo N.º 6/2016: Cria A Comissão Nacional Para Facilitação Do Comércio (CONFAC), 2016.

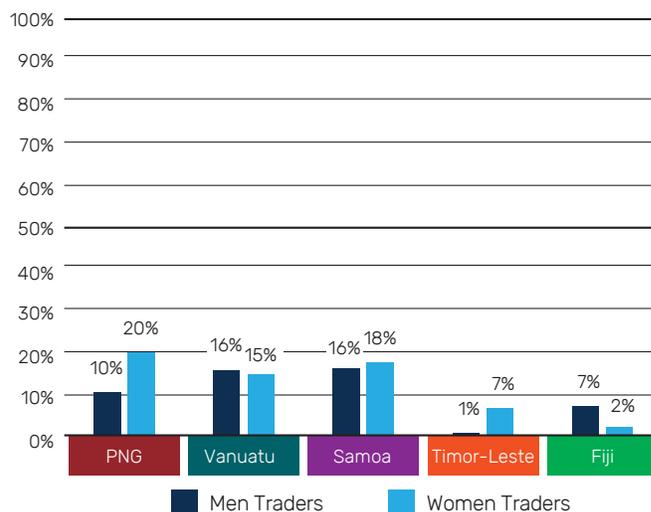
<sup>55</sup> Invest Fiji, 2017–2018 Annual Report.

<sup>56</sup> WTO Trade Policy Review Vanuatu (WT/TPR/M/378), 2019.

Related survey finding(s):

■ Across the region, less than a quarter of traders are aware of the existence of their respective country’s NTFC. Women traders in PNG reported the highest awareness (20 percent) across all countries. This is compared to Timor-Leste and Fiji where awareness by women traders is lowest of the five surveyed countries. For freight forwarders, Vanuatu freight forwarders (75 percent) reported the highest awareness of their country’s NTFCs. In the other surveyed countries, around half or much fewer freight forwarders know of their country’s NTFC.

**Figure 24. Awareness that the NTFC Exists**



■ **Traders that are members of trade association represent less than half of the respondents in each of surveyed countries respectively.** Trade/industry associations often serve as important conduits of trade related information and representation. Membership is lowest among traders in Timor-Leste, with as few as only 2 percent of women traders joining industry associations. The largest gender difference is among traders in Fiji with 31 percent of men traders stating that they are a member of trade/industry association compared to 10 percent of women traders. Overall, larger firms

are more likely to be a member of a business or trade/industry association, especially among women-led large firms. Membership of trade/industry associations is higher among freight forwarders across all countries. Eighty-six percent of Fiji, 77 percent of PNG, 50 percent of Vanuatu, 50 percent of Samoa, and 18 percent of Timor-Leste freight forwarders stated they are a member of trade/industry association.

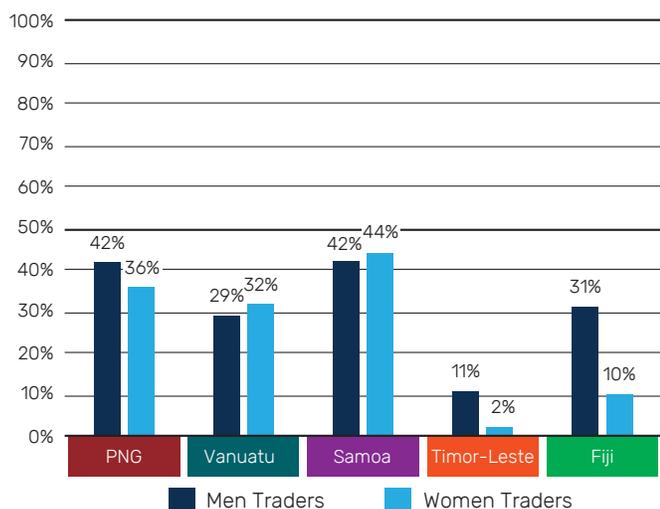
### (vi) Consultation Mechanisms

A mechanism whereby stakeholders are consulted on any changes to official border processes and procedures can alleviate misinformation regarding planned changes related to their cross-border trade activities and can improve compliance. Equally important is a consultation mechanism that takes into consideration the feedback provided by stakeholders before any changes are implemented.

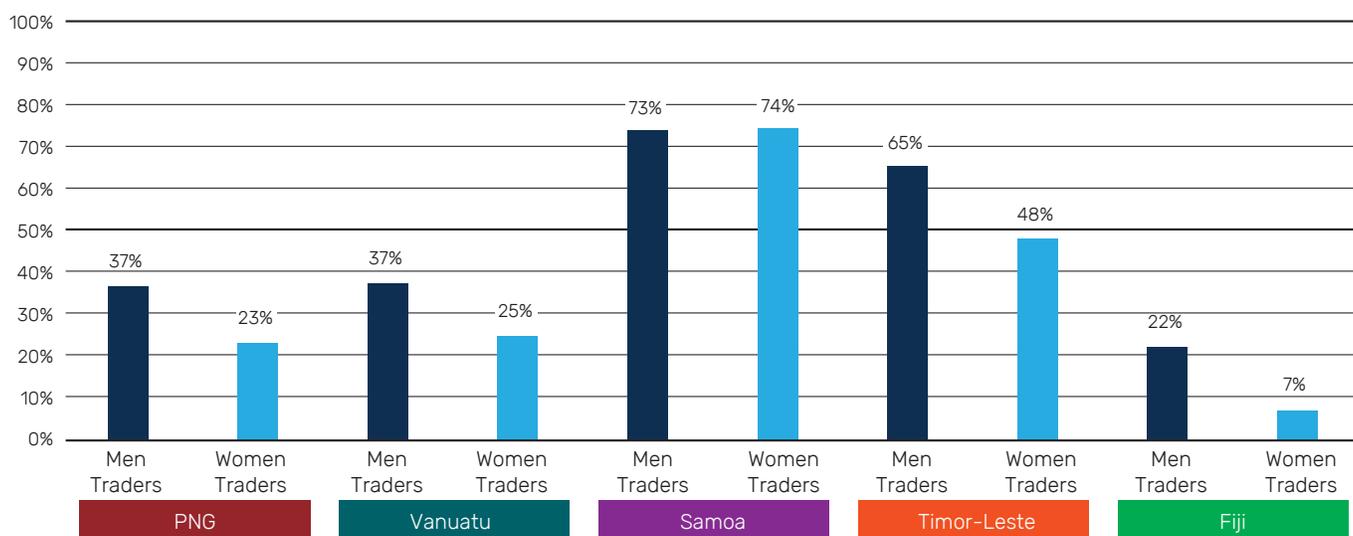
Related survey finding(s):

■ **The level of regular consultations across the region varies from country to country.** In Samoa, 73 percent of men and 74 percent of women traders reported that they are regularly consulted on changes to official trade processes and procedures, which is the highest among the surveyed countries. This is compared to Fiji where only 22 percent of men and 7 percent of women traders stated that they are regularly consulted on changes to official trade processes and procedures – the lowest incidences of regularly consultation among the surveyed countries.

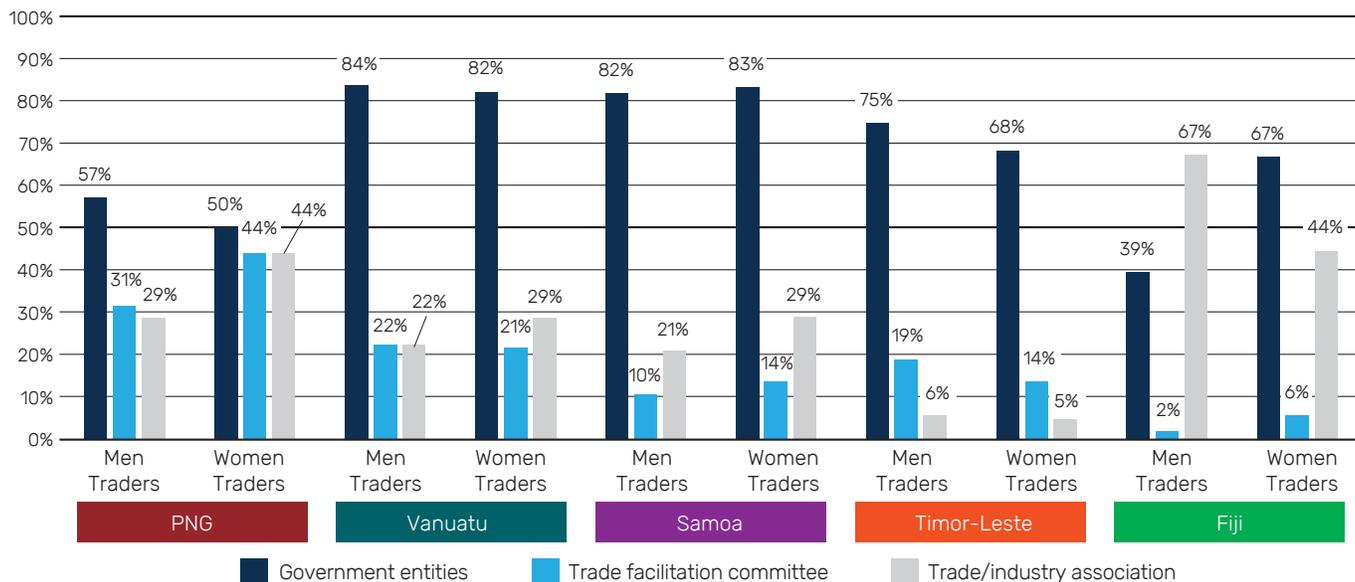
**Figure 25. Members of Industry/Trade Associations**



**Figure 26. Regularly Consulted**



**Figure 27. Main Sources of Regular Consultation**



■ **Of the countries with comparable data, medium and large-sized firms are more likely to be consulted on a regular basis than micro and small-sized firms.** In addition, except for PNG, traders that have been operating for more than 10 years are more likely to be consulted on a regular basis than firms that have been operating for less than 10 years. (Note: This cross-analysis was not undertaken in Fiji during the survey pilot.)

■ Of the traders that are regularly consulted, government entities are identified as the main source of consultations in PNG, Vanuatu, Samoa, and Timor-Lester regardless of gender. In Fiji, women traders are more likely to be regularly consulted by government entities than other sources while men traders are more likely to be consulted by trade/industry associations than other sources.

■ **Trade/industry associations have an important role to play in consultations among their membership.** For example, of the traders that are members of trade/industry associations, 80 percent of traders in Samoa stated they are regularly consulted. This was followed by Timor-Leste (63 percent), Fiji (49 percent), Vanuatu (45 percent), and PNG (39 percent).

■ **At least half of the freight forwarders across all countries stated that they are regularly consulted on changes to official trade processes and procedures.** Freight forwarders are mainly consulted by government entities.

**(vii) Electronic Import/Export Declarations**

The ability to submit import and export declarations through a Single Window, or other electronic system, reduces time to comply with documentary requirements by functioning as a single point of entry/exit for all regulatory documentation for internationally traded goods. This facilitates trade and reduces costs. Benefits to traders include faster clearance times, transparent and predictable processes, and less bureaucracy. Studies have shown that in the presence of Single Windows, bilateral trade increases by about 37 percent.<sup>57</sup>

<sup>57</sup> Martinez-Zarzoso and Chelala, *The impact of single windows on trade*, 2020 (Online: <https://onlinelibrary.wiley.com/doi/abs/10.1111/twec.12945>).

PNG is currently migrating all ports towards an ASYCUDA Single Window system to replace the need for physically lodging paper documents. At present, Port Moresby is the only port which is fully electronic.<sup>58</sup> As of 2019, Samoa has partially implemented<sup>59</sup> electronic import and export declarations and still relies on physical import/export forms.<sup>60,61</sup> Timor-Leste has an automated customs system (ASYCUDA World). However, there is no one-stop-shop connecting the key border agencies (and the quarantine authority uses an entirely manual system). As of 2019, Vanuatu has fully implemented the electronic submission of customs declarations, has an automated customs system, and an electronic Single Window is expected to be implemented by 2021.<sup>62,63</sup>

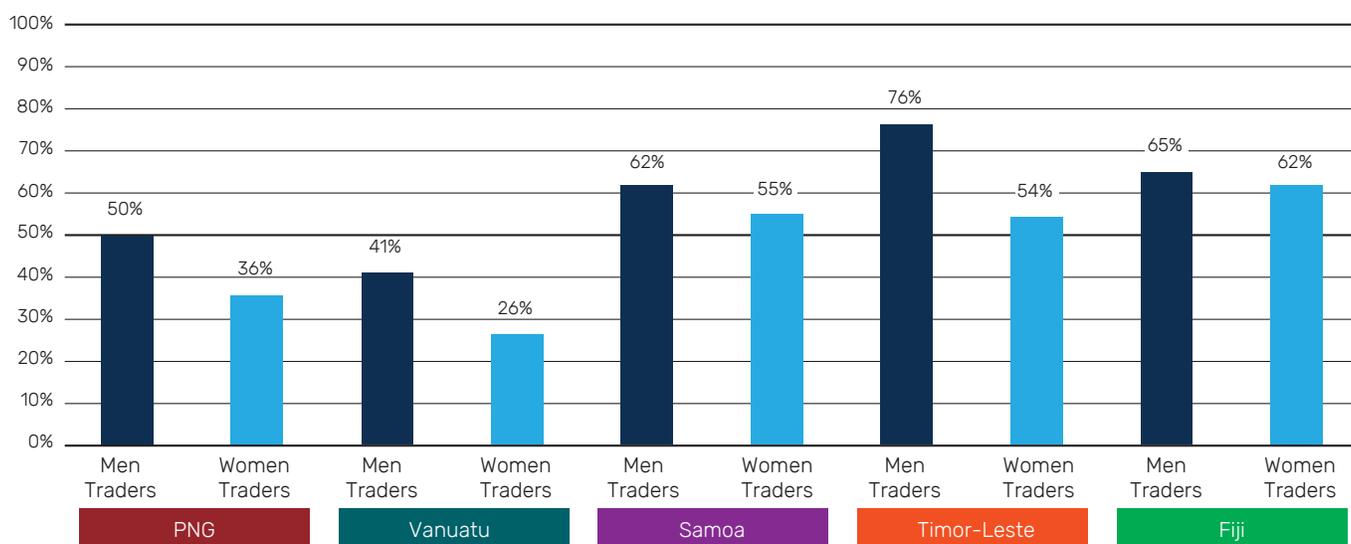
Related survey finding(s):

■ **Across the region, fewer women than men traders know whether it is possible to submit declarations electronically**, with the largest gender gap identified in Timor-Leste.

■ For freight forwarders, over 90 percent of freight forwarding firms across all countries stated that it is possible to submit import/export declarations electronically (i.e. through electronic Single Window systems or other electronic systems), with at least 50 percent using the system all the time.

■ **Women and men traders across the region who submit electronic declarations rank reducing paperwork as the main benefit of electronic declarations.** This is followed by simplifying trading procedures. The benefits of helping to save money and avoid hassles at the border are more important for women and men traders in Samoa than in other countries.

**Figure 28. Awareness that Electronic Submission of Declarations is Possible**



<sup>58</sup> Based on 2012 data (the latest available), Port Moresby is the second largest port in PNG and handles about 24% of trade cargo. Port Lae, the largest port in PNG, handles about 51% of trade cargo. (PNG Ports Corporation, Annual Report: 2012, 2012).

<sup>59</sup> According to UNESCAP, “partial implementation” means a measure is considered to be partially implemented if at least one of the following is true: (1) the trade facilitation measure is in partial - but not in full - compliance with commonly-accepted international standards, recommendations and conventions; (2) the country is still in the process of rolling out the implementation of the measure; (3) the measure is being used but on an unsustainable, short-term or ad-hoc basis; (4) the measure is implemented in some - but not all - targeted locations (such as key border crossing stations); or (5) some - but not all - targeted stakeholders are fully involved. “Full implementation” is defined as the trade facilitation measure implemented is in full compliance with commonly accepted international standards, recommendations and conventions such as the Revised Kyoto Convention, UN/CEFACT Recommendations,

or the WTO Trade Facilitation Agreement (TFA); it is implemented in law and in practice; it is available to essentially all relevant stakeholders nationwide, supported by adequate legal and institutional framework, as well as adequate infrastructure and financial and human resources.

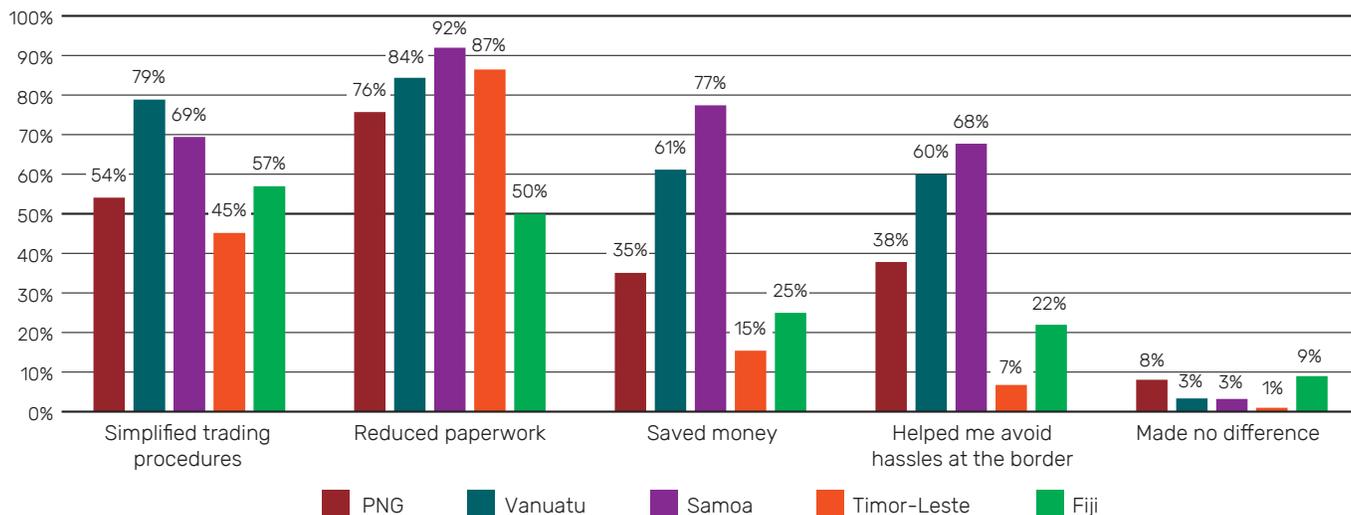
<sup>60</sup> UN Global Survey on Digital and Sustainable Trade Facilitation (Online: <https://untfsurvey.org/economy?id=WSM>).

<sup>61</sup> For example, see direct importation guidance from the Ministry of Customs and Revenue (Online: [https://revenue.gov.ws/images/2015/Customs\\_Procedures/2020/GEN0014---Direct-Importation.pdf](https://revenue.gov.ws/images/2015/Customs_Procedures/2020/GEN0014---Direct-Importation.pdf)).

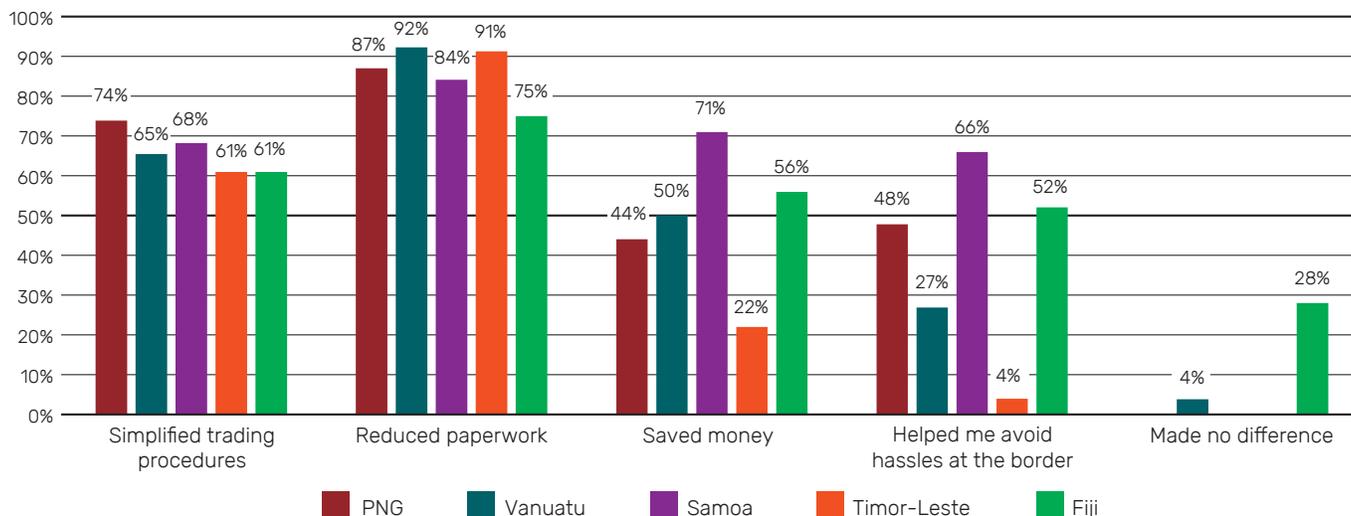
<sup>62</sup> UN Global Survey on Digital and Sustainable Trade Facilitation (Online: <https://untfsurvey.org/economy?id=VUT&year=2019>).

<sup>63</sup> Massing, A., “New Office for Vanuatu Electronic Single Window Project,” 2019. (Online: [https://dailypost.vu/news/new-office-for-vanuatu-electronic-single-window-project/article\\_1d478070-1671-5435-8fee-9a9c205acf4b.html](https://dailypost.vu/news/new-office-for-vanuatu-electronic-single-window-project/article_1d478070-1671-5435-8fee-9a9c205acf4b.html)).

**Figure 29A. Benefits of Submitting Declarations Electronically (Men Traders)**



**Figure 29B. Benefits of Submitting Declarations Electronically (Women Traders)**



**(viii) Pre-Declaration of Goods**

Pre-declaration of goods allows traders to notify border authorities of future arrival of goods and enables traders to save time if done correctly.

The pre-declaration of goods is partially implemented in Samoa, Papua New Guinea, Timor-Leste, and Vanuatu and is fully implemented in Fiji.<sup>64, 65</sup>

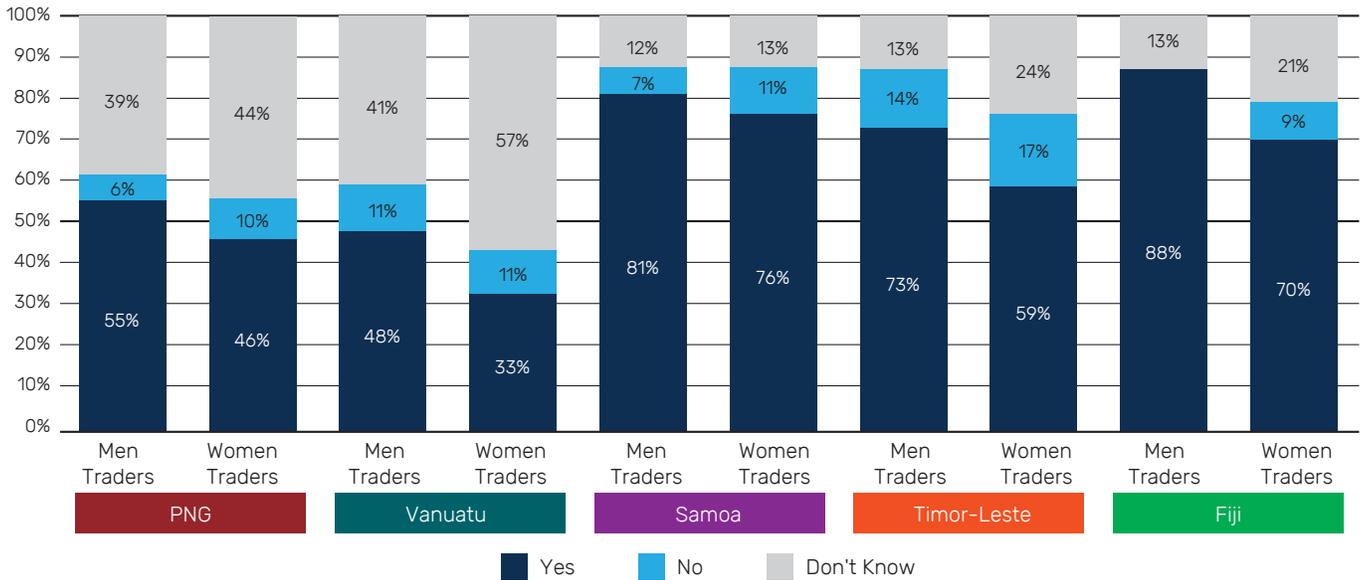
<sup>64</sup> As of 2019 and according to the UN Global Survey on Digital and Sustainable Trade Facilitation.

<sup>65</sup> See footnote 59 for the definitions of “partial implementation” and “full implementation”.

Related survey finding(s):

■ **Across the region, fewer women traders than men traders are aware that pre-declarations can be submitted prior to the arrival of goods.** Over half of women traders in Vanuatu do not know whether pre-declaration of goods prior to arrival at the seaport or airport is possible. The awareness among freight forwarders of whether pre-declarations can be submitted prior to the arrival of goods varies from 64 percent in Timor-Leste to 100 percent in Samoa.

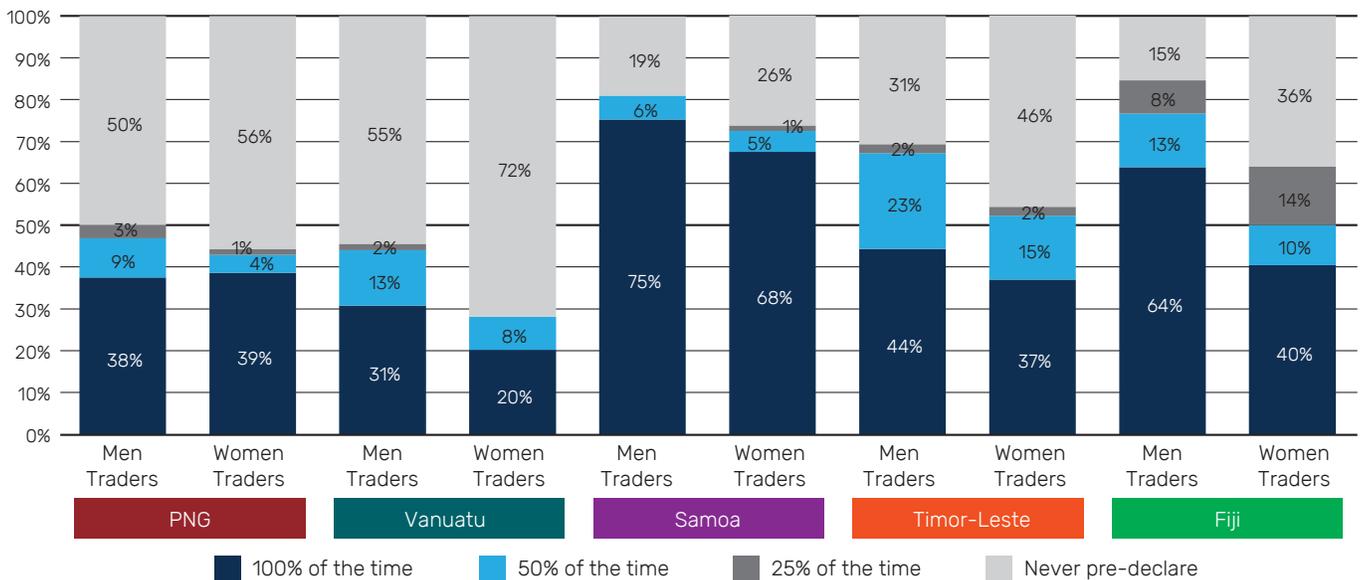
**Figure 30. Awareness that Pre-Declaration is Possible**



■ **Across the region, with the exception of PNG, fewer women than men traders pre-declare their shipments every time.** Both men and women traders in Samoa reported the highest use of their country’s pre-declaration system compared to the other countries, with around 72 percent of traders pre-declaring all of the time. The lowest incidence of the use of the pre-declaration system is reported by traders

in Vanuatu, with 72 percent of women and 55 percent of men traders never pre-declaring. For freight forwarders, the highest incidence of use of pre-declaration occurs in Samoa, where 60 percent indicated they use it all of the time. In contrast, only 17 percent of freight forwarders in Vanuatu stated that they use the system all of the time, with a further 58 percent using it half the time.

**Figure 31. Frequency of Pre-Declaring Goods**



### (ix) Electronic Payments and Other Payments

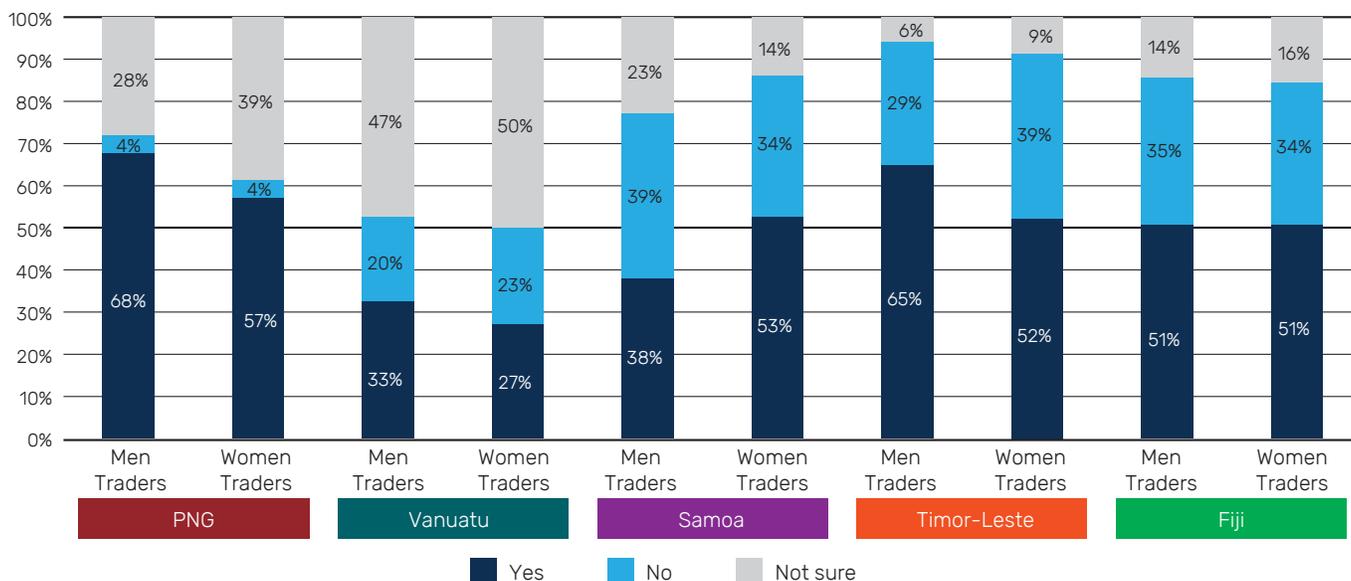
Generally speaking, using cash for payment may carry risks such as theft and threats to personal safety and may increase the likelihood of corruption and the payment of “speed money”. In addition, clearance times for checks and money orders may tie up working capital, which can pose constraints on smaller firms.

PNG introduced an e-payment platform in 2018 for electronic payments of customs fees and charges.<sup>66</sup> The system is fully automated and generates receipts for all electronic payments. Vanuatu introduced an e-payment platform in 2019 for electronic payments of customs fees and charges. The system is fully automated and also generates receipts for all electronic payments. Since 2017, Samoan Customs has provided for payment of customs duties and fees through electronic funds transfer at point of sale (EFTPOS). Electronic payment was notified by the government of Samoa as Category C under the WTO TFA with a definitive date for implementation in December 2027.<sup>67</sup> In 2018, Timor-Leste introduced a mandatory e-payment system using TPA/POS for customs duties, fees and charges at Dili Airport Customs and the Central Services Office.<sup>68</sup>

Related survey finding(s):

- **The knowledge about electronic payment varies by country.** The level of awareness is highest among men traders in PNG and the lowest among both men and women traders in Vanuatu. Compared to the other countries surveyed, the gender difference is highest in Samoa, with 53 percent of women stating either all or some official fees can be paid electronically compared to 38 percent of men traders.
- **All freight forwarders surveyed in PNG (100 percent) indicated that all or some official fees associated with cross-border trade can be paid electronically.** This is compared to 75 percent for Vanuatu, 71 percent for Fiji, 55 percent for Timor-Leste, and 50 percent for Samoa.
- **The most frequently used methods of payment for official fees and charges relating to goods varies by country.** Internet banking is strongly favored by traders in PNG, while banks/telegraphic transfers are the most frequently used method by traders in Timor-Leste and Fiji. Traders in Samoa and Vanuatu prefer to use check/money orders and cash to pay official fees and charges. By gender,

**Figure 32. Awareness that Electronic Payment of Customs Fees and Duties is Possible**



<sup>66</sup> Papua New Guinea Customs (Online: <http://customs.gov.pg/revenue-collection/e-payment/>).

<sup>67</sup> WTO Notification of Category Commitments Under the Agreement on Trade Facilitation: Communication from Samoa: Addendum (G/TFA/N/WSM/1/Add.1), 2019.

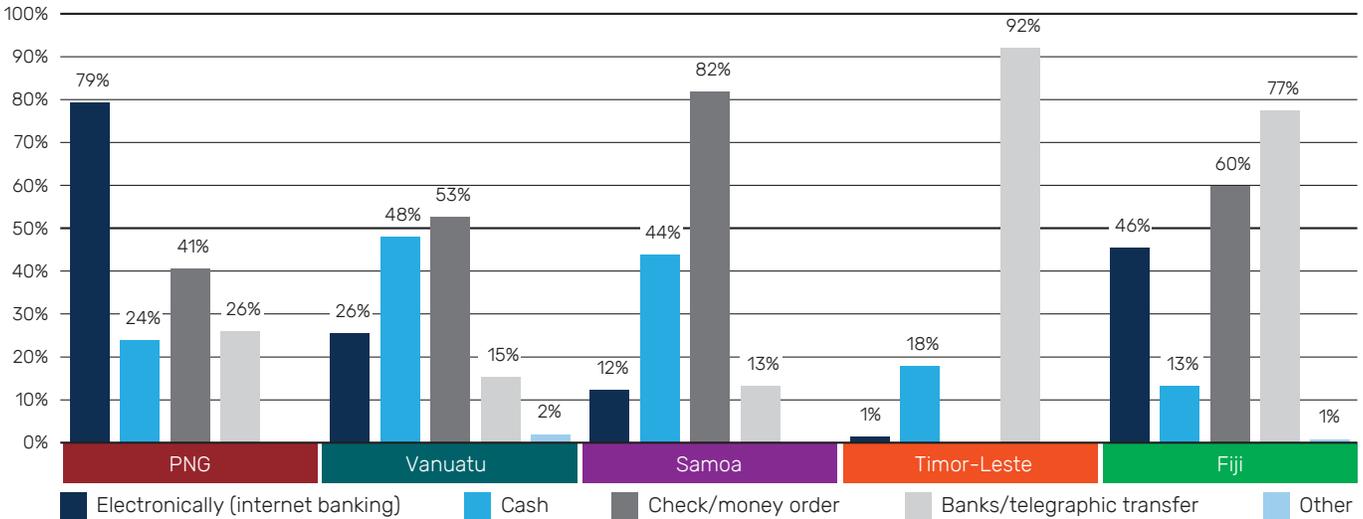
<sup>68</sup> Fiscal Reform Commission, Customs Authority Public Notice (Online: [https://www.mof.gov.tl/wp-content/uploads/2018/07/CA-Public-Notice-1\\_-\\_Electronic-Payment\\_ENG.pdf](https://www.mof.gov.tl/wp-content/uploads/2018/07/CA-Public-Notice-1_-_Electronic-Payment_ENG.pdf)).

the major difference in payment methods is reported in Fiji where more women traders use cash and more men traders use bank/electronic transfers.

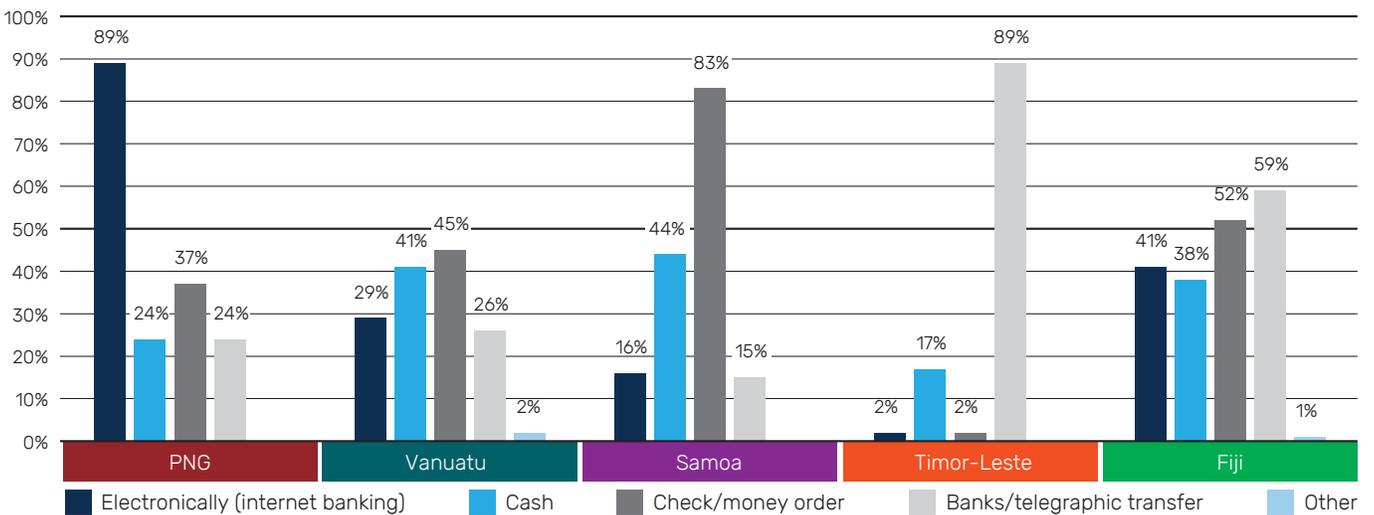
■ Freight forwarders in PNG most frequently pay official fees and charges electronically (internet banking). For Vanuatu

freight forwarders, the more frequently used method is cash. Samoa freight forwarders use a mix of check/money orders and cash. Over 90 percent of freight forwarders in Timor-Leste use banks/telegraphic transfer to pay for official fees and charges. In Fiji, freight forwarders use a mix of online banking and check/money order.

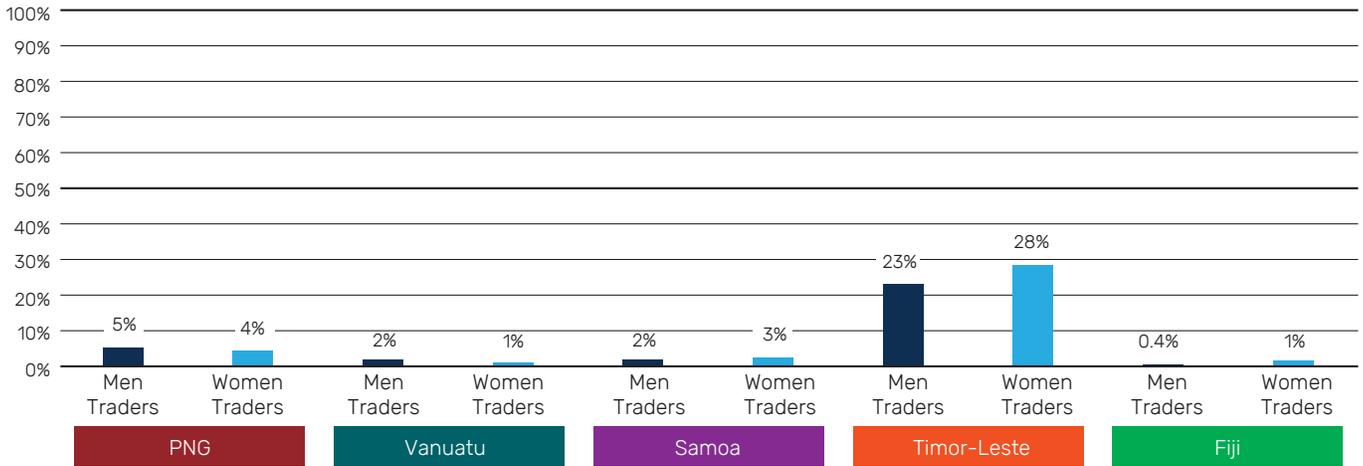
**Figure 33A. Methods of Payment for Official Fees and Charges (Men Traders)**



**Figure 33B. Methods of Payment for Official Fees and Charges (Women Traders)**



**Figure 34. Payment of Speed Money or Unofficial fees in the Last Year**



■ **The payment of speed money or unofficial fees to facilitate the processing of shipments is the most prominent in Timor-Leste** where 23 percent of men and 28 percent of women indicated they had paid unofficial fees in the last year. Nine percent of all traders surveyed in Timor-Leste reported that these payments were made every time, with a further 12 percent stating that it occurred half the time. Of all freight forwarders surveyed across the region, three freight forwarders surveyed in PNG and one freight forwarder surveyed in Fiji reported that they paid speed money or unofficial fees to facilitate the processing of shipments. The other freight forwarders either did not pay unofficial fees in the last year or did not wish to answer the question. All responses in the survey, including on unofficial fees, are perception based.

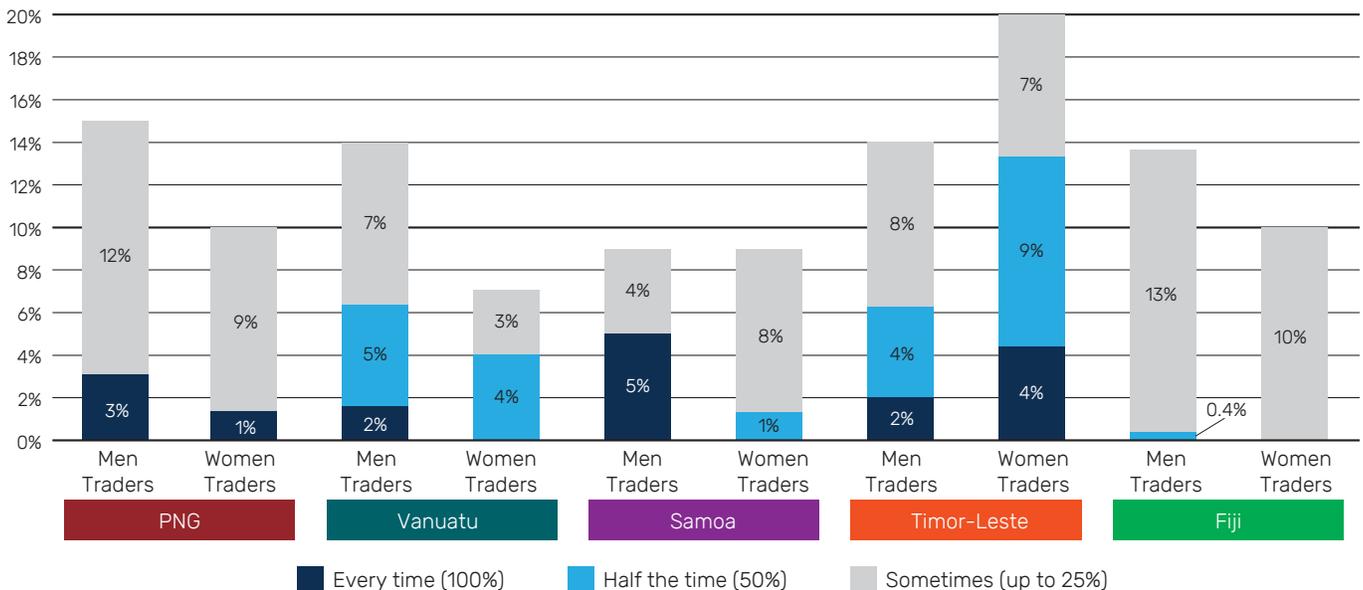
**(x) Detention of Goods**

Customs has the power to search imports and exports and exclude, detain and/or seize, and destroy counterfeit and infringing products. To avoid time and financial loss to traders, best practice is for customs to promptly inform traders that goods have been detained for inspection.

Related survey finding(s):

■ Women traders in Timor-Leste (20 percent) reported the highest incidence of their imported goods being detained without being promptly informed, with 13 percent stating their

**Figure 35. Frequency that Goods are Detained**



goods are detained at least half the time. Ten percent of women traders in PNG and Fiji respectively stated that their goods have been detained without being promptly informed. Across the region, the main reason for why goods are detained varies from problems with customs declaration, classification, to valuation of goods.

- Fiji freight forwarders reported the highest incidence of their goods being detained without being promptly informed, with 50 percent indicating it occurs a quarter of the time. Vanuatu freight forwarders reported the next highest incidence, with 33 percent stating goods being detained a quarter of the time. Customs was identified as the main agency holding up the release of their goods in both Fiji and Vanuatu.

**(xi) Official Grievance Procedures**

An official grievances mechanism is important to enable traders to contest and appeal against border agencies’ decisions regarding a detained shipment or non-compliance.

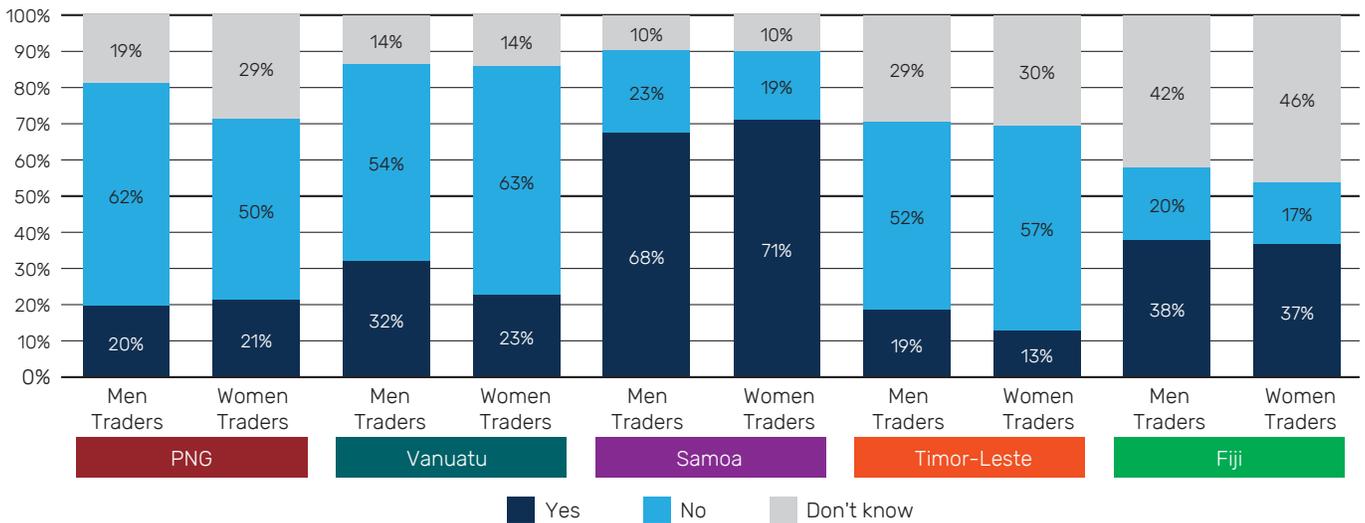
The Samoa Ministry of Customs and Revenue has a published appeal process, which outlines the steps involved in appealing against a decision by customs.<sup>69</sup> Timor-Leste has published the official process for mounting an appeal against a decision to seize goods.<sup>70</sup>

Related survey finding(s):

- **Across the region, Samoa traders reported the greatest awareness of the existence of a formal grievance procedure** by both women (71 percent) and men (68 percent). More than half of traders in Timor-Leste, PNG, and Vanuatu believe there are no formal grievance procedures at all. Fiji reported the highest response of traders not knowing whether formal grievance procedures exist.

- Awareness of the existence of a formal grievance procedure is highest among freight forwarders in PNG (77 percent), followed by Samoa (70 percent), Fiji (60 percent), Vanuatu (42 percent), and Timor-Leste (18 percent).

**Figure 36. Do Official Grievance Procedures Exist?**



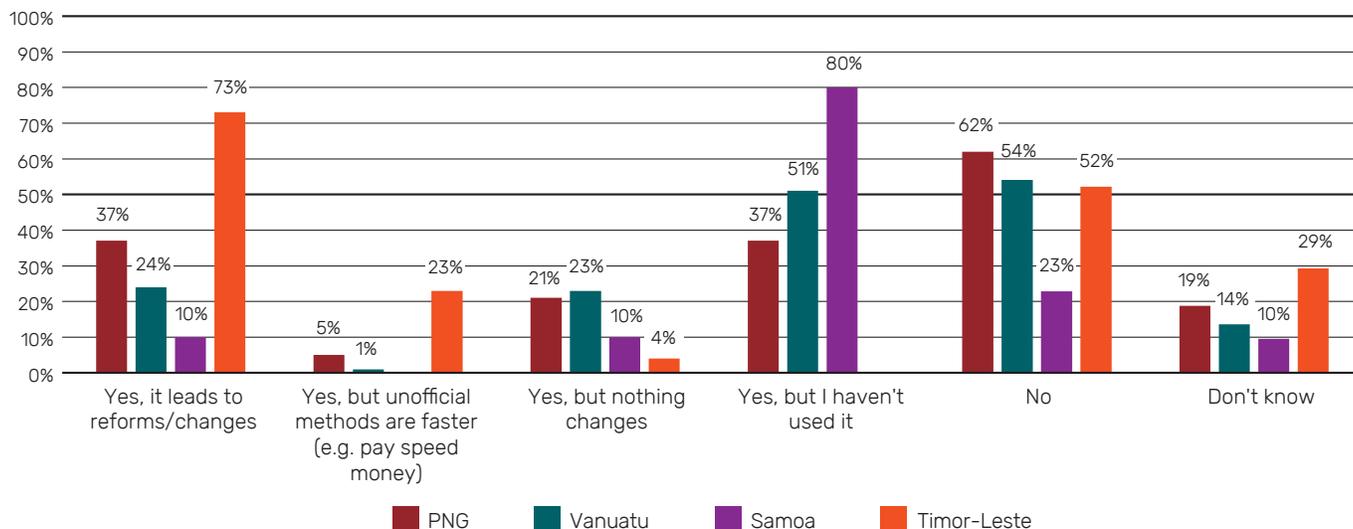
<sup>69</sup> See *Initial Appeal Processes from the Ministry for Revenue in Samoa for full deals on the appeal process* (Online: [https://revenue.gov.ws/images/2015/Customs\\_Procedures/GEN009---Initial-Appeal-to-Customs.pdf](https://revenue.gov.ws/images/2015/Customs_Procedures/GEN009---Initial-Appeal-to-Customs.pdf)).

<sup>70</sup> *Timor-Leste Ministry of Finance: Appealing the Decision to Seize Goods* (Online: <https://www.mof.gov.tl/customs/seizure-of-goods/appealing-the-decision-to-seize-goods/?lang=en>).

■ Excluding Fiji where there is no comparable data, more women traders than men traders that are aware of the existence of official grievance procedures believe those procedures lead to reform and change. Comparatively, more men traders than women traders report that they know of the procedures' existence but have not used them.

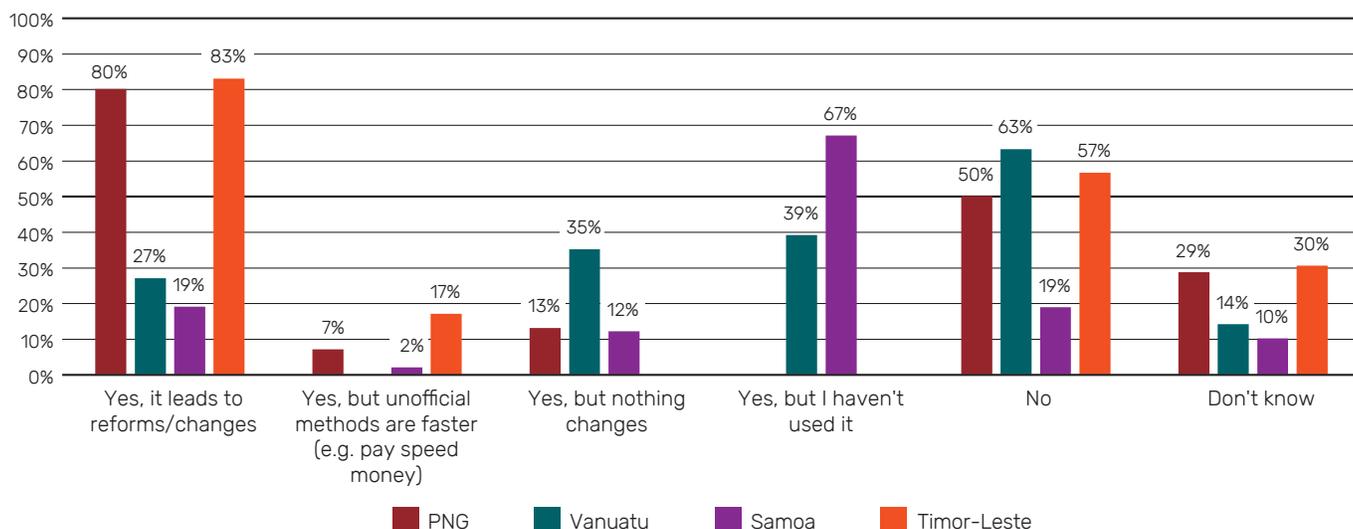
■ Of the freight forwarders that are aware of the existence of official grievance procedures in their respective countries, 100 percent (2 out of 2) freight forwarders in Timor-Leste report that the procedures lead to reforms and change. PNG freight forwarders (62 percent or 8 out of 13) state that the available formal grievance procedure leads to reform and change, followed by Samoa (43 percent or 3 out of 7), and Fiji (36 percent or 9 out of 25).

**Figure 37A. Awareness and Opinion of Official Grievance Procedures (Men Traders)**



Note: The percentages for the first four categories are based on the sample population subset that responded "yes, there are formal complaint/grievance procedures in place". The percentages for the remaining two categories are based on the overall sample population as a proportion of all traders that either believe the procedures do not exist or do not know whether they exist. In addition, this question was amended after refinements to the Fiji pilot survey were made prior to further roll out in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable survey results for Fiji.

**Figure 37B. Awareness and Opinion of Official Grievance Procedures (Women Traders)**



Note: The percentages for the first four categories are based on the sample population subset that responded "yes, there are formal complaint/grievance procedures in place". The percentages for the remaining two categories are based on the overall sample population as a proportion of all traders that either believe the procedures do not exist or do not know whether they exist. In addition, this question was amended after refinements to the Fiji pilot survey were made prior to further roll out in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable survey results for Fiji.

## (xii) Safety and Security at the Border

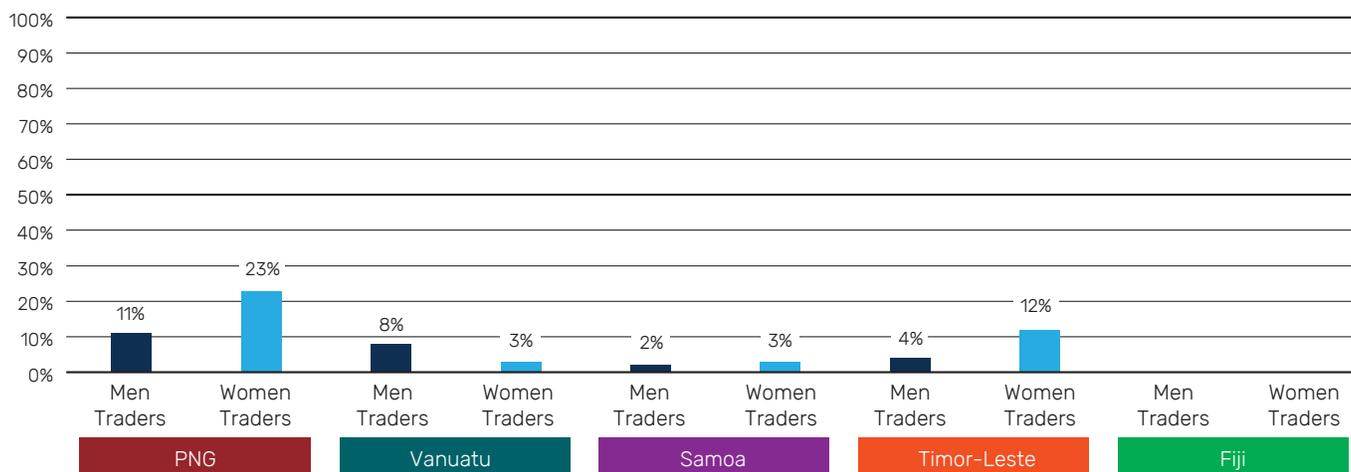
Safety and security issues at the border can arise from unwelcome attention, requests for favors, and other verbal or physical conduct by both officials and non-officials. These behaviors create and foster hostile or offensive environments that may impact a trader's ability or desire to undertake trade.

■ **Albeit relatively small in sub-sample size, of those that go to the border, more women than men feel unsafe to varying degrees (from sometimes to every time) in Timor-Leste, PNG, and Samoa.** Women traders that have felt unsafe

attribute it to the border being too crowded. The majority of freight forwarders going to the border feel safe, with PNG having the highest incidence of freight forwarders feeling unsafe at 12 percent (2 out of 17).

■ Apart from Timor-Leste, the majority of traders in other countries stated that the seaport/airport that they most frequently used have enquiry offices, staff waiting rooms, separate men and women toilets, and CCTV security cameras. The availability of complaint mechanisms varies across countries; and, uninterrupted electric power is of concern. The range of facilities reported available at the border for Timor-Leste traders is especially minimal.

**Figure 38. Proportion of Traders that Feel Unsafe at the Border**



**Table 3. Facilities Available at Airport/Seaport<sup>71</sup>**

	PNG		Vanuatu		Samoa		Timor-Leste	
	Men Traders	Women Traders						
Enquiry offices	89%	89%	91%	97%	99%	93%	13%	7%
Staffed waiting rooms	75%	77%	84%	93%	86%	80%	24%	26%
Unisex toilets	32%	39%	22%	20%	0%	5%	27%	35%
Separate men/women toilets	83%	85%	83%	80%	85%	85%	71%	67%
CCTV/ security cameras	79%	77%	90%	83%	95%	92%	57%	40%
Complaint mechanism (e.g. hotline, mailbox)	45%	62%	65%	53%	70%	66%	1%	0%
Uninterrupted electric power	28%	31%	47%	30%	68%	71%	15%	9%

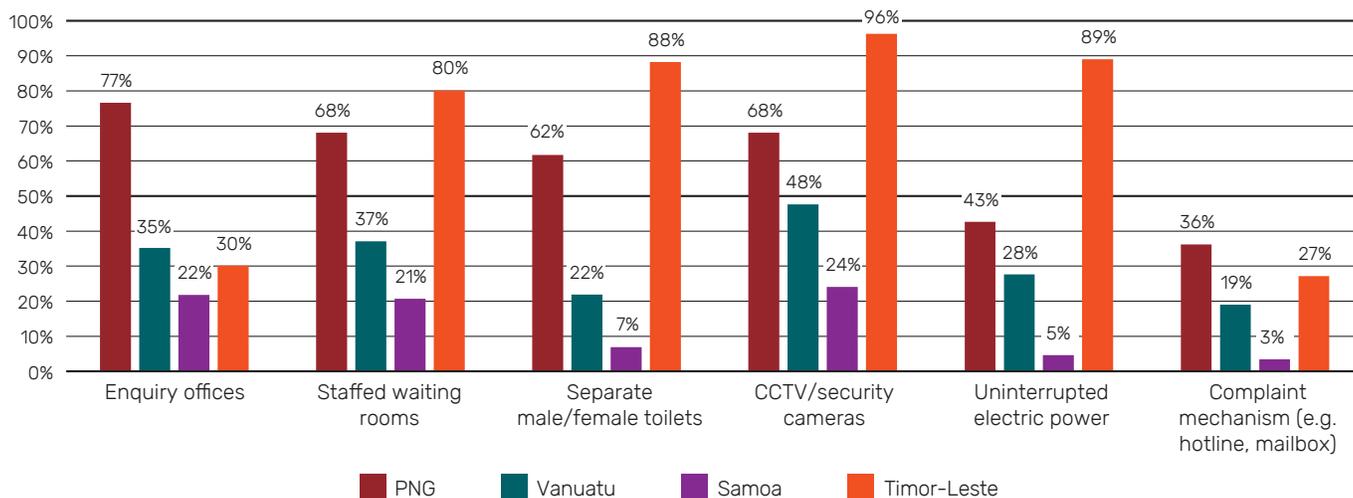
Note: The questionnaire was refined after conducting the pilot survey in Fiji and prior to further roll out in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable survey results for Fiji for this specific question.

<sup>71</sup> Based on interviewees' perception of what is available.

■ Across the countries with comparable data, both men and women traders support improvements in a range of facilities at seaport/airports they most frequently use to make them feel safer and more comfortable. Many of the traders

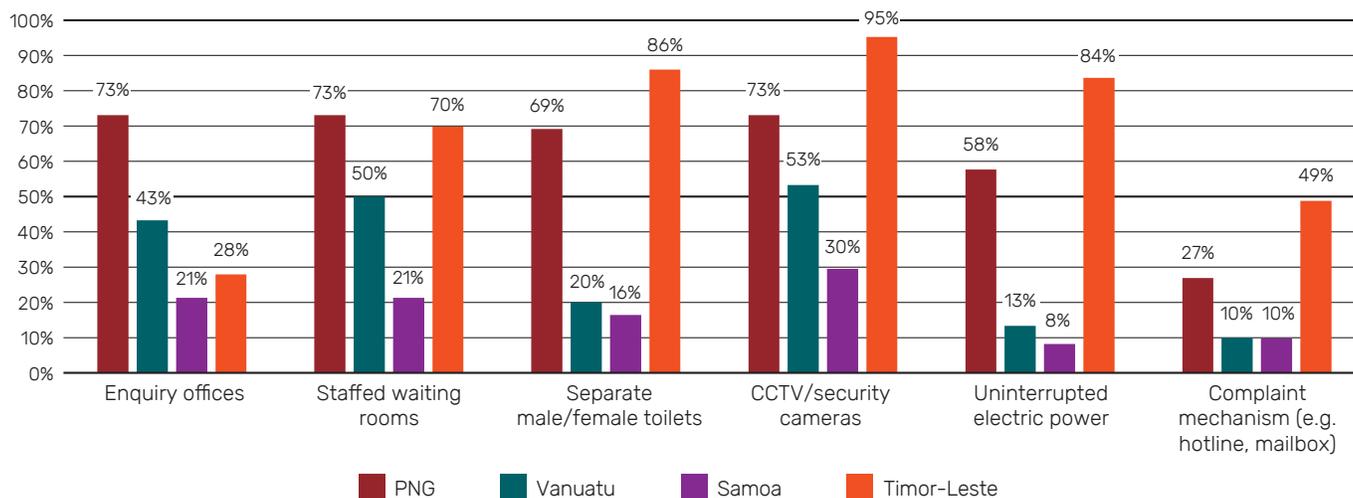
in Timor-Leste and PNG indicated that they would feel safer and more comfortable if the seaport/airport has more CCTV/security cameras, more separate men/women toilets, and more staffed waiting rooms, for example.

**Figure 39A. Would Feel Safer/More Comfortable if the Seaport/Airport Had More ... (Men Traders)**



Note: The questionnaire was refined after conducting the pilot survey in Fiji and prior to further roll out in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable survey results for Fiji for this specific question.

**Figure 39B. Would Feel Safer/More Comfortable if the Seaport/Airport Had More ... (Women Traders)**



Note: The questionnaire was refined after conducting the pilot survey in Fiji and prior to further roll out in Papua New Guinea, Samoa, Timor-Leste, and Vanuatu. As such, there are no comparable survey results for Fiji for this specific question.



Litia Marie Kirwin (right), owner of Loving Islands, social enterprise, Fiji  
© Jason Chute/World Bank

## 5 Recommendations based on survey responses

To help reduce time and costs to trade, reasons for delays at the borders need to be further investigated. The survey results from Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu show that some trade facilitation improvements are necessary to further simplify, modernize, and harmonize export and import processes and procedures for cross-border trade, particularly for firms led by women. Most of the challenges found across the surveyed countries are related to communication and information dissemination, or the lack thereof. In addition, some bottlenecks that impede efficient cross-border trade may be due to inadequate infrastructure (such as poor ICT infrastructure that limits the availability and use of the internet to complete trade processes and procedures).

As such the following broader recommendations are made for the governments of Fiji, Papua New Guinea, Samoa, Timor-Leste, and Vanuatu to enhance capacity among traders, freight forwarders, and border officials with regards to undertaking cross-border trade.<sup>72</sup> Additionally, more detailed, country-specific recommendations can be found in the individual reports that have been published separately for each of these countries.

### **Recommendation 1. Establish and promote National Trade Facilitation Committees (WTO TFA Article 23 on Institutional Arrangements).**

Eighty percent or more of traders in all five countries do not know whether there is a National Trade Facilitation Committee (NTFC) in their respective countries. In addition, aside from Vanuatu, only around half or fewer freight forwarders in the other surveyed countries are aware of the NTFC's existence in their countries. NTFCs play a vital role in planning and implementing trade facilitation reforms and is a mandatory provision under the WTO TFA. If structured and operating according to international standards (e.g. WCO guidelines), the NTFC can serve many functions, including planning and implementing trade reforms, communicating trade-related information to stakeholders, and providing a mechanism for consultations with the private sector.<sup>73</sup>

<sup>72</sup> The survey results indicate that many women traders are more likely to be trading in goods with higher tariffs. There is an opportunity to reduce tariffs to increase women's income (see *WBG and WTO, Women and Trade: The Role of Trade in Promoting Women's Equality, 2020*), but specific recommendations related to tariffs are not included in this report because tariffs fall outside the scope of the WTO TFA.

<sup>73</sup> For details on the role and structure of the NTFC, see UNCTAD, *Transport and Trade Facilitation Series No 8: National Trade Facilitation Committees: Beyond compliance with the WTO Trade Facilitation Agreement, 2017* (Online: [https://unctad.org/en/PublicationsLibrary/dtlt1b2017d3\\_en.pdf](https://unctad.org/en/PublicationsLibrary/dtlt1b2017d3_en.pdf)) and WCO, *National Committees on Trade Facilitation: A WCO Guidance Article 23.2 of the WTO Trade Facilitation Agreement, 2016* (Online: <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/wto-atf/national-committees-on-trade-facilitation/guidance/nctf.PDF?db=web>).

Specific recommendations include:

**i. Establish well-functioning NTFCs.** A recommendation to address many of the challenges identified through the survey is to establish a well-functioning NTFC. In countries with an existing NTFC, the body should be strengthened to optimize its ability to serve as the leading national entity on trade facilitation reforms. In countries without an NTFC, steps should be taken immediately to establish this entity. The establishment of an NTFC is also a requirement under the WTO TFA. The NTFC should have an adequate structure with dedicated professionals to support the implementation process, including program and project management and strong communications capabilities. A formal bill describing the role and powers of the secretariat will also provide the secretariat with legal authority to deliver its functions.

**ii. Address disadvantages faced by women traders in the NTFC.** The NTFC should have a fair representation of women from both public and private sectors, including in decision-making positions. Higher representation of women-oriented associations and relevant entities in the NTFC could ensure that any information gaps between men and women are narrowed.

**iii. Promote the visibility of the NTFC.** The surveys demonstrated a clear need to promote the existence of the NTFC across all surveyed countries. Where an NTFC does not exist, the importance and benefits of such an entity should be promoted to support the creation of one. Communications campaigns are critical in this task. Trade and business associations can be harnessed more to share information about the NTFC and its role. Specific communications-related recommendations are elaborated in each country report.

### **Recommendation 2. Improve access to and understanding of official border regulations and procedures among traders and freight forwarders (WTO TFA measures 1.1 on Publication, 1.2 on Information Available Through Internet, 1.3 on Enquiry Points, 10.4 on Single Window).**

There is a lack of a coordinated, central source for information. With around half of the traders in four of the surveyed countries, as well as more than half of the freight forwarders in Vanuatu, Samoa, and Timor-Leste, having to go to more than one source to find information on changes to official regulations and procedures. For many respondents, there is also a reliance on border officials and government offices rather than online resources for information on changes to

regulations and procedures. In addition, fewer women traders than men traders are aware that certain trade facilitation processes are available in their respective countries (such as the ability to submit electronic declarations or the ability to pre-declare goods), highlighting a disparity in access to and understanding of information. The governments should focus on improving access to information and understanding of official processes and regulations, focusing on improving the dissemination of information on regulations and procedures to women traders and freight forwarders across a wide range of channels.

Specific recommendations include:

**i. Establish a (or improve any existing) Trade Information Portal, Single Window, and/or physical office to more promptly and efficiently publish and disseminate information required to import and/or export goods.** Many traders and freight forwarders reported that they need to go to more than one source to find information on changes to official regulations and procedures. Single Windows and Trade Information Portals can reduce time to trade by making information from all border agencies, forms, and applications easily accessible in one place.

**ii. Keep Trade Information Portals up-to-date at all times.** Official websites should include the most recent detailed information on the trading process, regulations, fees, etc. including valid contact information for various border agencies to respond to questions and requests for required forms and documents.

**iii. Encourage increased use of online resources.** While border officials are important channels of information to traders in many of the surveyed countries, it requires that officers are always fully informed and correctly interpret rules and regulations. Increased use of online official resources should be encouraged, including by border officials. Relying on border officials for information may also impose time constraints, while online resources are readily available at traders' convenience.

**iv. Offer targeted information sessions, workshops, and virtual/in-person training sessions for women traders and freight forwarders on access to information and the use of electronic systems.** Of the traders that need to look for information, more men traders reported that information on official processes and procedures is easy to find than women traders in PNG and Samoa. Therefore, this intervention could be particularly beneficial for women traders to raise their awareness of

where to find the information they need and enhance their understanding and compliance of border processes and procedures.

**v. Target trading associations to enhance dissemination of trade related information to women traders and reduce the information gap that women traders and small and micro firms face.** While trade/industry associations in surveyed countries tend to be dominated by men (because there are more men than women traders in the survey sample), these entities play an important role in disseminating trade related information to its members and should be actively used as a dissemination channel.

**vi. Make sure official legislation is easy to understand.** The survey demonstrated a need across all countries to ensure that rules and regulations on cross-border trade are written in language that is easy to understand for the trade community. In Vanuatu, for example, 29 percent of traders stated that the use of freight forwarders or customs brokers/agents is mandatory by law, when in fact this is not the case.

**Recommendation 3. Introduce and/or strengthen formal trade consultations between the government and the private sector to increase compliance of changes to border processes and procedures (WTO TFA measures 2.1 Opportunity to Comment and Information Before Entry Into Force, 2.2 on Consultations).**

Across four of the surveyed countries (excluding Samoa), more men traders than women traders (difference of 12-17 percent) feel that they are regularly consulted on changes to border processes and procedures. This points to a need for strengthening or introducing formal trade consultations between national authorities and traders, and especially micro/small traders who reported less incidences of being consulted than medium and large firms, directly through meetings with representatives via trade/industry associations. A mechanism whereby stakeholders are consulted on changes to official border processes and procedures can also alleviate misinformation regarding planned changes related to their cross-border trade activities and can improve compliance.

Specific recommendations include:

**i. Establish a notice and comment period to solicit private sector feedback when proposing new legislation or amendments to legislation and allow for a transition period before any new or amended laws are implemented.**

**ii. Establish formal consultative mechanisms representing all parties involved in cross-border trade.<sup>74</sup>**

The NTFC is one such committee, which is essential to ensuring that a formal and regular consultation process takes place and is a good mechanism for obtaining buy-in and consensus on any new or changes to legislation. To address any disadvantages faced by women traders during consultation processes, promoting more women representation in trade/industry associations and in the NTFC would ensure that women traders have an opportunity to express their concerns in the trading environment.

**iii. Run pilot programs** to better assess how proposed changes will impact traders and determine if amendments must be made before rolling out full reforms more broadly. The exact approach for this must be determined on a country-by-country basis and could, for instance, involve rollout of trade reforms with a limited number of traders, rollout over a pilot period, or conducting regulatory impact assessments.

**Recommendation 4. Improve collaboration with the private sector through trade/industry associations.**

Less than half of the interviewed traders are members of industry associations. Industry associations often serve as important conduits of trade related information and representation, especially if they are included in the NTFC. Improved collaboration with a broader set of private sector actors, would require increased memberships in these entities, particularly by women traders, for example through:

- organizing workshops and events for the business community;
- advertising in local media and in industry publications highlighting the benefits of membership;
- having regular membership drives with existing members recruiting from their networks;
- ensuring that trader associations have an up-to-date and functioning website with contact information; and
- targeting campaigns to encourage women traders to engage in industry/trade associations and/or establish women specific trade networks.

<sup>74</sup> See UNECE Trade Facilitation Implementation Guide for further details <http://tfig.unece.org/contents/formal-trade-consultation.htm>.

**Recommendation 5. Identify and address reasons for delayed release of goods (WTO TFA measures 7.1 on Pre-Arrival Processing, 7.4 on Risk Management, 7.6 on Establishment and Publication of Average Release Times, 7.7 on Trade Facilitation Measures for Authorized Operators, 7.8. on Expedited Shipments, Article 8 on Border Agency Cooperation, measures 10.3 on Use of International Standards, 10.7 on Common Border Procedures and Uniform Documentation Requirements).**

While some traders and freight forwarders experience release of their goods in less than a day, many consignments take longer time to clear customs. As many as a quarter of traders in Vanuatu, one-third in PNG, and three-quarters in Timor-Leste reported that it takes at least a week for their imported goods to be released from customs. This result is similar for freight forwarders in Timor-Leste, where 73 percent (8 out of 11) stated it takes 10 days or more for customs to release imported goods. Efficient release of imported goods is critical for perishable goods, especially in Timor-Leste because the productivity of most agricultural activities in Timor-Leste is very low. Delays in the clearance of food imports may cause spoilage of the goods, further worsening the food deficit in the country.<sup>75</sup>

Specific recommendations include:

**i. Revisit port opening hours in consultation with the private sector.**

While the majority of traders and freight forwarders across the region do not see port opening hours to be restrictive to their ability to trade, 50 percent (6 out of 12) of freight forwarders in Vanuatu find port opening times in the country to be inconvenient. To ensure that opening hours of customs and other border authorities meet the needs of traders and freight forwarders, it is recommended that port opening hours be set in consultation with freight forwarders and traders and are coordinated among each other.

**ii. Undertake a Time Release Study (TRS) regularly.**

A TRS can be used measure and publish, on a periodic basis, the average time it takes to release goods and can help to better pinpoint specific bottlenecks and inefficiencies in border processes by measuring actual time from arrival to the physical release of goods.<sup>76</sup> Border agencies should regularly conduct and publish TRS results, as well as implement the associated recommendations to address bottlenecks in the border processes.

<sup>75</sup> World Bank, *Timor-Leste Systematic Country Diagnostic: Pathways for a New Economy and Sustainable Livelihoods*, 2018.

<sup>76</sup> WCO, *Guide to Measure the Time Required for the Release of Goods Version 3, 2018* (Online: [http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/tools/time-release-study/time\\_release\\_-\\_study.pdf?db=web](http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/tools/time-release-study/time_release_-_study.pdf?db=web)).

**iii. Remove paper import/export declarations and ensure traders know that they can submit documentation via electronic platforms.** Across the region, fewer women than men traders know that it is possible to submit declarations electronically. In addition, fewer women traders than men traders know that they can pre-declare their shipments. Removing paper import/export declarations and ensuring traders know that they can submit documentation via electronic platforms, as well as in advance, is critical to reduce both trade costs and time. Governments should also introduce universal pre-declarations and communicate the time-saving benefits of electronic declarations and pre-declarations to the trading community through official websites, customs brokers, trade associations, and the NTFC. More importantly, ensuring that traders and freight forwarders are informed of customs automation, especially among freight forwarders and women traders, will assist in reducing the time required to meet documentary requirements.

**iv. Improve risk management approaches.** Inspection rates were found to be high among traders, with 79 percent in Samoa, 63 percent in PNG, and 49 in Vanuatu stating their goods are inspected all the time. It is recommended that governments improve risk management approaches to reduce the frequency of inspections, including through improved coordination between customs, health, agriculture, trade, and environment authorities, and undertake simultaneous inspections when possible. Introduction or expansion of an Authorized Operators (AO) scheme for traders that voluntarily meet a range of criteria and are granted benefits in border processes and procedures can remove unnecessary inspections and burdensome checks for traders in the AO program. Qualification criteria should be based on international standards and should be published.

**v. Provide information and training for border officials on expediting the release of certain small and low value consignments** using Immediate Release Guidelines and applying de minimis regimes.<sup>77</sup> Establish special facilitative procedures to allow expedited release of at least those goods entered through air cargo facilities, and publish criteria for application for expedited release treatment.

**vi. Ensure consistency in implementation of border procedures.** While the majority of traders across the

surveyed countries reported that border processes and procedures are implemented consistently, the survey results also indicated room for improvement in terms of consistency. Regular training and capacity building for customs and other border agency staff are important for implementation of standards, procedures, and regulations efficiently and in a timely manner. Training should also highlight the need for consistent implementation of common customs procedures and uniform documentation requirements regardless of gender, minorities, or other vulnerable groups. Regular training can help mitigate any inconsistencies in implementation, significantly increase traders' documentary compliance, and reduce average times to clear customs.

**Recommendation 6. Strengthen and promote electronic payments systems (WTO TFA measure 6.2 on Specific Disciplines on Fees and Charges and 7.2 on Electronic Payment).**

Many traders appear to be unaware of the possibility to pay official fees and charges related to cross-border trade online or still prefer to pay with check, money order, cash, or bank transfer. Only PNG has a majority of traders that pay official fees and charges related to their trade activities via internet banking. In other surveyed countries, less than half of traders use internet banking. In addition, fewer women traders are aware that official fees and charges can be paid electronically (except in Samoa and Fiji).

Electronic payment systems should be improved across all the surveyed countries, removing any requirements related to in-person payments or hard copies of receipts. It is also recommended that border agencies scale-up communication around the ability to pay official fees and duties online, ensuring that more traders become aware of and use online payments. Online payments mitigate delays associated with required physical payment at border offices or banks. Similarly, encouraging the use of, and improving information on the availability of online payments, will help reduce payments of unofficial charges (speed money). This is especially important for micro and small traders and for women traders in Timor-Leste, who reported a much higher incidence of unofficial fees and speed money payments than traders in other surveyed countries. Customs fees and charges must be limited to the costs of the services provided, and any fees not linked to specific import or export operations must be closely connected to the customs processing of goods.<sup>78</sup>

<sup>77</sup> See WCO, *Guidelines for Immediate Release of Consignments by Customs Version III, 2018* (Online: <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/tools/immediate-release-guidelines/immediate-release-guidelines.pdf?db=web>).

<sup>78</sup> See WTO TFA Article 6.2 for exact legal text.

**Recommendation 7. Publicize official grievance procedures (WTO TFA measure 4 on Procedures for Appeal and Review).**

The survey revealed that, with the exception of Samoa, there is little awareness of formal complaint/grievance procedures in place for when consignments are withheld. In PNG, Vanuatu, Timor-Leste, and Fiji, between 63 and 83 percent of traders either believe there are no grievance procedures or do not know whether there are grievance procedures. While this percentage is lower in Samoa, there are still almost one-third of traders in Samoa that believe there are no grievance procedures or do not know if they exist. Awareness ranges greatly among freight forwarders across the countries.

The right to appeal decisions made by customs in administrative decisions or judicial proceedings should be provided in a non-discriminatory manner, and customs, other border agencies, and the NTFC should publicize more broadly the official channels for appeal to private stakeholders. More importantly, the responsiveness of official grievance procedures in addressing concerns of the private sector should be promoted.

***The following recommendations are not based on survey responses, but on observations through WBG trade projects in the region:***

**Recommendation 8. Improve regional cooperation.**

Organizations such as the Oceanic Customs Organization (OCO),<sup>79</sup> the Pacific Island Forum (PIF),<sup>80</sup> and the Pacific Community (SPC)<sup>81</sup> are important regional entities that foster regional cooperation in many areas, including trade facilitation. The surveyed countries are all members of at least one

of these organizations. Further strengthening of and collaboration between these entities could be beneficial to regional trade, including through sharing of best practices; promoting enhanced collaboration and mutual recognition of trade facilitation process and procedures; and coordinating resources needed for trade facilitation reforms. Regional organizations could also play a significant role in fostering improved collaboration between the public and private sectors. The engagement and collaboration of the private sector (traders and freight forwarders) in regional intergovernmental organizations can serve as a platform for dialogue on the needs of the trading community at the regional level.

**Recommendation 9. Secure enough resources for trade facilitation reforms and increase donor coordination at the national and regional levels.**

Significant public sector resource constraints in the surveyed countries often mean that international financial support, technical assistance, and capacity building is critical to implementation of trade facilitation reforms. Fiji has notified 10 measures in Category C, Papua New Guinea has notified 10 measures, Samoa has notified 12 measures, and Vanuatu has notified six measures.<sup>82</sup> Global and regional organizations such as the World Bank Group (WBG), World Trade Organization (WTO), the United Nations Conference on Trade and Development (UNCTAD), World Customs Organization (WCO), United Nations Economic Commission for Europe (UNECE), International Trade Centre (ITC), and other development partners have provided support to the region. Continued support from these, or a subset of them, and bilateral donors is needed to help countries in the region align their border processes and procedures with the WTO TFA. A more coordinated, regional effort to secure funding could be beneficial.

<sup>79</sup> All five surveyed countries are members of OCO. See [https://www.unescap.org/sites/default/files/ROC-TF-Issue-XIV-final-Jan2019\\_0\\_0.pdf](https://www.unescap.org/sites/default/files/ROC-TF-Issue-XIV-final-Jan2019_0_0.pdf) for information on updates on regional trade facilitation cooperation in the Pacific.

<sup>80</sup> Fiji, Papua New Guinea, Samoa, and Vanuatu are members of the Pacific Islands Forum while Timor-Leste is an observer member.

<sup>81</sup> Fiji, Papua New Guinea, Samoa, and Vanuatu are members of the Pacific Community. Timor-Leste is not a member.

<sup>82</sup> Notifications information is based on the latest information available on the WTO Trade Facilitation Agreement Database. Category C notifications are measures for which WTO Members request assistance and support for capacity building. Timor-Leste has not made any notifications because it has not acceded to the WTO.



Central business district, Suva, Fiji  
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# Annex 1

## Methodology

## Questionnaire

Feedback from Focus Group Discussions in Malawi, Zambia, Fiji, and Vietnam with women and men traders, and meetings with government stakeholders, civil society organizations, and private sectors representatives helped the team in developing the survey questionnaire. The trader survey rolled out in the Pacific Islands region contained 52 questions, and it was divided into eight sections, which largely focused on areas related to the WTO Trade Facilitation Agreement, including, but not limited to access to information, electronic payments, seizure of goods, pre-declaration, and the National Trade Facilitation Committee. Some questions outside the scope of the WTO TFA – such as on safety at border posts – were included in the survey to better understand cross-border trading environment in each of the countries. A simplified questionnaire (with 46 questions) was used for freight forwarders. Some questions were modified after the survey was piloted in Fiji in order to better fit the questions to the Pacific Island context.

## Master List

A master list of trading firms was created for the survey based on the complete lists of active traders in 2018 that were provided by various trade and custom related government authorities of Fiji, Samoa, Vanuatu, PNG, and Timor-Leste. Any individuals

importing/exporting, NGOs, and diplomats were removed from the list. A large number of entries were missing a phone number or email address. Remediation work was undertaken to verify firm information and identify valid telephone details.

Where possible, traders telephone numbers were validated using online searches of the firm. The master list was also supplemented by Tebbutt Research field team members on the ground in each country who used hard copies of telephone directories and conducted door-to-door visits.

Lists of freight forwarders were constructed using official government sources and online sources.<sup>83</sup>

## Interviewing

All active cross-border traders with valid contact information were contacted to participate in the survey in PNG, Samoa, Timor-Leste, and Vanuatu. A quota sampling methodology was used in Fiji (see the [Fiji country report](#) for more details on the quota sampling methodology). Interviews were undertaken by phone. The enumerators used a call schedule protocol that enabled a wide range of times of day and days of the week to call firms, maximizing the chances of reaching respondents. Each phone number was attempted numerous times for the period of the survey before treating the number as “not available”.

<sup>83</sup> Tools used to identify additional trading and freight forwarding firms are [www.freightnet.com](#); [www.cargoyellowpages.com](#); blanket email asking for contact details; hard copies telephone white and business pages; and door-to-door visits on the ground.

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