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14 **Consultation Approaches**

15 **Best Practices in Trade and Government Consultation**  
16 **on Trade Facilitation Matters**  
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30 **Recommendation**

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71 **Recommendation No. XX**  
72 **Consultation Approaches**  
73 **Best Practices in Trade and Government Consultation**  
74 **on Trade Facilitation Matters**

75 **1 Introduction**

76 The key principles for trade facilitation, as conceptualized by the United Nations Centre for  
77 Trade Facilitation and Electronic Business (UN/CEFACT), are simplification, standardization,  
78 harmonization and transparency. Consultation across Government agencies must consistently  
79 include the participation of private sector stakeholders in order to achieve these key principles.  
80 Successful consultation approach will help encourage adoption of decisions by all parties  
81 involved and stimulate innovative ideas through a collaborative exchange between Government  
82 and Trade. This approach can help develop a best practice model that is based on trust,  
83 understanding and genuine collaboration of all sides. This concept was recognized in UNECE  
84 Recommendation No.4, National Trade Facilitation Organs.

85 **UNECE Recommendation No.4, National Trade Facilitation Organs**

86 *“The needs of all parties, both private and public sectors, must be identified before solutions can be*  
87 *found and those best placed to explain their needs are those directly involved in the transaction*  
88 *chain.”*

89 Although the importance of consultation has long been acknowledged, experience shows that  
90 establishing concrete methodologies and best practices is essential to ensure effective  
91 consultation. Even when consultation is granted by law and supported by existing consultative  
92 procedures, measures have to be taken to guarantee a transparent and accountable dialogue  
93 that fully considers the differences in mind-set and culture as well as the capacity of public and  
94 private sector agencies to participate.

95 Key aspects which should be considered when putting in place consultation include trust  
96 between Government and Trade, ensuring mutual benefits, transparency, managing various  
97 opinions / objectives, measuring the effectiveness of consultation and choosing the right topics  
98 and the right actors to participate. Each of these key aspects is developed in the Guidelines that  
99 accompany this recommendation.

100 **2 Purpose**

101 The purpose of this recommendation is to advise Governments and the business community on  
102 how to approach effective consultations that will be flexible, transparent, fair, accountable and  
103 participatory. The United Nations Centre for Trade Facilitation and Electronic Business  
104 encourages Governments to develop a consultative approach for trade facilitation that is  
105 inclusive of Trade and Government stakeholders. This approach must include a process by  
106 which the interests of all concerned parties may be voiced and addressed on a continuum.

107 This recommendation addresses issues such as information sharing, preparations necessary  
108 before consultations, and measures that aim at building a trust-based dialogue. When available,  
109 best practices in the field of consultation are provided.

110 Preparations before consultations are necessary to foster a collaborative culture and achieve  
111 concrete results. Although the preparations may be different in nature depending on whether  
112 the party concerned is, for instance, a Government agency, a traders' association or a Chamber of  
113 Commerce, there are best practice processes that will be recurrent in most of these  
114 preparations. Governments that integrate this approach into their everyday operational  
115 practices will find that building partnership with Trade will result in both effective trade  
116 facilitation reforms and policy harmonization and will yield benefits to both Government and  
117 Trade.

### 118 **3 Scope**

119 This recommendation primarily envisages consultations at a national level between key  
120 stakeholders in trade and border crossing. However, many of the basic principles and ideas can  
121 be equally applied to local, sub-regional and regional levels.

122 This recommendation on consultation approaches is not specific to a particular set-up which  
123 advocates specified media or organizational set-ups, but instead, encourages the flexibility that  
124 may be found in the whole mind-set of approaches to consultations. The principles described in  
125 this recommendation are also applicable to a large number of other consultative set-ups, such as  
126 informal discussions, focus groups, formal or informal trade facilitation committees or other  
127 consultative situations.

### 128 **4 Benefits**

129 Consultation will provide stakeholders the means to voice their viewpoints, clarify issues, and  
130 engage in meaningful dialogue.

131 For Government and public agencies consultation provides opportunities to disclose  
132 information and solicit feedback on actions taken or to be taken. This will ensure accountability,  
133 effectiveness, and improvement in the quality of decision making. For Trade it provides an  
134 opportunity to voice opinions and concerns and suggest solutions to existing challenges, while  
135 allowing for timely preparations for planned legislation or reform.

136 Consultations will help governments and organizations prioritize agendas and communicate  
137 results which will result in building trust between the parties, and in increasing transparency in  
138 the process. Stakeholders will, as a result, find that each party will have the time needed to  
139 prepare for new rules or regulations. Each party will also have been given the opportunity to  
140 contribute valuable input prior to any final decision or action. This will promote successful  
141 legislation, and ensure overall compliance.

142 Working together, the parties will be able to find innovative, effective, cost-efficient and  
143 simplifying solutions to any issue discussed. In contrast, if stakeholders work in isolation, even

144 simple changes of rules or regulations may encounter problems not considered or anticipated  
145 without prior consultation with the impacted stakeholders. Such problems can lead to, for  
146 instance, longer waiting times at the border, corruption, loss of revenue, compliance risks and  
147 overall mistrust between the parties that will hamper if not deter future efforts.

## 148 **5 Recommendation**

149 The United Nations Centre for Trade Facilitation and Electronic Business at its XX<sup>th</sup> Plenary  
150 session in XX in Geneva agreed to:

- 151 1. **Recommend** to Governments and Trade a consultative approach that fosters trust,  
152 transparency as well as a timely and accountable dialogue between all stakeholders.
- 153 2. **Recommend** to Governments and Trade to **undertake all measures necessary to**  
154 **sustain and enable the consultations, including**
  - 155 a. build trust through transparency, involvement of Trade and of all relevant agencies,  
156 inclusion of Trade issues within the process;
  - 157 b. address key issues in a timely manner, consolidating where possible public sector views  
158 and encouraging Trade to consolidate their views;
  - 159 c. establish mechanisms to share information, build capacity and awareness and measure  
160 the performance of consultation.

161

# 162 **Guidelines to Recommendation No. XX**

## 163 **1 Introduction**

164 Many countries are already engaged in consultations. For this reason the focus of this  
165 recommendation is about approaches rather than institutional structure or organizational  
166 forms. While not ignoring forms, tools, institutions or management, this recommendation  
167 focuses on attitude, engagement and openness. The previously published UNECE  
168 Recommendation No 4 on “National Trade Facilitation Bodies” focuses on the establishment of  
169 permanent consultative committees and how they work. This recommendation should be seen  
170 as a complement to Recommendation No 4, as it provides suggested alternative forms and  
171 approaches to consultation and offers a qualitative methodology to improve the very core of the  
172 consultative dialogue.

173 The purpose of these guidelines is to present flexible and diverse approaches to consultations  
174 and inspire successful solutions. There is no one unique approach for any given situation; any  
175 combination of these approaches may be used to achieve efficient and effective consultations.  
176 Consequently, there is no constraint on the reader of these guidelines to follow all the given  
177 paths. The reader should maintain the flexibility to adapt any of these approaches as may apply  
178 to the environment and circumstance at hand. It is recognized that consultations are to be  
179 conducted according to the existing legal requirements and cultural background specific to each  
180 country and as such, consultations should be approached according to existing legislation.

181 The basic principles, modes, forms and approaches presented below should serve as inspiring  
182 examples, indicative of success factors and cases of best practice.

## 183 **2 Basic Principles for Consultation**

### 184 **2.1 Partnership and Trust**

#### 185 **2.1.1 Building Partnership and Trust**

186 Partnership and trust is something which is constructed over time. This will be facilitated by  
187 respect of the opinions of each side, understanding of each side’s point of view, the opportunity  
188 to provide comments and concerns, receiving constructive feedback to input provided. It is  
189 necessary to understand and respect each party’s priorities, resources and ability to meet  
190 deadlines. Even if the item on the consultative agenda is very subject matter specific, and the  
191 consultation process limited in time, the consultation will be perceived by many stakeholders as  
192 part of a bigger set of issues, and significant in terms of the relationship to a certain Government  
193 authority.

194 Trust is the by-product of collaboration and true partnership. If meetings are conducted without  
195 a scripted end and participants are willing to suspend pre-existing mental models (or individual  
196 points of view), compliance turns to commitment and distrust turns to trust. This is something

197 that occurs over time and may not be immediately present in the early stages of collaborative  
198 efforts.

199 In order to maintain trust and foster a **constructive dialogue**, all parties need to be respected and  
200 provided the opportunity to voice their comments and concerns, especially in light of the  
201 importance and magnitude of potential change processes. There is a mutual need to form a **true**  
202 **partnership** that includes understanding and respect for each party's priorities, resources and  
203 ability to meet deadlines; this will foster trust. Although building trust can take a significant  
204 investment of time, it may be easily compromised. This breach of trust can result from a non-  
205 respect of confidentiality, the lack of response to comments submitted, solutions imposed on  
206 stakeholders without the opportunity to comment, or one way communication such as  
207 notifications disguised under the name consultation.

208

### 209 2.1.2 Mutual Benefits

210 There needs to be some level of return on investment for both Trade and Government.  
211 Consultation is an opportunity for both sides, but it is also an investment in time and money.  
212 Trade needs to feel their input and points of view are taken into account and integrated into any  
213 chosen solution. Government needs to feel that Trade's participation is not only in the pursuit of  
214 individual interests. If either side feels that it is not receiving adequate return on investment, it  
215 will most likely result in discontinuity of that time or financial investment in consultation.

### 216 2.1.3 Consultations - Not a Place for Instructions, Compliance Controls or 217 Lobbying

218 Insofar as possible, both Trade and Government should come to the table as equal partners in  
219 the framework of consultation. In some cases, Government may approach consultation as  
220 enforcers preaching compliance and instructions. This is likely to be counter-productive to  
221 encourage Trade's input. If Trade feels that any input they provide will become a source of  
222 control later on, they will most likely not share their experiences. Likewise, if Trade comes to the  
223 table as a large company highly active in national investment and attempts to force their unique  
224 point of view on regulators, it will also be counter-productive. Trade needs to understand the  
225 Government's point of view and the greater picture of national interests.

226 Participation in consultations should not be used as an opportunity or a forum for single issue  
227 advocates. This could lead the Government to making an unpopular policy decision that does  
228 not take all interests into consideration and that weighs heavily on the larger trading  
229 community.

### 230 2.1.4 Learning About Your Partners' Needs

231 Consultations between Trade and Government institutions are motivated by the fact that no one  
232 stakeholder will solely be able to fully understand the consequences of new legislation, ideas for



233 improvements or even simple changes of procedures. Many Governments are currently engaged  
234 in complex processes in the area of Trade such as trade facilitation programmes, Customs  
235 modernization initiatives or increased use of Information and Communications Technology  
236 (ICT). For any of these efforts, Trade stakeholders will be affected in various degrees but are  
237 often expected to provide solutions with regard to their own processes, adapt their ICT systems  
238 to fit new systems for compliance or otherwise significantly change the way they currently  
239 conduct business. Consultation is a means to achieve workable solutions for trade and  
240 compliance.

241 What are each parties' priorities, instructions, drivers, limits, and so on? Genuine interest and  
242 investment of time to learn about each other will make consultations easier and discussions run  
243 smoother once the real issues are on the table. Long-term consultations will enhance this  
244 process and make the investment in time more affordable; the same applies to shorter  
245 consultation processes.

246 Cultural differences and goal divergence have often ruined promising partnerships. Trade  
247 organizations can have a membership with divergent views. For instance, many freight  
248 forwarders associations have members who act as customs brokers or others who act as  
249 transporters. It is likely that their views on some topics can vary. Similarly, Government agencies  
250 will have different priorities and interests. It is key to the progress of any consultation that these  
251 divergent interests are not only represented but also understood and respected if any progress  
252 is to be made.

### 253 2.1.5 Leadership

254 It is common that a specific Government agency will introduce new procedures, legislation or a  
255 process of change and be the lead agency in a consultation process. However, this leadership can  
256 also come from other stakeholders who have identified a need for change and who are willing to  
257 facilitate the process through leadership.

258 

Insert text box about the Guatemala experience or erase the reference.
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259 Although a particular Government authority may be responsible for a certain policy area and  
260 therefore may act as the lead agency to initiate dialogue, all stakeholders stand to lose from poor  
261 dialogue and lack of trust.

262 In the context of consultation, leadership is the ability to act positive, promote discussion  
263 towards consensus building and encourage constructive and conclusive decision making. To  
264 maximize the effectiveness of the consultation method, the leader should use every opportunity  
265 to give voice to all stakeholders and develop the potential of every participant or contributor.

266 In addition to a high degree of personal skills and abilities (such as analysis, judgement, initiative  
267 and decisiveness), the representatives of the lead organization should also exhibit organizational  
268 sensitivity and awareness. They must be able to perceive the way decisions impact other parts of  
269 the consultation process. The lead agency should accept the need to build consensus through

270 collaboration, negotiation and conciliation to embrace the various and varied views of  
271 participants.

272

273

274

275

## 276 2.2 Transparency

277 Transparency is one of the basic pillars of trade facilitation. It is a communications issue, but  
278 involves more than the concept of communication. Transparency is ultimately an attitude and a  
279 strategy aiming at open dialogue and trust.

280 In the context of consultations, a transparent and accountable dialogue can be defined as an  
281 iterative process that begins with the early availability of information for all stakeholders.  
282 Transparency will permit stakeholders to prepare for consultation, familiarize themselves with  
283 the issues, ideas and plans of other stakeholders, and compare that feedback to their own needs,  
284 goals and priorities.

285

286 To many organizations it can be a challenge to openly discuss plans and ideas before they have  
287 been fully conceptualized or formally accepted. However, in order to involve other stakeholders  
288 in the process of refining a concept, stakeholder views need to be heard at a stage where  
289 possible solutions are still fluid and not finalized. To consult on a concept that has been fully  
290 developed and agreed to within an authority will make stakeholders feel excluded leading them  
291 to conclude their views have not been considered, thus making consultations more difficult in  
292 the present as well as in the future.

293 The consistent engagement of stakeholders in consultative meetings for which information is  
294 provided openly, continuously and without prejudice, establishes a process that is inclusive,  
295 participatory, collaborative and responsive to all impacted stakeholders. Transparency is not a  
296 one way communication process, but requires a qualified and mature response in order to  
297 encourage a continued dialogue. All parties in consultations need to be transparent about their  
298 reasoning and priorities in order to foster a collaborative participation.

## 299 2.3 Managing Differences of Opinion and Interests

300 In the process of trade facilitation consultations many different voices will be heard. Dividing  
301 lines will not always be as clear cut. There can be cross cutting issues where trade and  
302 Government stakeholders may not share a common view on for example, a specific policy,  
303 regulation or law. The goal of the process is to highlight the issues of all the stakeholders in light

304 of the proposed process or legislation. It is critical during this process that the interests of all  
305 parties are represented and that bias toward any majority is avoided so that a holistic view can  
306 be maintained, also taking into consideration the potential pain points of minority interests.

307 Weighing interests is the core functioning of Government.

308 The fact that so many stakeholders are to be coordinated can be daunting. Stakeholder  
309 organizations can be of great help, provided they can hold informed discussions with their  
310 membership.. In many countries consultations covering the vast majority of the trade, in volume  
311 or in value, can be achieved by talking to a relatively low number of stakeholders. Governments  
312 will find that supporting civil society and especially trade organizations will pay off. An example  
313 of this is proposed legislation that is distributed for comments to impacted organizations, thus  
314 providing these organizations with a stronger argument of influence available through the  
315 membership.

316 When addressing larger segments of Trade it is important not to forget the importance of the  
317 protection of smaller Trade sectors or even individual companies. It is important that the  
318 consultation process remain results oriented and collaborative in terms of problem solving. An  
319 effective consultative process aims at depicting the consequences to stakeholders of proposed  
320 changes and the impact on a few companies can be very important. Results Oriented

321 In view of the investment of time from all concerned stakeholders it is important that the  
322 consultation process be results oriented. This means that each stakeholder must clearly identify  
323 key initiatives and priorities that are critical and that will be the focus of the dialogue. To that  
324 end, the dialogue must be driven to focus on achievable results that meet the needs of all those  
325 concerned, where possible. Each side must understand that collaboration and compromise must  
326 be key factors in allowing dialogue to continue and progress.

## 327 2.4 Consultations as an Iterative Process with Respect For Time 328 and Timing

329 Consultations as described in this recommendation can be conducted as a singular event focused  
330 on a specific topic or around a singular change process. However, as trading communities in  
331 most countries tend to be small and the same people often come to the table representing their  
332 organizations, it would also be helpful to adopt a mind-set to singular events, as part of a larger,  
333 long-term cooperation context in the operating Government framework. For larger projects such  
334 as proposed legislation or changes in procedures, consultations will be iterative. The parties will  
335 have to meet consistently in order to make the consultation constructive and effective.

336 Stakeholders must be provided with adequate opportunities to understand the changes that will  
337 be forthcoming and must also be allowed to discuss and provide their concerns or  
338 recommendations. Discussions should not be a singular event but must be approached as  
339 systematic; this means touching base routinely with stakeholders to ensure that all parties are  
340 being kept abreast of planned changes at all stages. Consistent communication will increase the

341 probability of success and minimize the risk of changes that need to be backed out due to  
342 insufficient stakeholder awareness or preparation.

## 343 2.5 Accountability and Responsibility

344 Providing a continuous record of the changes to be implemented will provide greater accuracy  
345 of impact assessment, assist with and shorten problem determination time, and ensure  
346 accountability for all changes identified. Used effectively, consultation should encourage  
347 compromise and cooperation. so long as it is tied to an obligation of responsibility and  
348 accountability. All participants in a consultation must act responsibly, fully embracing the  
349 concepts of trust and respect, appreciating a wide range of views or opinions without prejudice  
350 or discrimination. Equally important, representatives have a responsibility to truthfully and  
351 faithfully report back the outcome of deliberations without bias or partiality to their  
352 constituents.

353 Another critical aspect of accountability and responsibility is a formal reporting structure.  
354 Results of consultation should be published and made available to all interested parties. Both  
355 sides (Government and Trade) should be held accountable for producing easy-to-read and easy-  
356 to-understand (i.e., jargon and acronym free) reports of meetings, oral and written contributions  
357 received, and the outcomes of other forms of deliberation used in the consultation process.

358 However, and perhaps more important, a final report must be presented identifying the tangible  
359 results achieved by the consultation process and reflecting how input from all sides was taken  
360 into consideration and the way it was used in making decision..

361

## 362 3 Forms of Consultation

363 Consultations can be formal or informal. They can take many forms and are often combined in  
364 the continuous consultation process. In choosing a consultation approach it is key to remain  
365 flexible in terms of the approach as this will vary depending on the nature of the issues, the  
366 participating stakeholders, or timing. This recommendation focuses on approaches rather than  
367 forms. Examples are provided of frequently used forms of consultations that may serve to  
368 inspire a particular country or environment.

369 Regardless of the form chosen, there are three key underlying components that should be  
370 present in all forms. From the onset, the organizing stakeholder should make every attempt to  
371 provide detailed information to all parties of proposed actions and how those actions will impact  
372 all stakeholders. Secondly, adequate time must be provided to gather feedback and respond to  
373 questions/concerns from impacted stakeholders. Finally, all parties should be made to feel that  
374 they had a part in the ultimate decision for the path forward. These key components must be  
375 part of a deliberate process regardless of whether the form of consultation is a small group in an  
376 informal environment (e.g., focus groups or work-shops) or a large group in a formal  
377 environment.

378 Consultations will also be conducted by different modes. That is, they can be oral or written  
379 contributions, on-site or “virtual” meetings (e.g., using telephone conferences or the internet)  
380 and any combination thereof. As already stated, existing factors such as the nature of the issues  
381 to be discussed and the availability of stakeholder resources will usually dictate the best  
382 method. The selection of the appropriate consultation form will be dependent on many factors,  
383 as for example, national requirements, government and trade facilitation policies, business  
384 needs, regional (or sub-regional) or international trading agreement. Other considerations could  
385 be the commitment of stakeholders, both public and private sector, and the willingness to seek  
386 results through genuine negotiation and collaboration.

387 This recommendation discusses interactive forms of consultation and not one way  
388 communications like press conferences or public announcements. These forms can have their  
389 value, but cannot be seen as consultation as such, as only one view will be presented.

390 The forms of consultation listed are indicative, not exhaustive, and some overlap in terms of  
391 formation and operation. The examples provided below start from the more formal in structure  
392 to those that are less formal, nevertheless, all have been used to the same degree of success. It is  
393 important to also note that the listing below should not be interpreted as a limit or restriction to  
394 the development of new and innovative approaches.

### 395 3.1 Permanent Consultative Committees

396 The Permanent Consultative Committee has been the most commonly used form of consultation.  
397 The Committee can be established by either the Government (usually a department with direct  
398 contact with the trading community, such as Customs) or the private sector (often a trade or  
399 industry sector organization. The Committee is normally structured within a legal or  
400 administrative framework with the appointment of a Chairman, Vice Chairmen and a Secretary.  
401 Experience has demonstrated that rotating the Chairmanship between Trade and Government  
402 (for example every two years) can create trust and respect, encourage continuing participation  
403 and produce positive results from the co-operative consultation process.

404 The Committee could form sub-groups or working parties to progress initiatives or agreed to  
405 projects. These groups could be structured in the same way as the main Committee but with a  
406 specific focus to examine procedural, technical and operational issues and a deadline to report  
407 back with recommendations. A further sub-group could be established to oversee the  
408 implementation of any new legislation, political decree, governmental ordinance, regulation and  
409 administrative procedure. This group might have a different structure as it would need to  
410 interface with systems and solutions developers and vendors as well as operational staff  
411 responsible for implementation.

412 A special form of the Permanent Consultative Committee is the National Trade Facilitation Body,  
413 as recommended by the UNECE in *Recommendation 4 on Trade Facilitation Bodies*. A National  
414 trade facilitation body is an independent and permanent forum where relevant stakeholders  
415 from the public and private sectors discuss and coordinate trade facilitation measures at  
416 national level. A condition to make such a consultative body work is that the Government must

417 be politically committed to establishing and supporting the Committee as a national forum for  
418 promoting trade facilitation measures and that it is established by some legal framework, for  
419 instance a political decree or a governmental ordinance. There needs to be a clear mandate and  
420 the participants should be sufficiently high-level to have real influence on the issues for both  
421 Government and Trade. Experience shows that many National Bodies have been incorporated in  
422 ministries in an effort to use resources more efficiently. This has not meant that the purpose or  
423 scope of the strategic matters discussed has changed.

424 **Case story – Joint Customs Consultative Committee, United Kingdom:**

425 The Joint Customs Consultative Committee (JCCC) was established by Her Majesty's (HM)  
426 Customs & Excise (now HM Revenue and Customs) in 1969 to exchange views on and discuss  
427 proposed changes to customs procedures and documentation relating to the entry and clearance  
428 of goods. The JCCC acts as the main forum for the department and gives custom the opportunity  
429 to consult representations from over 20 member trade organizations on a face-to-face basis.  
430 There are three scheduled meetings every year, chaired by either a Director or Deputy Director  
431 of Customs. A number of smaller subgroups are used to discuss in-depth technical and  
432 operational issues. These groups are formed as required and disbanded once their purpose is  
433 achieved and the results reported to the main committee.

## 434 3.2 Centres of Experience and Expertise

435 Government or Trade could establish a formal Centre of Experience and Expertise, or a network  
436 of experts to address issues in a variety of subject areas including, administration, management,  
437 academia, compliance, systems requirements, and law. The objective would be to seek views and  
438 opinions from recognized experts on the full range of issues on the subject or measure under  
439 discussion. The department or organization establishing the collaborative effort could identify  
440 experts and invite them to participate. Equally, experts could nominate themselves for  
441 contributions in their particular field of experience or expertise. The aim of this approach would  
442 be to ensure the collaboration is both transparent and inclusive. Unlike the establishment of  
443 committees, this consultation method is less resource intensive with costs and effort more  
444 widely spread. However, it would require proper leadership and management.

## 445 3.3 Network of Subject Matter Experts

446 Another method of consultation could be the establishment of informal reference groups  
447 composed of subject matter experts in specific fields. These groups would be invited to  
448 contribute on specific issues within their field of expertise. For example national bodies such as  
449 regional development agencies could be invited to submit oral or written contributions on the  
450 potential impact of a proposed new measure or procedure within their region. Similarly  
451 individual trade and industry organizations could be asked to contribute on the introduction of  
452 new practices in their specific sector. Procedural subgroups can be established to provide Trade  
453 and Government with best practices for individual trade facilitation issues derived from  
454 identification of pain points and lessons learned. Similarly, technical subgroups can be organized  
455 to provide valuable insight for pretesting of electronic formats or testing of proposed technical

456 solutions to current manual processes. The main benefit of this approach is the proposed new  
457 measures are 'tested' by the people directly affected and at important milestones of their  
458 development.

### 459 3.4 Peer-to-Peer groups

460 The Peer-to-Peer method of consultation could prove useful as a way to share experiences at the  
461 point of introduction of a new measure. Implementations frequently follow similar patterns and  
462 encounter broadly similar problems requiring quick solutions to ensure the introduction is not  
463 stalled. Consulting a peer group of contemporary colleagues with equal competencies and  
464 abilities could offer valuable contributions on technical and operational issues, help identify  
465 potential difficulties and provide positive remedial actions to overcome implementation hurdles.  
466

### 467 3.5 Implementation Working Parties

468 Once results or consensus has been achieved, a successful roll out of the proposed solution is  
469 best achieved when stakeholders that have been involved in the process (and have comprised  
470 any of the groups mentioned above) are also used to champion and communicate the  
471 forthcoming changes to their constituents. Implementation working parties, consisting of  
472 impacted Trade sectors and developers/vendors of implementation solutions, can help to  
473 manage the introduction of new procedures and practices by positively communicating those  
474 changes within their sectors. The benefit of this process may take years to be fully recognized,  
475 but over time, as trust and partnerships build, the results will be very positive. There are many  
476 benefits to such an approach including the ability to reach key contacts of those within the  
477 implementation work group, expanded access to resources (both human and financial) for  
478 communication campaigns, and increased credibility due to impacted stakeholders advocating  
479 the changes across their networks.

480 A generic consultation model is described below. It is intended as an illustration of the need for  
481 preparations and transparency and of the iterative nature of consultations. Hopefully this  
482 illustration can be applied to most forms of consultations.

### 483 3.6 Conferences

484 A special form of consultation can be in the way of an annual conference. An annual conference  
485 has the advantage that the information from the organizing stakeholder can be given to a large  
486 number of stakeholders and companies. On the other hand, a disadvantage is that it can be  
487 difficult to have a dialogue where all present have a say. To mitigate this difficulty it is common  
488 practice to offer break-out sessions or additional sessions featuring round table discussions with  
489 selected stakeholders or larger companies so that a meaningful exchange of dialogue among  
490 stakeholders can also occur.

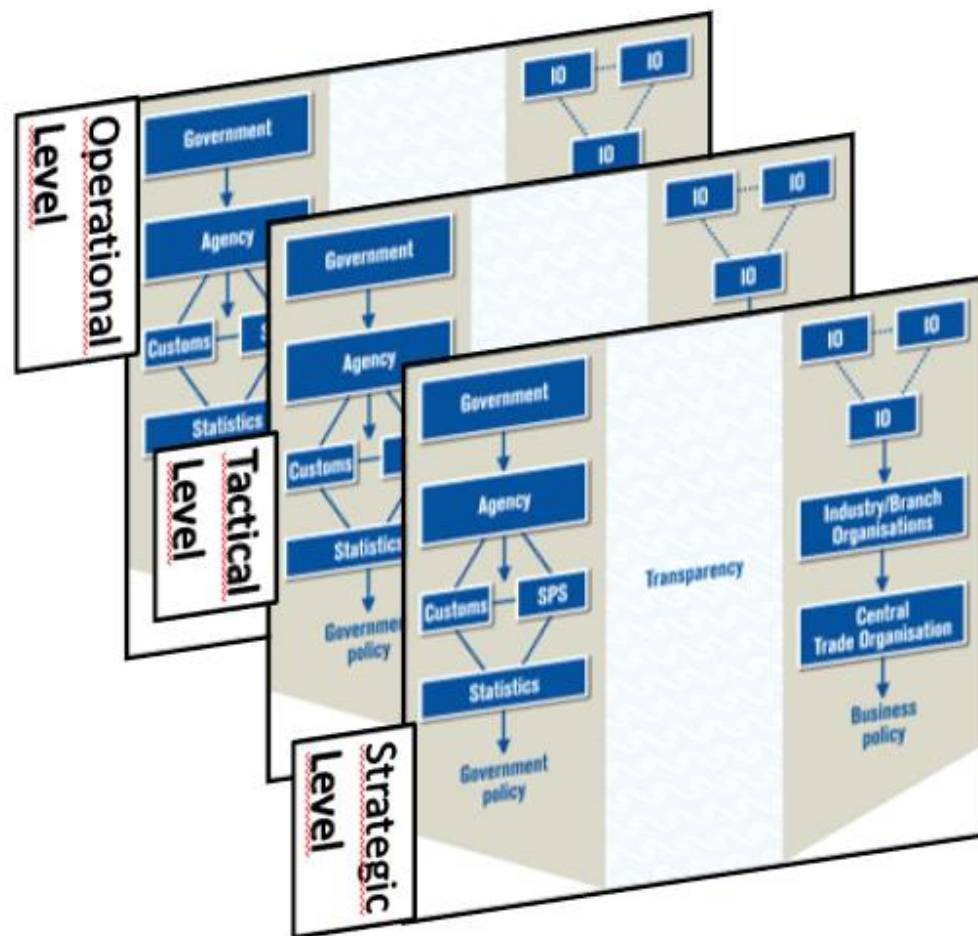
491 **Case Story: Customs Day Conferences, Sweden:**

492 Swedish Customs, Swedish Trade Federation and the Chambers of Commerce in Stockholm,  
493 West Sweden and South Sweden organize an annual event called the “Day of Customs.” The  
494 event is centrally planned and most of the content is repeated in the three venues, Stockholm,  
495 Gothenburg and Malmoe. The event that is primarily aimed at compliance and customs  
496 responsibilities in importing and exporting is opened by the Director General of Swedish  
497 Customs and the programme includes other authorities as well as various trade federations.

#### 498 **4 Levels of Participation**

499 For consultation between Trade and Government to work efficiently and (more importantly)  
500 effectively the process must include representation from the full diversity of the stakeholders  
501 i.e., from the leadership all the way down to the users who will be impacted. Participants should  
502 be of appropriate position and status, including experts with established and acknowledged  
503 competence. Consultations must also be complete in all respects and inclusive of strategic,  
504 tactical and operational issues. Each level of consultation should be clearly defined in both scope  
505 and authority with open and transparent channels of communication and reporting. In most  
506 consultation processes there is a need for communication between the levels in both directions  
507 so that, for instance, when a tactical level group meets it has information on what has been  
508 discussed at the strategic and operational level. Similarly, information from discussions at the  
509 tactical level will then need to be communicated to both the strategic and operational level.





510  
511 Figure 1. Consultation takes place at various levels while at the same time including various  
512 stakeholders and their internal processes.

513 At the **strategic level** discussions would include trade facilitation policy issues. Participants to  
514 the committee should include senior officials, aides coordinating the political agenda and  
515 Government policy makers. Trade participation would include senior decision makers of multi-  
516 national and national companies who are responsible for preparing new innovative business  
517 processes and commercial practices and systems. The agenda would consider trade facilitation  
518 measures as part of the overall objectives of Trade and industry policy, economic development,  
519 fiscal and monetary (including taxation) policy and strategies for social and community  
520 cohesion. At this level existing regional (and sub-regional) and international obligations and  
521 agreements, conventions, recommendations and international standards are to be taken into  
522 account.

523 At a **tactical level** participants would discuss the development of official procedures and  
524 commercial practices to allow the smooth implementation of the enabling measures. The  
525 working group would be comprised of parties from Government (senior government officials)  
526 and Trade (corporate/business managers, logistics practitioners...) with acknowledged  
527 competencies in the international supply chain. The agenda for the group would be an

528 examination in detail of the legislation, regulation and administrative procedures to enact and  
 529 enable the policy. The issues involved could include, but not be limited to, offering analysis of the  
 530 legislative sections, articles and clauses and making recommendations for necessary or  
 531 appropriate amendments; development of guidance and advisory services (including Public  
 532 Notices); the design of an implementation programme; and a plan for a promotion and publicity  
 533 campaign.

534 **Operational** discussions would include (but again not limited to) change management, the roll  
 535 out of promotional communication products and publicity, training of both private and public  
 536 operatives and the development of a dispute resolution process for local conflicts or  
 537 disagreements. Participation and contribution at this level of consultation should be extended  
 538 organizations, companies, individuals and other interested parties that would develop the  
 539 solutions to support the efficient implementation. Software and systems developers and  
 540 vendors, information and communication technology experts, trade and transport consultants,  
 541 media professionals and behavioural specialists would provide a wealth of valuable information  
 542 on the impact of any new operational procedures or practices.

## 543 **5 Topics for Consultation**

544 Governments consult to assess among other things traders' preferences and opinions, identify  
 545 concerns and problems, leverage ideas for improvement, share information, and build a common  
 546 vision and strategy. A successful consultation approach must have a clear topic to address..

547 Although consultation processes inform a decision, the final decision remains with the  
 548 Government or the mandated authority. For this reason, public interests or security reasons may  
 549 prohibit consultation or may lead the Government to adopt less interactive forms of consultation  
 550 when dealing with issues considered sensitive for confidentiality or security reasons.

### 551 **Case stories Thailand and Pakistan:**

552 *In Thailand the Steering Committee on National Single Window Development dealt with the*  
 553 *development of the action plan for its implementation and monitoring. At a sub-level a technical*  
 554 *working group dealt specifically with drafting guidelines for the sharing and exchange of data, the*  
 555 *deployment of authentication, and developing a national data set.*

556 *In Pakistan the National Transport and Trade Facilitation Committee (NTTFC) covers topics and*  
 557 *activities including the continuous review of trade and transport procedures and systems, the*  
 558 *alignment of trade and transport documents to the UN Layout Key, adoption of standard trade and*  
 559 *transport terminology and international codes for trade and transport information promoting*  
 560 *training and research.*

561 *(Source: TFIG case stories)*

562 The goals and the topics of a consultation process need to be defined in advance. A consultation  
 563 process without a clear topic will not attract interest and participation. Stakeholders will  
 564 participate when matters have a direct bearing on business and daily operations. Hence the level  
 565 of participation of the process has to be aligned to the topic. Strategy policy topics may involve a

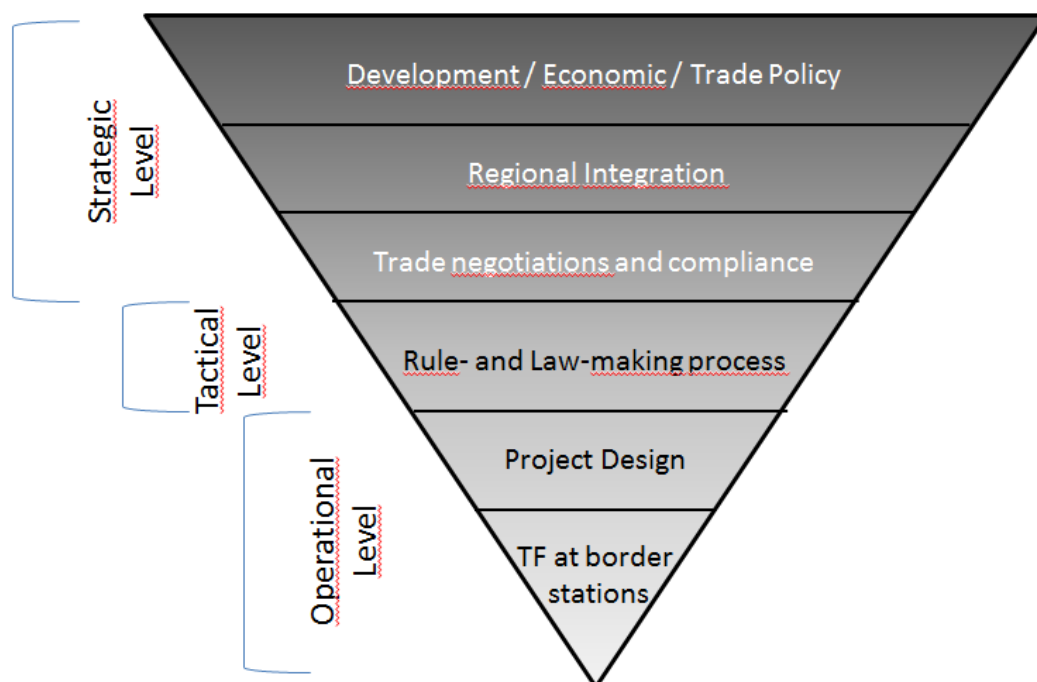
566 broad number of stakeholders, at a political level; operational issues are more effectively dealt  
567 with limited number of selected stakeholders with an expert knowledge.

568 There also need to be possibilities for all stakeholders to bring items to the agenda for  
569 consultations. The lead agency should make sure that requests for agenda items are sought from  
570 Government and Trade, as well as from any other interested parties.

571 Effective consultation relies on trust and dialogue that grows with time and with the experience  
572 of collaborative achievements. The topics chosen for the consultation should be aligned to the  
573 level and experience of collaboration in the group. Solving operational issues with a quick win  
574 for many can lay the ground for more substantial and sustained collaboration.

575 The issue or topic at stake in the consultation has a direct impact on the planning for the  
576 consultation process. The selection of stakeholders and the “technique/mode/instrument” for  
577 the consultation will be specific to the topic and the purpose. A clear setting of the topic and its  
578 relevance to the stakeholders must therefore be part of the framing of the consultation process.

579



580

581 Figure 2. The above figure illustrates the width of various topics for consultations. The top three  
582 levels indicate an operational level, the middle level indicates a tactical level and the bottom two  
583 indicate a strategic level for the consultation.

## 584 **6 Preparations for Consultations**

585 Preparations for consultations are crucial for effective and efficient discussions. Each part needs  
586 to know the priorities and limits of its constituency for each issue that is on the table for  
587 consultation. This can be a time consuming process and transparency about upcoming proposals  
588 and other issues on the consultative agenda are crucial to allow both sides to prepare.

589 In order to promote transparency, flexibility and efficiency there is need for mutual  
590 understanding of the trade and government environments. The priority of Trade is not  
591 consultation but the running of everyday business. In some countries the degree of organization  
592 within Trade is weak. Government must be constructive and creative in finding partners that  
593 will help an informed debate. Over time, lending support to organizations representing Trade  
594 can be a constructive investment in future dialogue and will do much in facilitating the much  
595 needed preparation that is required for all sides before consultation can begin.

596

## 597 **7 Resources**

598 Many stakeholders, administrations or even countries have expressed worries that consultation  
599 might drive costs. However, financing consultation does not necessarily require investments of  
600 large sums of money. Each party participating will normally have an interest in consultation and  
601 could reasonably be expected to cover his own time and any related travel expenses. In this case,  
602 the only real external cost is a meeting room large enough to accommodate all the participants.

603 In some cases, certain subjects which call for regular consultation or which would benefit from  
604 calling upon external experts might require a bit more investment. Aspects like coffee breaks,  
605 meals, and elaborate venues should be considered as social aspects which although might be an  
606 added benefit to attract the participation of experts, should not be considered essential since the  
607 true purpose of consultation should be working together towards effective trade facilitation and  
608 simplification. However, in the event that such expenses are necessary, it is possible to consider  
609 alternative options for funding. As for example, the funding for the initial expenditure could be  
610 in the form of a Government grant, corporate sponsorship, or subscription fees from the  
611 business representatives.

612 The selection of a less resource intensive method of consultation would naturally reduce  
613 commencement and operating costs. However to ensure sustainability some resources would be  
614 required to establish the consultation method and then lead and manage the process. Funding  
615 would be needed for the distribution of contributions or other relevant material either  
616 physically or through a managed website.

## 617 8 A Proposed Toolbox for Consultations

### 618 8.1 Stakeholder Analysis

619 Prior to initiating consultations, the lead agency or organization will need to identify the  
620 stakeholders that are concerned by the issue, proposal or change of procedure. Stakeholder  
621 Analysis is an important tool by which to gather this information. The approach is a disciplined  
622 and structured way to map organizations and companies with an interest in the issue(s) at hand  
623 and consists of identifying end users, agents, organizations and grouping them into direct and  
624 secondary stakeholders, in terms of how they will be impacted. The process continues with  
625 descriptions of the stakeholders' needs, interests, organizations, capacities and so on..  
626 Information collected as part of this stakeholder mapping should also include an analysis of  
627 priority interests, what Government needs from this group, perceived attitudes/risks, and what  
628 it will take to persuade this group to agree to requested changes.

629 A successful analysis will also promote and track the progress of specific stakeholders during the  
630 consultation process (that is, recognition of the baseline, creation of awareness, development of  
631 understanding, and finally, acceptance (that is, readiness)). This approach involves close  
632 coordination with the lead agency driving the change and requires consistent outreach focused  
633 on promoting discussions, awareness, understanding and acceptance across all the key  
634 stakeholder groups.

635 **The following is offered as a quick stakeholder analysis checklist:**

- 636 • **what** is the agency need(s) or priority?
- 637 • **how** flexible is the agency in its ability to change or modify this need or priority in the  
638 view of new proposals or developments?
- 639 • **who** are all the impacted stakeholders?
- 640 • **how is** information to be **shared** between the parties?
- 641 • **what** information **can** be shared, and with which stakeholders?
- 642 • **what** is the appropriate time to share this information such that parties have the  
643 necessary time to react?

644 Assessment activities must provide a basic understanding of how different stakeholder groups  
645 will be affected by proposed changes as well as provide guidance and the necessary assurances  
646 to stakeholders of how their business processes will continue in the new environments. In order  
647 to build trust, the specifics of the changes must be provided to stakeholders and they must be  
648 given an opportunity to voice their comments or concerns so that both short and long terms  
649 plans are clearly identified.

## 650 8.2 Change Management

651 A successful approach to managing change in current policy or process must include a sustained  
652 and structured method of readiness assessment across all stakeholders. In many instances,  
653 stakeholders are comfortable with the current state and and may not be aware of external  
654 factors that would necessitate or require a need for change.

655 The initiator of change must be prepared to conduct a readiness assessment of its stakeholders  
656 to undergo that change. Stakeholders must be appraised of the “as is condition” as well as the  
657 “go to condition.” This dialogue is necessary so that obstacles and risks are discussed and  
658 mitigated at the earliest opportunity.

659 “Engagement” of the stakeholder community must be well organized and make use of all feasible  
660 means of distributing the necessary information. This includes written communications,  
661 opportunities for verbal engagement, and posting of electronic information when websites are  
662 available. Where feasible, Government should also provide education and training so that  
663 impacted stakeholders are more willing to support the advocated changes.

664 In addition to these “readiness” activities, Government must also be prepared to sustain the  
665 necessary changes. Sustainment may include continuous process improvement, benchmarking,  
666 the identification of best practices, and business process reengineering. This will result in  
667 smoother transition from the old to the new, positive perception of the changes advocated, less  
668 resistance to change, and improved cooperation.

## 669 8.3 Evaluation

670 Consultation processes should not only be established but also evaluated to determine if the  
671 investment of time, money and energy provided value. The value lies in the quality of the  
672 consultation process and the outcome it generates. Dissatisfaction with the process and  
673 participants’ perception of an ineffective involvement may lead to their disengagement and the  
674 failure of consultation processes. An evaluation is conducted to audit and manage a particular  
675 consultation process and to learn from that specific experience for betterment of future efforts.

676 The aim of the evaluation is to determine whether an open, transparent and non-discriminatory  
677 form of consultation was used from beginning to end. Lessons learned should also be identified  
678 for future projects.

### 679 8.3.1 Evaluation process

680 Commonly evaluations are conducted at the end of a process, project or activity. In the case of  
681 consultation processes it is often difficult to define an end-point because of the continuity of its  
682 activities. It is therefore recommended to define in advance the timing of the evaluation and to  
683 consider repeating an evaluation over time to measure the evolution. In any case, the planning  
684 for an evaluation has to start early, ideally when initiating the consultation process, to  
685 collaboratively agree upon the timing, the form and the method. If behavioural goals such as

686 attitudes are used as evaluation criteria, data needs to be collected at the beginning and the end  
687 stage.

### 688 8.3.2 Evaluation framework

689 To evaluate the worth and success of a consultation process one first has to define what  
690 constitutes a successful consultation. An evaluation framework defines the evaluation criteria,  
691 indicators, data sources, and set targets and assumptions for each criterion. Evaluation criteria  
692 reflect the goals pursued by the consultation process. They can be outcome and/or process  
693 oriented. Process related evaluation criteria for example, address questions pertaining to the  
694 fairness and openness of the process, and efficacy in terms of managing resources and getting  
695 the right people involved at the right time. Outcome related criteria for example, refer to the  
696 impact of a consultation process on trust and relationships and on policy decision or the quality  
697 of public services.

698 Each evaluation criterion can have at least one indicator—qualitative or quantitative—that is  
699 used to measure the overall criteria. An example of an indicator for the representative criteria is  
700 the number of participants and the organizations they represent. Data indicates the source  
701 where information on the indicator can be found and defines the method and tool used to collect  
702 the data. Finally, targets reflect the planned goal.

### 703 8.3.3 Evaluation methods

704 There are different methods and tools for the data collection and analysis in an evaluation;  
705 namely surveys, interviews, studying documentation, and observation. The choice of these  
706 methods is specific to each evaluation and the evaluation framework. For example, visits to  
707 various and varied locations to conduct interviews with staff performing the daily tasks  
708 introduced by the new measures are useful. The objective would be to identify whether clear  
709 and precise information was provided and if the staff were offered suitable training prior to the  
710 introduction of the measure. Also, such visits would discover where local conditions required  
711 amendment to procedures and practices to ensure implementation.

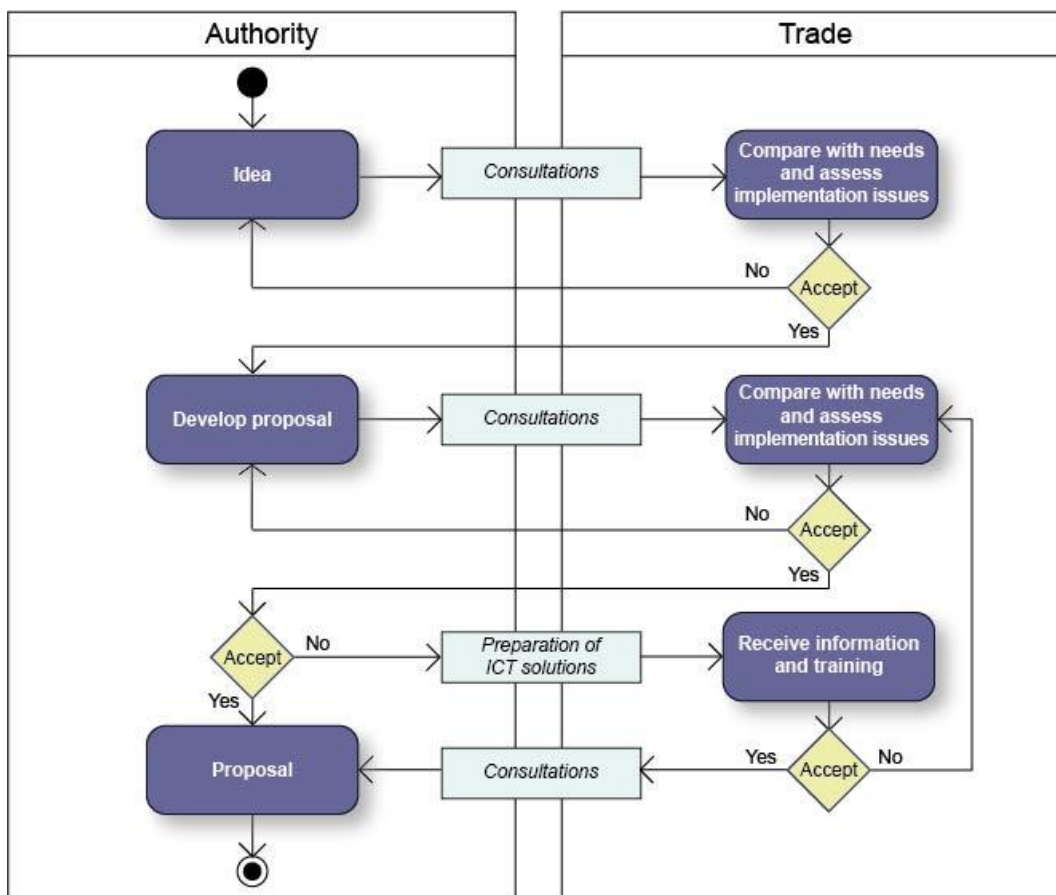
## 712 8.4 Generic Model

713 The generic model illustrated below in Figure 3 is an attempt to provide guidance for those  
714 trying to engage in consultations and highlights the processes that are both desirable and  
715 consistently present in consultations. This model should not be seen as complete in all respects,  
716 as for example, it does not clearly reflect the iterative nature of consultations or the fact that  
717 there needs to be a continued effort to sustain the commitment.

718 The basic components of the consultation in this model will, for all simplicity, have certain  
719 designation. For instance the term *Authority* means any governmental body, agency or indeed  
720 department. *Trade* stands both for individual companies and traders and their respective  
721 organizations. The joint procedures will be *consultations*, but also various other forms of  
722 preparations and implementations.

723 Importantly, the respective stakeholders also need to have their own internal processes where  
 724 the views of their constituency are prepared. This internal process consists both of  
 725 disseminating information and getting feedback on a suggested approach or idea.

726 In the model we are working with, the consultation process is set in motion by an idea. Trade  
 727 procedures are governed by policy and procedures, and any item of consultation will inevitable  
 728 come from an idea of opportunities for new policies and procedures or in its more developed  
 729 form, *proposals*. This is true independently of whether these ideas are a suggestion from Trade,  
 730 new legislation imposed from a regional level or any of the other topics discussed in Section 5 on  
 731 Topics for Consultations. From the *consultations* there will come a *proposal* for policies and  
 732 procedures. The proposal may also lead to new problems and issues. These can be addressed by  
 733 either *training* or new *ideas* or *proposals* on re-organization for new procedures or policies. This  
 734 overall landscape of consultations is depicted in Figure 3.



735

736 **Figure 3. A Generic Consultation model.**

737 The most basic part of the consultation model is an idea formulated and prepared in either  
 738 *Authority* or *Trade* and through transparency procedures shared with the other stakeholders  
 739 before the final decision on the final proposal is made. That process is depicted in the upper part  
 740 of Figure 3. Please note that the prerequisite of transparency as early as at the problem  
 741 formulation stage, applies to both stakeholders. Of course, there will be cases where quite



742 substantial preparatory consultations are made with the stakeholders' own constituencies. This  
743 is surely the case when the issues are more complex. In this model that process has been given  
744 the name "*Compare with needs and assess implementation issues*", but it can be both more and  
745 less complex depending on where in the process it happens and the nature of the idea at hand.

746 The process "*Compare with needs and assess implementation issues*" is a simplification of the  
747 process in the stakeholder's constituency that occurs in parallel with the overall consultation. It  
748 has great resemblance to the process between the main stakeholders. The constituency needs to  
749 be informed about the proposal and their views on the feasibility must be heard. Here  
750 transparency helps the stakeholders to prepare their constituencies for the changes linked to the  
751 proposal so they can be well informed on the technical details that will be discussed. The  
752 exchange of information and modification of position is simultaneous, or almost simultaneous,  
753 to the consultation process.

754 Subsequent or parallel to the proposal being modified (or not) based on the input from the  
755 stakeholders, the Authority will judge what implementation measures will be needed. This  
756 process is continued when the proposal is formally presented with a deadline for  
757 implementation. In this process, the Authority provides training or information that is shared  
758 with the Trade stakeholders and in turn, the Trade stakeholders give feedback on the efficiency  
759 of the information and training provided. A process that can be both separate and on-going is  
760 Evaluation. In principle it makes the same loop as the consultations in the model, but will involve  
761 feedback on the consultation process itself and the results it has generated. The overall model  
762 tries to show the involvement of all stakeholders and the information sharing over time.