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7 (UN/CEFACT)

8
9 INTERNATIONAL TRADE PROCEDURES DOMAIN (ITPD)

10
11
12 ~~Fourth-Sixth~~ Draft Recommendation XX

13
14 **Consultation Approaches**

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

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Commentaire [JB1]:

71

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

76 **1 Introduction**

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

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

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

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

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

101 **2 Purpose**

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

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

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

119 **3 Scope**

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

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

129 **4 Benefits**

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

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

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

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

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

149 **5 Recommendation**

150 The United Nations Centre for Trade Facilitation and Electronic Business at its XXth Plenary
151 session in XX in Geneva agreed to:

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

162

163 Guidelines to Recommendation No. XX

164 1 Introduction

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

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

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

184 2 Basic Principles for Consultation

185 ~~The basic principles for consultations are:~~

- 186 ~~• Partnership and Trust,~~
- 187 ~~• Transparency,~~
- 188 ~~• Managing Differing Opinions and Interests,~~
- 189 ~~• Respect for Time and Timing and the Iterative Nature of the Process, and~~
- 190 ~~• Accountability, Responsibility and Reporting~~

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ni puces

191 2.1 Partnership and Trust

192 2.1.1 Building Partnership and Trust~~Partnership and Trust for Workable~~ 193 Solutions

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

202 Trust is the by-product of collaboration and true partnership. If meetings are conducted without
203 a scripted end and participants are willing to suspend pre-existing mental models (or individual
204 points of view), compliance turns to commitment and distrust turns to trust. This is something
205 that occurs over time and may not be immediately present in the early stages of collaborative
206 efforts.

207 ~~Consultations between Trade and Government institutions are motivated by the fact that no one~~
208 ~~stakeholder will solely be able to fully understand the consequences of new legislation, ideas for~~
209 ~~improvements or even simple changes of procedures. Many Governments are currently engaged~~
210 ~~in complex processes in the area of Trade such as trade facilitation programmes, Customs~~
211 ~~modernization initiatives or increased use of Information and Communications Technology. For~~
212 ~~any of these efforts, Trade stakeholders will be affected in various degrees but are often~~
213 ~~expected to provide solutions with regard to their own processes, adapt their Information and~~
214 ~~Communications Technology (ICT) systems to fit new systems for compliance or otherwise~~
215 ~~significantly change the way they currently conduct business. Consultation is a means to achieve~~
216 ~~workable solutions for trade and compliance.~~

217 In order to maintain trust and foster a **constructive dialogue**, all parties need to be respected and
218 provided the opportunity to voice their comments and concerns, especially in light of the
219 importance and magnitude of potential change processes. ~~Even if the item on the consultative~~
220 ~~agenda is very subject matter specific, and the consultation process limited in time, the~~
221 ~~consultation will be perceived by many stakeholders as part of a bigger set of issues, and~~
222 ~~significant in terms of the relationship to a certain Government authority.~~ There is a mutual need
223 to form a **true partnership** that includes understanding and respect for each party's priorities,
224 resources and ability to meet deadlines; this will foster trust. Although building trust can take a
225 significant investment of time, it may be easily compromised. This breach of trust can result
226 from a non-respect of confidentiality, the lack of response to comments submitted, solutions
227 imposed on stakeholders without the opportunity to comment, or one way communication such
228 as notifications disguised under the name consultation~~One word leaked from sensitive~~
229 ~~negotiations, one comment given and not responded to, one very cumbersome solution imposed~~

Commentaire [JB2]: In response to comment received from Amy Magnus

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230 | on a stakeholder without the opportunity to comment – all these are examples of incidents that
231 | can undermine the trust and partnership stakeholders invested years to build.

232 | ~~A particular form of breach of trust is when consultations cease to be consultations and~~
233 | ~~are transformed into notifications.~~ One way communication, lack of feedback or consideration
234 | of views aired during consultations or inadequate time for response, are among the factors that
235 | can turn consultations into notifications.

236 ~~Feedback is an important feature of partnership. If the relationship~~
 237 ~~between Trade and Government is to grow into partnership,~~
 238 ~~constructive feedback must be an inherent part of the process.~~
 239 ~~Stakeholders who receive no feedback will soon become weary~~
 240 ~~and feel they are being overlooked or excluded from the process.~~
 241 ~~To be acceptable, the classic model of feedback must be balanced,~~
 242 ~~constructive and credible.~~

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243 ~~A particular form of breach of trust is when consultations cease to be~~
 244 ~~consultations and are transformed into notifications. One way~~
 245 ~~communication, lack of feedback or consideration of views aired~~
 246 ~~during consultations or inadequate time for response, are among the~~
 247 ~~factors that can turn consultations into notifications.~~

248 ~~Trust is the by product of collaboration and true partnership. If meetings~~
 249 ~~are conducted without a scripted end and participants are willing to~~
 250 ~~suspend pre-existing mental models (or individual points of view),~~
 251 ~~compliance turns to commitment and distrust turns to trust. This is~~
 252 ~~something that occurs over time and may not be immediately present~~
 253 ~~in the early stages of collaborative efforts.~~

Commentaire [JB3]: In response to
comment received from Amy Magnus

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254 The Feedback Formula:

$$255 A = B * C^2$$

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(Pas de bordure), Gauche: (Pas de
bordure), Droite: (Pas de bordure)

256 Acceptable = Balanced, Constructive and Credible

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258 2.1.2 Mutual Benefits

259 ~~There needs to be some level of return on investment for both side Trade and Governmentes.~~
 260 Consultation is an opportunity for both sides Trade and Government, but it is also an investment
 261 in time and money ~~for both parties. There needs to be some level of return on investment for~~
 262 ~~both sides~~ Trade needs to feel their input and points of view are taken into account and
 263 integrated into any chosen solution. Government needs to feel that Trade's participation is not
 264 only in the pursuit of individual interests, but in the greater interest of the nation. If either side
 265 feels that it is not receiving adequate return on investment, it will most likely result in
 266 discontinuity of that time or financial investment in consultation.

Commentaire [JB4]: Should we
remove this part of the sentence? This
will address comment from Mitsuru
Ishigaki?

Mis en forme : Surlignage

267 ~~Just as initiatives for consultations can come from all concerned~~
 268 ~~stakeholders, trust and partnership applies to all parties. Although a~~
 269 ~~particular Government authority may be responsible for a certain~~
 270 ~~policy area and therefore may act as the lead agency to initiate~~
 271 ~~dialogue, all stakeholders stand to lose from poor dialogue and lack of~~
 272 ~~trust. Proactive companies, traders' associations or Chambers of~~
 273 ~~Commerce will want to be given the opportunity to provide their own~~
 274 ~~proposals on simplifications or other changes. They will also want to~~
 275 ~~be informed and included in processes in a timely manner. From the~~
 276 ~~Trade's perspective, a late invitation to a discussion on new~~
 277 ~~procedures could become very costly as implementation times can~~
 278 ~~become very narrow and drive costs. This oversight can have long~~
 279 ~~lasting detrimental effects on partnership and trust.~~

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280 2.1.3 Consultations - Not a Place for Instructions, Compliance Controls or 281 Lobbying

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

290 Participation in consultations should not be used as an opportunity or a forum for single issue
 291 advocates. ~~These types of discussions can be counter-productive as the ultimate objective is to~~
 292 ~~persuade decision makers to implement a pre-determined policy or solution without the benefit~~
 293 ~~of an open discussion that is inclusive of other stakeholders or outside opinions.~~ This could lead
 294 the Government to making an unpopular policy decision that does not take all interests into
 295 consideration and that weighs heavily on the larger trading community.

296 ~~Stakeholders who receive no feedback will soon become weary and feel~~
 297 ~~they are being overlooked or excluded from the process.~~

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298 2.1.4 Learning About Your Partners' Needs

299 ~~Consultations between Trade and Government institutions are motivated by the fact that no one~~
 300 ~~stakeholder will solely be able to fully understand the consequences of new legislation, ideas for~~
 301 ~~improvements or even simple changes of procedures. Consultations between Trade and~~
 302 ~~Government institutions are motivated by the fact that no one stakeholder will solely be able to~~
 303 ~~fully understand the consequences of new legislation, ideas for improvements or even simple~~

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304 ~~changes of procedures. Many Governments are currently engaged in complex processes in the~~
 305 ~~area of Trade such as trade facilitation programmes, Customs modernization initiatives or~~
 306 ~~increased use of Information and Communications Technology (ICT). For any of these efforts,~~
 307 ~~Trade stakeholders will be affected in various degrees but are often expected to provide~~
 308 ~~solutions with regard to their own processes, adapt their Information and Communications~~
 309 ~~Technology (ICT) systems to fit new systems for compliance or otherwise significantly change~~
 310 ~~the way they currently conduct business. Consultation is a means to achieve workable solutions~~
 311 ~~for trade and compliance.~~

312

313 ~~A stepping stone to true partnership is earnest interest in learning about partner organizations~~
 314 ~~and the environment in which they work. What are their each parties' priorities, instructions,~~
 315 ~~drivers, limits, and so on? Genuine interest and investment of time to learn about each other will~~
 316 ~~make consultations easier and discussions run smoother once the real issues are on the table.~~
 317 ~~Long-term consultations will enhance this process and make the investment in time more~~
 318 ~~affordable; the same applies to shorter consultation processes. See Stakeholder Analysis below.~~

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

326

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327 2.1.5 Leadership

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

332 ~~Insert text box about the Guatemala experience or erase the reference. There are for instance a~~
 333 ~~number of examples where the business community has pushed for Single Window solutions,~~
 334 ~~like for instance in Guatemala.~~

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Commentaire [JBS]: per comment
from Mitsuru Ishigaki, should the
reference to Guatemala be removed or do
we add more text?

335 ~~Although a particular Government authority may be responsible for a certain policy area and~~
 336 ~~therefore may act as the lead agency to initiate dialogue, all stakeholders stand to lose from poor~~
 337 ~~dialogue and lack of trust. Proactive companies, traders' associations or Chambers of Commerce~~
 338 ~~will want to be given the opportunity to provide their own proposals on simplifications or other~~
 339 ~~changes. They will also want to be informed and included in processes in a timely manner.~~

340 In the context of consultation, leadership is the ability to act positive, promote discussion
341 towards consensus building and encourage constructive and conclusive decision making. ~~An~~
342 ~~effective leading agency would demonstrate the flexibility to adopt appropriate interpersonal~~
343 ~~skills to guide participants and groups of stakeholders in the direction of task accomplishment. A~~
344 ~~lead agency or organization would recognize the benefits of task delegation and decision making~~
345 ~~to the most appropriate level of consultation.~~ To maximize the effectiveness of the consultation
346 method, the leader should use every opportunity to give voice to all stakeholders and develop
347 the potential of every participant or contributor.

348 In addition to a high degree of personal skills and abilities (such as analysis, judgement, initiative
349 and decisiveness), the representatives of the lead organization should also exhibit organizational
350 sensitivity and awareness. They must be able to perceive the way decisions impact other parts of
351 the consultation process. The lead agency should accept the need to build consensus through
352 collaboration, negotiation and conciliation to embrace the various and varied views of
353 participants.

354

355

356

357

358 ~~Just as initiatives for consultations can come from all concerned stakeholders, trust and~~
359 ~~partnership applies to all parties. Although a particular Government authority may be~~
360 ~~responsible for a certain policy area and therefore may act as the lead agency to initiate~~
361 ~~dialogue, all stakeholders stand to lose from poor dialogue and lack of trust. Proactive~~
362 ~~companies, traders' associations or Chambers of Commerce will want to be given the~~
363 ~~opportunity to provide their own proposals on simplifications or other changes. They will also~~
364 ~~want to be informed and included in processes in a timely manner. From the Trade's~~
365 ~~perspective, a late invitation to a discussion on new procedures could become very costly as~~
366 ~~implementation times can become very narrow and drive costs. This oversight can have long~~
367 ~~lasting detrimental effects on partnership and trust.~~

368

369 2.2 Transparency

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

373 In the context of consultations, a transparent and accountable dialogue can be defined as an
374 iterative process that begins with the early availability of information for all stakeholders.
375 Transparency will permit stakeholders to prepare for consultation, familiarize themselves with

376 the issues, ideas and plans of other stakeholders, and compare that feedback to their own needs,
377 goals and priorities.

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

381 To many organizations it can be a challenge to openly discuss plans and ideas before they have
382 been fully conceptualized or formally accepted. However, in order to involve other stakeholders
383 in the process of refining a concept, stakeholder views need to be heard at a stage where
384 possible solutions are still fluid and not finalized. To consult on a concept that has been fully
385 developed and agreed to within an authority will ~~not permit full stock-taking of the~~
386 ~~stakeholders' views and may create tension when new information comes to light that will force~~
387 ~~an amendment of the concept already agreed. Stakeholders make stakeholders will~~ feel excluded
388 ~~and will leading them to~~ conclude their views have not been considered, ~~thus. This will~~ making
389 consultations more difficult in the present as well as in the future.

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

396 ~~Transparency can be displayed for a singular event, but is mostly a continuous process and~~
397 ~~strategy whereby an organization displays its goals, values, plans and thoughts. A mature~~
398 ~~transparent organization is ready to share ideas that are in an early stage of development and~~
399 ~~will accept comments on the content throughout the process.~~

400 2.3 Managing Differences of Opinion and Interests

401 In the process of trade facilitation consultations many different voices will be heard. ~~It is in the~~
402 ~~nature of the question and the activities concerned. It can be expected that freight forwarders,~~
403 ~~express carriers or customs agents have differences in views and perspective. Also, different~~
404 ~~Government departments and authorities may have different instructions and priorities.~~
405 Dividing lines will not always be as clear cut. There can be cross cutting issues where ~~for~~
406 ~~instance, small businesses will have different views than larger businesses, traders of specific~~
407 ~~commodities trade and Government stakeholders~~ may not ~~share have~~ a common view on ~~for~~
408 ~~example, a specific policy, regulation or law, and Government agencies may be in conflict with~~
409 ~~one another and/or with specific traders.~~ The goal of the process is to highlight ~~the pain points~~
410 ~~and the~~ issues of all the stakeholders in light of the proposed process or legislation. It is critical
411 during this process that the interests of all parties are represented and that bias toward any
412 majority is avoided so that a holistic view can be maintained, ~~If the position of the majority~~
413 ~~cannot be avoided then explanations must be provided and if possible, solutions must take into~~
414 ~~consideration also taking into consideration~~ the potential pain points of minority interests.

415 Weighing interests is the core functioning of Government. ~~Very few issues decided are truly~~
 416 ~~political; the vast majority are about differences of interests: economic, social and practical. At~~
 417 ~~the end of the process, Government will have the final word and make the necessary decisions.~~
 418 ~~From the trade facilitation perspective, the overall goal of simplification needs to be kept in~~
 419 ~~mind during the consultation and decision making process and well informed decisions should~~
 420 ~~be an intermediate goal achievable through effective consultations.~~

421 The fact that so many stakeholders are to be coordinated can be daunting. Stakeholder
 422 organizations can be of great help, provided they can hold informed discussions with their
 423 membership. ~~The prerequisite for this is transparency (see above). At the same time, the~~
 424 ~~difficulties should not be exaggerated.~~ In many countries consultations covering the vast
 425 majority of the trade, in volume or in value, can be achieved by talking to a relatively low
 426 number of stakeholders. Governments will find that supporting civil society and especially trade
 427 organizations will pay off. An example of this is proposed legislation that is distributed for
 428 comments to impacted organizations, thus providing these organizations with a stronger
 429 argument of influence available through the membership.

430 When addressing larger segments of Trade it is important not to forget the importance of the
 431 protection of smaller Trade sectors or even individual companies. It is important that the
 432 consultation process remain results oriented and collaborative in terms of problem solving. An
 433 effective consultative process aims at depicting the consequences to stakeholders of proposed
 434 changes and the impact on a few companies can be very important. ~~What may appear to be a~~
 435 ~~minority interest in a consultation might speak for a larger group of companies who play a key~~
 436 ~~role in the economy or in the distribution channels. This is true, for example, of information~~
 437 ~~technology service providers who may be few in number but are directly impacted by decisions~~
 438 ~~on dematerialization and who can even be used as a support for desired changes.~~

Commentaire [JB6]: Revised language in response to comment received from Maryann Rowden

439 2.4 Results Oriented

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

446 2.5.2.4 Consultations as an Iterative Process with Respect For 447 Time and Timing

448 Consultations as described in this recommendation can be conducted as a singular event focused
 449 on a specific topic or around a singular change process. However, as trading communities in
 450 most countries tend to be small and the same people often come to the table representing their
 451 organizations, it would also be helpful to adopt a mind-set to singular events, as part of a larger,
 452 long-term cooperation context in the operating Government framework. For larger projects such

453 as proposed legislation or changes in procedures, consultations will be iterative. The parties will
454 have to meet consistently in order to make the consultation constructive and effective.

455 ~~The path to managing a change process around new regulations or procedures is not a fast one,~~
456 ~~nor is it always smooth. However, knowing this in advance will facilitate the mitigation of~~
457 ~~expectations. The process is often slow but it must be deliberate in its respect for time and~~
458 ~~timing.~~

459 Stakeholders must be provided with adequate opportunities to digest-understand the changes
460 that will be forthcoming and must also be allowed to discuss and provide their concerns or
461 recommendations. Discussions should not be a singular event but must be approached as
462 systematic; this means touching base routinely “check-ins” with stakeholders to ensure that all
463 parties are being kept abreast of planned changes at all stages. Consistent communication will
464 increase ~~Communication flows must therefore be consistent and comprehensive to increase~~ the
465 probability of change-success and minimize the risk of changes that need to be backed out due to
466 insufficient stakeholder awareness or preparation.

Commentaire [JB7]: Revised language per comments from Mitsuru Ishigaki

467 ~~Sensitivity to time and timing will achieve significant benefits for all stakeholders including trust~~
468 ~~in the advocated changes, containment of risks/costs associated with change and reduction in~~
469 ~~the time needed to implement changes. Collectively, these good faith efforts will serve as~~
470 ~~motivators and provide a path to progress.~~

471 2.62.5 Accountability and Responsibility and Reporting

472 Providing a continuous record of the changes to be implemented will provide greater accuracy
473 of impact assessment, assist with and shorten problem determination time, and ensure
474 accountability for all changes identified. ~~This is a prerequisite for all parties to be able to follow~~
475 ~~and back-track the consultation process and the evolution of the project at hand.~~

Commentaire [JB8]: per comments from Mitsuru Ishigaki; do we also need to define both terms, that is, “accountability” and “responsibility” or do we think this is sufficiently clear?

Commentaire [JB9]: comment from Mitsuru Ishigaki in re “continuous record” -is this term ambiguous? Does it need further explanation?

476 Used effectively, consultation should encourage compromise and cooperation, achieved through
477 the “art of the possible.” ~~However with such potential power comes the associated so long as it is~~
478 tied to an obligation of responsibility and accountability. ~~Simply explained, this is the condition~~
479 ~~of being accountable and answerable for opinions given and actions taken; deserving of credit~~
480 ~~for success but accepting criticism for failure.~~

Commentaire [JB10]: comment from Mitsuru Ishigaki -is this term ambiguous? Does it need further explanation?

481 All participants in a consultation ~~process represent a particular or specialized constituency~~
482 ~~whether Government or the business community. The representatives~~ must act responsibly,
483 fully embracing the concepts of trust and respect, appreciating a wide range of views or opinions
484 without prejudice or discrimination. ~~Representatives should present views and opinions~~
485 ~~honestly and dispassionately, relying on the quality of the argument or adopted position.~~ Equally
486 important, representatives have a responsibility to truthfully and faithfully report back the
487 outcome of deliberations without bias or partiality to their constituents.

488 Another critical aspect of accountability and responsibility is a formal reporting structure.
489 Results of consultation should be published and made available to all interested parties. Both

Commentaire [JB11]: Per comments from Mitsuru Ishigaki – do we need to include language on the proper “process” finalizing minutes? My preference would be not to include this type of text

490 sides (Government and Trade) should be held accountable for producing easy-to-read and easy-
 491 to-understand (i.e., jargon and acronym free) reports of meetings, oral and written contributions
 492 received, and the outcomes of other forms of deliberation used in the consultation process.

493 However, and perhaps more important, a final report must be presented identifying the tangible
 494 results achieved by the consultation process ~~and reflecting how~~. ~~For example, Government~~
 495 ~~should be able to demonstrate~~ input from ~~all sides the Trade~~ was taken into consideration and
 496 the way it was used in making decision. ~~Equally, Trade representatives must also justify the~~
 497 ~~opinions and views submitted represent the whole trading community and are not selective or~~
 498 ~~discriminatory of any trade sector. One option for achieving the twin objectives is to allow the~~
 499 ~~trade side to prepare a section of the final report giving its evaluation of the consultation.~~

500

501 3 Forms of Consultation

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

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

517 ~~Many well established consultations bodies, like Swedish SWEPRO or the Joint Customs~~
 518 ~~Consultative Committee in the United Kingdom, have had many forms over the years and a~~
 519 ~~variety of stakeholder representative bodies. The topics for consultation changing over time, is~~
 520 ~~one factor determining the preferred way of organizing a permanent national committee. To~~
 521 ~~choose one of the forms of consultation will probably not be sufficient to cover all the needs for a~~
 522 ~~constructive, positive and successful dialogue at a given time. Consultation will often be on-going~~
 523 ~~using different forms operating in parallel.~~

524 Consultations will also be conducted by different modes. That is, they can be oral or written
 525 contributions, on-site or “virtual” meetings (e.g., using telephone conferences or the internet)
 526 and any combination thereof. As already stated, existing factors such as the nature of the issues
 527 to be discussed and the availability of stakeholder resources will usually dictate the best
 528 method. ~~Some issues are well suited for written consultations. For instance when adequate~~

Commentaire [JB12]: Per comment from Mitsuru Ishigaki, should this section be moved? Would this section be more suited for 2.1.3 or 2.5?

529 ~~preparation is needed for well-documented responses, especially where the issues are complex~~
 530 ~~and the detailed submissions are vital to ensure proper understanding of all views and factors.~~
 531 ~~In other circumstances oral discussions might be better served, for instance, when it is~~
 532 ~~important for all parties to meet to establish or secure a relationship or when it is necessary to~~
 533 ~~deliberate on key issues with a number of stakeholders and the discussions need to be kept~~
 534 ~~discreet.~~

535 The selection of the appropriate consultation form will be dependent on many factors, as for
 536 example, national requirements, government and trade facilitation policies, business needs,
 537 regional (or sub-regional) or international trading agreement. Other considerations could be the
 538 commitment of stakeholders, both public and private sector, and the willingness to seek results
 539 through genuine negotiation and collaboration.

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

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

548 3.1 Permanent Consultative Committees

549 The Permanent Consultative Committee has been the most commonly used form of consultation.
 550 The Committee can be established by either the Government (usually a department with direct
 551 contact with the trading community, such as Customs) or the private sector (often a trade or
 552 industry sector organization). ~~Whether a governmental or business organization, the other party~~
 553 ~~should give the Committee its full recognition and support, and accept invitations to participate~~
 554 ~~or contribute.~~ The Committee is normally structured within a legal or administrative framework
 555 with the appointment of a Chairman, Vice Chairmen and a Secretary. Experience has
 556 demonstrated that rotating the Chairmanship between Trade and Government (for example
 557 every two years) can create trust and respect, encourage continuing participation and produce
 558 positive results from the co-operative consultation process.

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

Commentaire [JB13]: Revised language in response to comment received from Maryann Rowden

567 A special form of the Permanent Consultative Committee is the National Trade Facilitation Body,
568 as recommended by the UNECE in *Recommendation 4 on Trade Facilitation Bodies*. A National
569 trade facilitation body is an independent and permanent forum where relevant stakeholders
570 from the public and private sectors discuss and coordinate trade facilitation measures at
571 national level. A condition to make such a consultative body work is that the Government must
572 be politically committed to establishing and supporting the Committee as a national forum for
573 promoting trade facilitation measures and that it is established by some legal framework, for
574 instance a political decree or a governmental ordinance. There needs to be a clear mandate and
575 the participants should be sufficiently high-level to have real influence on the issues for both
576 Government and Trade. Experience shows that many National Bodies have been incorporated in
577 ministries in an effort to use resources more efficiently. This has not meant that the purpose or
578 scope of the strategic matters discussed has changed.

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

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

589 3.2 Centres of Experience and Expertise

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

600 3.3 Network of Subject Matter Experts

601 Another method of consultation could be the establishment of informal reference groups
602 composed of subject matter experts in specific fields. These groups would be invited to
603 contribute on specific issues within their field of expertise. For example national bodies such as
604 regional development agencies could be invited to submit oral or written contributions on the
605 potential impact of a proposed new measure or procedure within their region. Similarly

606 individual trade and industry organizations could be asked to contribute on the introduction of
607 new practices in their specific sector. Procedural subgroups can be established to provide Trade
608 and Government with best practices for individual trade facilitation issues derived from
609 identification of pain points and lessons learned. Similarly, technical subgroups can be organized
610 to provide valuable insight for pretesting of electronic formats or testing of proposed technical
611 solutions to current manual processes. The main benefit of this approach is the proposed new
612 measures are 'tested' by the people directly affected and at important milestones of their
613 development.

614 3.4 Peer-to-Peer groups

615 The Peer-to-Peer method of consultation could prove useful as a way to share experiences at the
616 point of introduction of a new measure. Implementations frequently follow similar patterns and
617 encounter broadly similar problems requiring quick solutions to ensure the introduction is not
618 stalled. Consulting a peer group of contemporary colleagues with equal competencies and
619 abilities could offer valuable contributions on technical and operational issues, help identify
620 potential difficulties and provide positive remedial actions to overcome implementation hurdles.
621

Commentaire [JB14]: Per comment from Mitsuru Ishigaki, do we need more explanatory text here?

622 3.5 Implementation Working Parties

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

Commentaire [JB15]: Revised language in response to comment received from Amy Magnus

Commentaire [JB16]: Amy Magnus also recommended reference to the U.S. CBP TSN- but perhaps this is better suited for a case study?

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

638 3.6 Conferences

639 A special form of consultation can be in the way of an annual conference. An annual conference
640 has the advantage that the information from the organizing stakeholder can be given to a large
641 number of stakeholders and companies. On the other hand, a disadvantage is that it can be
642 difficult to have a dialogue where all present have a say. To mitigate this difficulty it is common

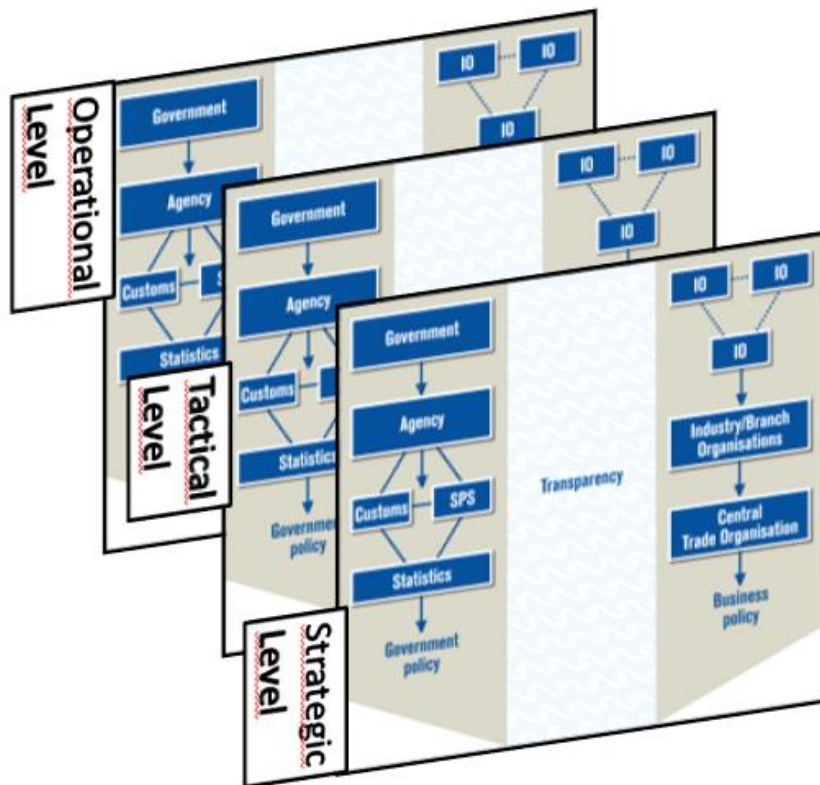
643 practice to offer break-out sessions or additional sessions featuring round table discussions with
644 selected stakeholders or larger companies so that a meaningful exchange of dialogue among
645 stakeholders can also occur.

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

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

653 **4 Levels of Participation**

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



665
666 Figure 1. Consultation takes place at various levels while at the same time including various
667 stakeholders and their internal processes.

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

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

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

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

698 5 Topics for Consultation

699 Governments consult to assess among other things traders' preferences and opinions, identify
 700 concerns and problems, leverage ideas for improvement, share information, and build a common
 701 vision and strategy. A successful consultation approach must have a clear topic to address.
 702 ~~Experience has shown that the more specific, urgent and relevant the topic, the more successful~~
 703 ~~the consultation process. There is no merit in continuing a consultation when the topic and goal~~
 704 ~~has de facto become irrelevant to its participants' daily business.~~

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

709 **Case stories Thailand and Pakistan:**

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

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

719 *(Source: TFIG case stories)*

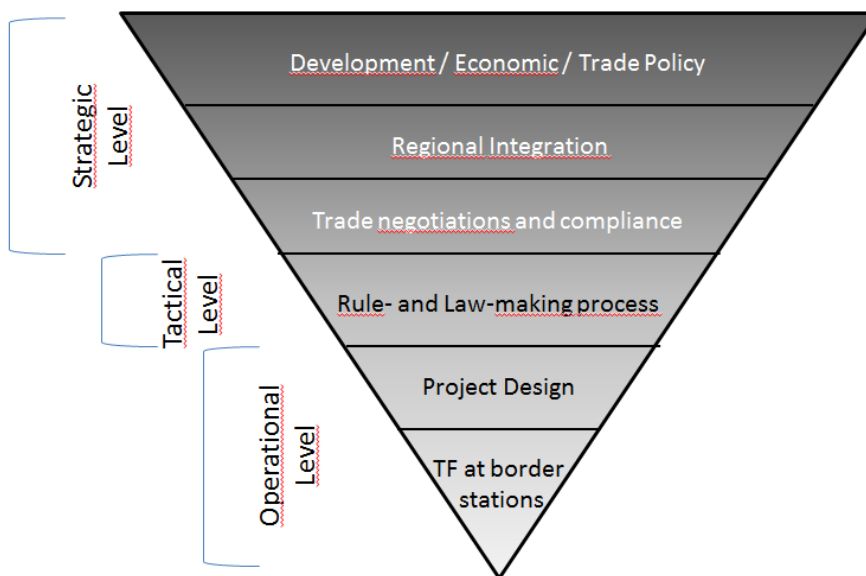
720 The goals and the topics of a consultation process need to be defined in advance. A consultation
 721 process without a clear topic will not attract interest and participation. Stakeholders will
 722 participate when matters have a direct bearing on business and daily operations. Hence the level
 723 of participation of the process has to be aligned to the topic. Strategy policy topics may involve a
 724 broad number of stakeholders, at a political level; operational issues are more effectively dealt
 725 with limited number of selected stakeholders with an expert knowledge.

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

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

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

737



738

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

742 6 Preparations for Consultations

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

747 In order to promote transparency, flexibility and efficiency there is need for mutual
748 understanding of the trade and government environments. ~~There are different constraints in
749 various environments and different ways in which these can be overcome. Government and its
750 agencies have to adapt an internal consultation process which allows for timely trade input.
751 Also Trade must do its part to organize its membership and disseminate information so that all
752 practical details of a suggested agenda item can be assessed.~~

753 The priority of Trade is not consultation but the running of everyday business. In some countries
754 the degree of organization within Trade is weak. Government must be constructive and creative
755 in finding partners that will help an informed debate. Over time, lending support to
756 organizations representing Trade can be a constructive investment in future dialogue and will
757 do much in facilitating the much needed preparation that is required for all sides before
758 consultation can begin.

Commentaire [JB17]: Added this language in response to comment from Mitsuru Ishigaki; does this help?

759

760 7 Resources

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

Commentaire [JB18]: Per comment from Mitsuru Ishigaki, "expenses of secretariat should be added"; I do not agree

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

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

780 8 A Proposed Toolbox for Consultations

781 8.1 Stakeholder Analysis

782 Prior to initiating consultations, the lead agency or organization will need to identify the
 783 stakeholders that are concerned by the issue, proposal or change of procedure. ~~It is important to~~
 784 ~~identify and involve stakeholders at the right level and also to have a clear idea of stakeholder~~
 785 ~~concerns.~~ Stakeholder Analysis is an important tool by which to gather this information. The
 786 approach is a disciplined and structured way to map organizations and companies with an
 787 interest in the issue(s) at hand and consists of identifying end users, agents, organizations and
 788 grouping them into direct and secondary stakeholders, in terms of how they will be impacted.
 789 The ~~mapping-process~~ continues with descriptions of the stakeholders' needs, interests,
 790 organizations, capacities and so on. ~~For larger stakeholders it can be relevant to do this at a level~~
 791 ~~where departments, groups and individuals are identified.~~ Information collected as part of this
 792 stakeholder mapping should also include an analysis of priority interests, what Government
 793 needs from this group, perceived attitudes/risks, and what it will take to persuade this group to
 794 agree to requested changes.

795 A successful analysis will ~~therefore involve an assessment of the individual and organizational~~
 796 ~~risks associated with the proposed change(s), identifying stakeholder groups and understanding~~
 797 ~~their specific issues/concerns, as well as also promoting-promote~~ and tracking the progress of
 798 specific stakeholders during the consultation process (that is, recognition of the baseline,
 799 creation of awareness, development of understanding, and finally, acceptance (that is,
 800 readiness)). This approach involves close coordination with the lead agency driving the change
 801 and requires consistent outreach ~~in the way of interactive forums~~ focused on promoting
 802 discussions, awareness, understanding and acceptance across all the key stakeholder groups.

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

- 804 ● **what** is the agency need(s) or priority?
- 805 ● **how** flexible is the agency in its ability to change or modify this need or priority in the
806 view of new proposals or developments?
- 807 ● **who** are all the impacted stakeholders?
- 808 ● **how is** information to be **shared** between the parties?
- 809 ● **what** information **can** be shared, and with which stakeholders?
- 810 ● **what** is the appropriate time to share this information such that parties have the
811 necessary time to react?

812 Assessment activities must provide a basic understanding of how different stakeholder groups
 813 will be affected by proposed changes as well as provide guidance and the necessary assurances
 814 to stakeholders of how their business processes will continue in the new environments. In order

815 to build trust, the specifics of the changes must be provided to stakeholders and they must be
816 given an opportunity to voice their comments or concerns so that both short and long terms
817 plans are clearly identified.

818 ~~Only when this analysis is complete is it possible to mitigate risk by offering a comprehensive~~
819 ~~assessment of the stakeholder groups impacted by the proposed changes (including the~~
820 ~~expected nature and level of impact) so that a strategy can be developed. An effective strategy~~
821 ~~will take into consideration the priority needs of the agency in relation to the stakeholders, an~~
822 ~~understanding of where the agency can be flexible and where there is sufficient risk of liability to~~
823 ~~the agency such that flexibility is in itself a risk.~~

824 8.2 Change Management

825 A successful approach to managing change in current policy or process must include a sustained
826 and structured method of readiness assessment across all stakeholders. In many instances,
827 stakeholders are comfortable with the current state and ~~want to maintain the sense of security~~
828 ~~achieved in the status quo. They and~~ may not be aware of external factors that would necessitate
829 or require a need for change.

830 The initiator of change must be prepared to conduct a readiness assessment of its stakeholders
831 to undergo that change. Stakeholders must be appraised of the “as is condition” as well as the
832 “go to condition.” ~~The initiator of change must communicate its intent to build awareness of the~~
833 ~~need for change, and engage with the stakeholder community to ensure there is comprehensive~~
834 ~~understanding on all sides of the impact of the proposed changes.~~ This dialogue is necessary so
835 that obstacles and risks are discussed and mitigated at the earliest opportunity.

836 “Engagement” of the stakeholder community must be well organized and make use of all feasible
837 means of distributing the necessary information. This includes written communications,
838 opportunities for verbal engagement, and posting of electronic information when websites are
839 available. Where feasible, Government should also provide education and training so that
840 impacted stakeholders are more willing to support the advocated changes. ~~This can be achieved~~
841 ~~by giving stakeholders access to such things as benefits sheets, marketing material, and even on-~~
842 ~~line training if possible.~~

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

848 8.3 Evaluation

849 Consultation processes should not only be established but also evaluated to determine if the
850 investment of time, money and energy provided value. The value lies in the quality of the
851 consultation process and the outcome it generates. Dissatisfaction with the process and

852 participants' perception of an ineffective involvement may lead to their disengagement and the
853 failure of consultation processes. An evaluation is conducted to audit and manage a particular
854 consultation process and to learn from that specific experience for betterment of future efforts.

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

858 8.3.1 Evaluation process

859 Commonly evaluations are conducted at the end of a process, project or activity. In the case of
860 consultation processes it is often difficult to define an end-point because of the continuity of its
861 activities. It is therefore recommended to define in advance the timing of the evaluation and to
862 consider repeating an evaluation over time to measure the evolution. In any case, the planning
863 for an evaluation has to start early, ideally when initiating the consultation process, to
864 collaboratively agree upon the timing, the form and the method. If behavioural goals such as
865 attitudes are used as evaluation criteria, data needs to be collected at the beginning and the end
866 stage.

867 8.3.2 Evaluation framework

868 To evaluate the worth and success of a consultation process one first has to define what
869 constitutes a successful consultation. An evaluation framework ~~serves this purpose. It~~ defines
870 the evaluation criteria, indicators, data sources, and set targets and assumptions for each
871 criterion. Evaluation criteria reflect the goals pursued by the consultation process. They can be
872 outcome and/or process oriented. Process related evaluation criteria for example, address
873 questions pertaining to the fairness and openness of the process, and efficacy in terms of
874 managing resources and getting the right people involved at the right time. Outcome related
875 criteria for example, refer to the impact of a consultation process on trust and relationships and
876 on policy decision or the quality of public services.

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

882 8.3.3 Evaluation methods

883 There are different methods and tools for the data collection and analysis in an evaluation;
884 namely surveys, interviews, studying documentation, and observation. The choice of these
885 methods is specific to each evaluation and the evaluation framework. For example, visits to
886 various and varied locations to conduct interviews with staff performing the daily tasks
887 introduced by the new measures are useful. The objective would be to identify whether clear
888 and precise information was provided and if the staff were offered suitable training prior to the

889 introduction of the measure. Also, such visits would discover where local conditions required
890 amendment to procedures and practices to ensure implementation.

891 8.4 Generic Model

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

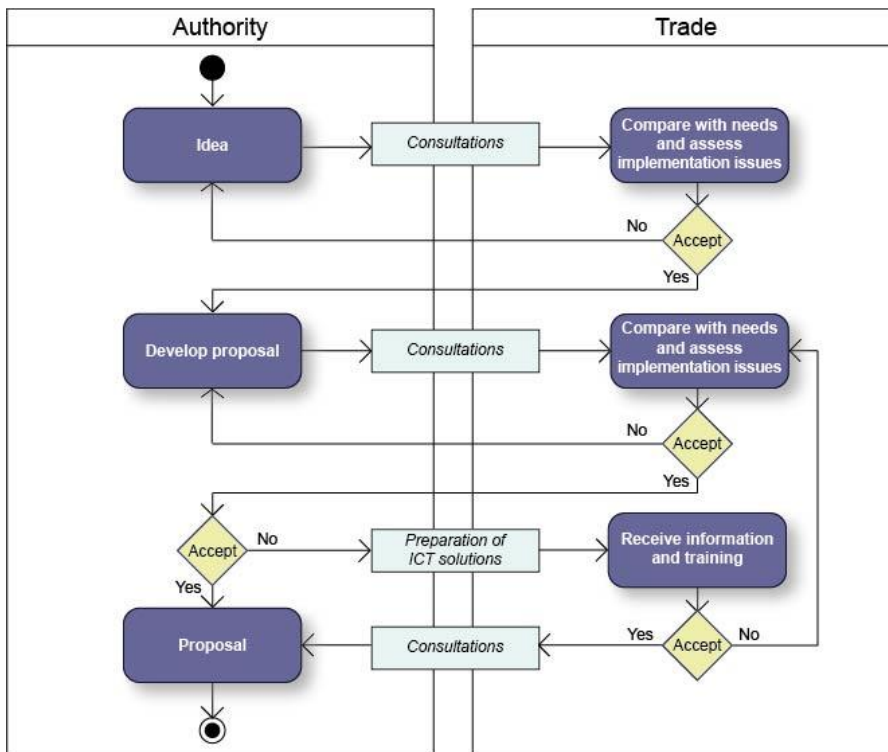
897 The basic components of the consultation in ~~our this~~ model will, for all simplicity, have certain
898 designation. For instance the term *Authority* means any governmental body, agency or indeed
899 department. *Trade* stands both for individual companies and traders and their respective
900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

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

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

Commentaire [JB19]: Per comment from Mitsuru Ishigaki, removed "after the fact"

Commentaire [JB20]: Per comment from Mitsuru Ishigaki, changed "our" to "this"



914

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

916 The most basic part of the consultation model is an idea formulated and prepared in either
 917 *Authority* or *Trade* and through transparency procedures shared with the other stakeholders
 918 before the final decision on the final proposal is made. ~~The counterpart will then have the chance~~
 919 ~~to react.~~ That process is depicted in the upper part of Figure 3. Please note that the prerequisite
 920 of transparency as early as at the problem formulation stage, applies to both stakeholders. Of
 921 course, there will be cases where quite substantial preparatory consultations are made with the
 922 stakeholders' own constituencies. This is surely the case when the issues are more complex. In
 923 this model that process has been given the name "*Compare with needs and assess implementation*
 924 *issues*", but it can be both more and less complex depending on where in the process it happens
 925 and the nature of the idea at hand.

926 ~~In this scenario the ideas of the other stakeholder are taken into account and a formal proposal~~
 927 ~~is presented that the stakeholders then should be able to accept. Possibly however, a~~
 928 ~~stakeholder will ask for renewed consultations leading to an iterative process until consensus is~~
 929 ~~reached or the Authority judges that all voices have been heard and considered.~~

930 The process "*Compare with needs and assess implementation issues*" is a simplification of the
 931 process in the stakeholder's constituency that occurs in parallel with the overall consultation. It
 932 has great resemblance to the process between the main stakeholders. The constituency needs to

Commentaire [JB21]: Let's discuss model proposed by Mitsuru Ishigaki

933 be informed about the proposal and their views on the feasibility must be heard. Here
934 transparency helps the stakeholders to prepare their constituencies for the changes linked to the
935 proposal so they can be well informed on the technical details that will be discussed. The
936 exchange of information and modification of position is simultaneous, or almost simultaneous,
937 to the consultation process.

938 Subsequent or parallel to the proposal being modified (or not) based on the input from the
939 stakeholders, the Authority will judge what implementation measures will be needed. ~~Will there
940 be additional need for information? ICT-solutions? Training?~~ This process is continued when the
941 proposal is formally presented with a deadline for implementation. In this process, the Authority
942 provides training or information that is shared with the Trade stakeholders and in turn, the
943 Trade stakeholders give feedback on the efficiency of the information and training provided.
944 ~~This feedback will help the Authority issue regulations and implementation guidelines that will
945 eventually lead to the desired activity or change becoming final.~~

946 A process that can be both separate and on-going is Evaluation. In principle it makes the same
947 loop as the consultations in the model, but will involve feedback on the consultation process
948 itself and the results it has generated. The overall model tries to show the involvement of all
949 stakeholders and the information sharing over time.