

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**PUBLIC**

**CEFACT/2014/IT001**

**02 July 2014**

**UNITED NATIONS  
CENTRE FOR TRADE FACILITATION AND ELECTRONIC BUSINESS  
(UN/CEFACT)**

**INTERNATIONAL TRADE PROCEDURES DOMAIN (ITPD)**

**Final Draft for Public Review Recommendation ##**

**Consultation Approaches  
Best Practices in Trade and Government Consultation  
on Trade Facilitation Matters**

**SOURCE: Consultation Models Project Team  
STATUS: Final Draft for Public Review Version 1**

26

27 **Content**

28

29 **Recommendation**

|    |       |                                                                                    |    |
|----|-------|------------------------------------------------------------------------------------|----|
| 30 | 1     | Introduction.....                                                                  | 4  |
| 31 | 2     | Purpose.....                                                                       | 4  |
| 32 | 3     | Scope.....                                                                         | 5  |
| 33 | 4     | Benefits.....                                                                      | 5  |
| 34 | 5     | Recommendation.....                                                                | 6  |
| 35 | 1     | Introduction.....                                                                  | 7  |
| 36 | 2     | Basic Principles for Consultation.....                                             | 7  |
| 37 | 2.1   | Partnership and Trust.....                                                         | 7  |
| 38 | 2.1.1 | Building Partnership and Trust .....                                               | 7  |
| 39 | 2.1.2 | Mutual Benefits .....                                                              | 8  |
| 40 | 2.1.3 | Consultations - Not a Place for Instructions, Compliance Controls or Lobbying..... | 8  |
| 41 | 2.1.4 | Learning About Your Partners' Needs.....                                           | 8  |
| 42 | 2.1.5 | Leadership.....                                                                    | 9  |
| 43 | 2.2   | Transparency .....                                                                 | 10 |
| 44 | 2.3   | Managing Differences of Opinion and Interests.....                                 | 10 |
| 45 | 2.4   | Results Oriented.....                                                              | 11 |
| 46 | 2.5   | Consultations as an Iterative Process with Respect For Time and Timing .....       | 11 |
| 47 | 2.6   | Accountability and Responsibility.....                                             | 11 |
| 48 | 3     | Forms of Consultation .....                                                        | 12 |
| 49 | 3.1   | Permanent Consultative Committees.....                                             | 13 |
| 50 | 3.2   | Centres of Experience and Expertise.....                                           | 14 |
| 51 | 3.3   | Network of Subject Matter Experts.....                                             | 14 |
| 52 | 3.4   | Peer-to-Peer Groups.....                                                           | 14 |
| 53 | 3.5   | Implementation Working Parties .....                                               | 15 |
| 54 | 3.6   | Conferences.....                                                                   | 15 |
| 55 | 4     | Levels of Participation.....                                                       | 15 |
| 56 | 5     | Topics for Consultation.....                                                       | 17 |

|    |    |                                                     |    |
|----|----|-----------------------------------------------------|----|
| 57 | 6  | Preparations for Consultations.....                 | 19 |
| 58 | 7  | Resources.....                                      | 19 |
| 59 | 8  | Annex 1. A Proposed Toolbox for Consultations ..... | 20 |
| 60 | 1. | Stakeholder Analysis.....                           | 20 |
| 61 | 2. | Change Management.....                              | 20 |
| 62 | 3. | Evaluation.....                                     | 21 |
| 63 | 4. | Evaluation process.....                             | 21 |
| 64 | 5. | Evaluation framework.....                           | 22 |
| 65 | 6. | Evaluation methods.....                             | 22 |
| 66 | 9  | Annex 2: Generic Model.....                         | 23 |
| 67 |    |                                                     |    |
| 68 |    |                                                     |    |

69 **Recommendation No. ##**  
70 **Consultation Approaches**  
71 **Best Practices in Trade and Government Consultation**  
72 **on Trade Facilitation Matters**

73 **1 Introduction**

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

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

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

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

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

98 **2 Purpose**

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

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

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

### 116 **3 Scope**

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

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

### 126 **4 Benefits**

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

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

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

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

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

## 146 **5 Recommendation**

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

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

159

# 160 **Guidelines to Recommendation No. ##**

## 161 **1 Introduction**

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

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

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

## 181 **2 Basic Principles for Consultation**

### 182 **2.1 Partnership and Trust**

#### 183 **2.1.1 Building Partnership and Trust**

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

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

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

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

### 206 2.1.2 Mutual Benefits

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

### 213 2.1.3 Consultations - Not a Place for Instructions, Compliance Controls or 214 Lobbying

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

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

### 227 2.1.4 Learning About Your Partners' Needs

228 Consultations between Trade and Government institutions are motivated by the fact that no one  
229 stakeholder will solely be able to fully understand the consequences of new legislation, ideas for  
230 improvements or even simple changes of procedures. Many governments are currently engaged  
231 in complex processes in the area of trade such as trade facilitation programmes, customs



232 modernization initiatives or increased use of Information and Communications Technology  
233 (ICT). For any of these efforts, trade stakeholders will be affected in various degrees but are  
234 often expected to provide solutions with regard to their own processes, adapt their ICT systems  
235 to fit new systems for compliance or otherwise significantly change the way they currently  
236 conduct business. Consultation is a means to achieve workable solutions for trade and  
237 compliance.

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

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

### 250 2.1.5 Leadership

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

255 Although a particular Government authority may be responsible for a certain policy area and  
256 therefore may act as the lead agency to initiate dialogue, all stakeholders stand to lose from poor  
257 dialogue and lack of trust.

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

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

## 268 2.2 Transparency

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

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

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

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

## 290 2.3 Managing Differences of Opinion and Interests

291 In the process of trade facilitation consultations many different voices will be heard. Dividing  
292 lines will not always be as clear cut. There can be cross cutting issues where trade and  
293 government stakeholders may not share a common view on for example, a specific policy,  
294 regulation or law. The goal of the process is to highlight the issues of all the stakeholders in light  
295 of the proposed process or legislation. It is critical during this process that the interests of all  
296 parties are represented and that bias toward any majority is avoided so that a holistic view can  
297 be maintained, also taking into consideration the potential pain points of minority interests.

298 Weighing interests is the core functioning of Government.

299 The fact that so many stakeholders are to be coordinated can be daunting. Stakeholder  
300 organizations can be of great help, provided they can hold informed discussions with their  
301 membership. In many countries consultations covering the vast majority of the trade, in volume  
302 or in value, can be achieved by talking to a relatively low number of stakeholders. Governments  
303 will find that supporting civil society and especially trade organizations will pay off. An example  
304 of this is proposed legislation that is distributed for comments to impacted organizations, thus

305 providing these organizations with a stronger argument of influence available through the  
306 membership.

307 When addressing larger segments of Trade it is important not to forget the importance of the  
308 protection of smaller trade sectors or even individual companies. An effective consultative  
309 process aims at depicting the consequences to stakeholders of proposed changes and the impact  
310 on a few companies can be very important.

## 311 2.4 Results Oriented

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

## 318 2.5 Consultations as an Iterative Process with Respect For Time 319 and Timing

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

327 Stakeholders must be provided with adequate opportunities to understand the changes that will  
328 be forthcoming and must also be allowed to discuss and provide their concerns or  
329 recommendations. Discussions should not be a singular event but must be approached as  
330 systematic; this means touching base routinely with stakeholders to ensure that all parties are  
331 being kept abreast of planned changes at all stages. Consistent communication will increase the  
332 probability of success and minimize the risk of changes that need to be withdrawn due to  
333 insufficient stakeholder awareness or preparation.

## 334 2.6 Accountability and Responsibility

335 Providing a continuous record of the changes to be implemented will provide greater accuracy  
336 of impact assessment, assist with and shorten problem determination time, and ensure  
337 accountability for all changes identified. Used effectively, consultation should encourage  
338 compromise and cooperation, so long as it is tied to an obligation of responsibility and  
339 accountability. All participants in a consultation must act responsibly, fully embracing the  
340 concepts of trust and respect, appreciating a wide range of views or opinions without prejudice  
341 or discrimination. Equally important, representatives have a responsibility to truthfully and

342 faithfully report back the outcome of deliberations without bias or partiality to their  
343 constituents.

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

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

### 352 **3 Forms of Consultation**

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

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

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

377 One way communications like press conferences or public announcements can have their value,  
378 but cannot be seen as consultation as such, as only one view will be presented.

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

### 384 3.1 Permanent Consultative Committees

385 The permanent consultative committee has been the most commonly used form of consultation.  
386 The committee can be established by either the government (usually a department with direct  
387 contact with the trading community, such as customs) or the private sector (often a trade or  
388 industry sector organization. The committee is normally structured within a legal or  
389 administrative framework with the appointment of a Chairman, Vice Chairmen and a Secretary.  
390 Experience has demonstrated that rotating the chairmanship between Trade and Government  
391 (for example every two years) can create trust and respect, encourage continuing participation  
392 and produce positive results from the co-operative consultation process.

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

401 A special form of the permanent consultative committee is the national trade facilitation body, as  
402 recommended by the UNECE in *Recommendation 4 on Trade Facilitation Bodies*. A national trade  
403 facilitation body is an independent and permanent forum where relevant stakeholders from the  
404 public and private sectors discuss and coordinate trade facilitation measures at national level. A  
405 condition to make such a consultative body work is that the government must be politically  
406 committed to establishing and supporting the committee as a national forum for promoting  
407 trade facilitation measures and that it is established by some legal framework, for instance a  
408 political degree or a governmental ordinance. There needs to be a clear mandate and the  
409 participants should be sufficiently high-level to have real influence on the issues for both  
410 Government and Trade. Experience shows that many national bodies have been incorporated in  
411 ministries in an effort to use resources more efficiently. This has not meant that the purpose or  
412 scope of the strategic matters discussed has changed.

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

414 The Joint Customs Consultative Committee (JCCC) was established by Her Majesty's (HM)  
415 Customs & Excise (now HM Revenue and Customs) in 1969 to exchange views on and discuss  
416 proposed changes to customs procedures and documentation relating to the entry and clearance  
417 of goods. The JCCC acts as the main forum for the department and gives custom the opportunity

418 to consult representations from over 20 member trade organizations on a face-to-face basis.  
419 There are three scheduled meetings every year, chaired by either a Director or Deputy Director  
420 of customs. A number of smaller subgroups are used to discuss in-depth technical and  
421 operational issues. These groups are formed as required and disbanded once their purpose is  
422 achieved and the results reported to the main committee.

### 423 3.2 Centres of Experience and Expertise

424 Government or Trade could establish a formal centre of experience and expertise, or a network  
425 of experts to address issues in a variety of subject areas including, administration, management,  
426 academia, compliance, systems requirements, and law. The objective would be to seek views and  
427 opinions from recognized experts on the full range of issues on the subject or measure under  
428 discussion. The department or organization establishing the collaborative effort could identify  
429 experts and invite them to participate. Equally, experts could nominate themselves for  
430 contributions in their particular field of experience or expertise. The aim of this approach would  
431 be to ensure the collaboration is both transparent and inclusive. Unlike the establishment of  
432 committees, this consultation method is less resource intensive with costs and effort more  
433 widely spread. However, it would require proper leadership and management.

### 434 3.3 Network of Subject Matter Experts

435 Another method of consultation could be the establishment of informal reference groups  
436 composed of subject matter experts in specific fields. These groups would be invited to  
437 contribute on specific issues within their field of expertise. For example national bodies such as  
438 regional development agencies could be invited to submit oral or written contributions on the  
439 potential impact of a proposed new measure or procedure within their region. Similarly  
440 individual trade and industry organizations could be asked to contribute on the introduction of  
441 new practices in their specific sector. Procedural subgroups can be established to provide Trade  
442 and Government with best practices for individual trade facilitation issues derived from  
443 identification of pain points and lessons learned. Similarly, technical subgroups can be organized  
444 to provide valuable insight for pretesting of electronic formats or testing of proposed technical  
445 solutions to current manual processes. The main benefit of this approach is the proposed new  
446 measures are 'tested' by the people directly affected and at important milestones of their  
447 development.

### 448 3.4 Peer-to-Peer Groups

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

### 455 3.5 Implementation Working Parties

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

### 468 3.6 Conferences

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

#### 476 **Case Story: Customs Day Conferences, Sweden:**

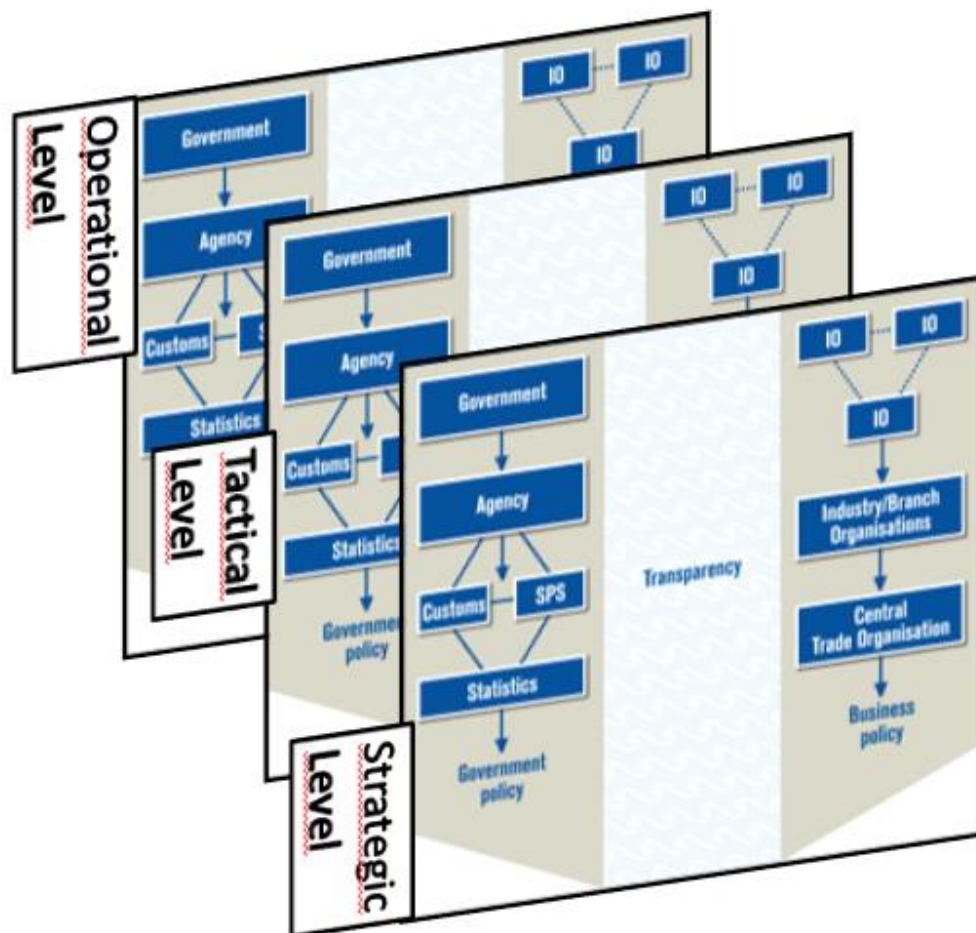
477 Swedish Customs, Swedish Trade Federation and the Chambers of Commerce in Stockholm,  
478 West Sweden and South Sweden organize an annual event called the "Day of Customs." The  
479 event is centrally planned and most of the content is repeated in the three venues, Stockholm,  
480 Gothenburg and Malmoe. The event that is primarily aimed at compliance and customs  
481 responsibilities in importing and exporting is opened by the Director General of Swedish  
482 Customs and the programme includes other authorities as well as various trade federations.

483 A generic consultation model, inclusive of the different levels, is described below. It is intended  
484 as an illustration of the need for preparations and transparency and of the iterative nature of  
485 consultations. Hopefully this illustration can be applied to most forms of consultations.

## 486 4 Levels of Participation

487 For consultation between Trade and Government to work efficiently and (more importantly)  
488 effectively, the process must include representation from the full diversity of the stakeholders  
489 i.e., from the leadership all the way down to the users who will be impacted. Participants should  
490 be of appropriate position and status, including experts with established and acknowledged  
491 competence. Consultations must also be complete in all respects and inclusive of strategic,  
492 tactical and operational issues. Each level of consultation should be clearly defined in both scope

493 and authority with open and transparent channels of communication and reporting. In most  
 494 consultation processes there is a need for communication between the levels in both directions  
 495 so that, for instance, when a tactical level group meets, it has information on what has been  
 496 discussed at the strategic and operational level. Similarly, information from discussions at the  
 497 tactical level will then need to be communicated to both the strategic and operational level.



498  
 499 Figure 1. Consultation takes place at various levels while at the same time including various  
 500 stakeholders and their internal processes.

501 At the **strategic level** discussions would include trade facilitation policy issues. Participants to  
 502 the committee should include senior officials, aides coordinating the political agenda and  
 503 government policy makers. Trade participation would include senior decision makers of multi-  
 504 national and national companies who are responsible for preparing new innovative business  
 505 processes and commercial practices and systems. The agenda would consider trade facilitation  
 506 measures as part of the overall objectives of trade and industry policy, economic development,  
 507 fiscal and monetary (including taxation) policy and strategies for social and community  
 508 cohesion. At this level existing regional / sub-regional / international obligations and  
 509 agreements, conventions, recommendations and international standards are to be taken into  
 510 account.



511 At a **tactical level** participants would discuss the development of official procedures and  
512 commercial practices to allow the smooth implementation of the enabling measures. The  
513 working group would be comprised of parties from Government (senior government officials)  
514 and Trade (corporate/business managers, logistics practitioners...) with acknowledged  
515 competencies in the international supply chain. The agenda for the group would be an  
516 examination in detail of the legislation, regulation and administrative procedures to enact and  
517 enable the policy. The issues involved could include, but not be limited to, offering analysis of the  
518 legislative sections, articles and clauses and making recommendations for necessary or  
519 appropriate amendments; development of guidance and advisory services (including Public  
520 Notices); the design of an implementation programme; and a plan for a promotion and publicity  
521 campaign.

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

## 531 **5 Topics for Consultation**

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

535 Although consultation processes inform a decision, the final decision remains with the  
536 government or the mandated authority. For this reason, public interests or security reasons may  
537 prohibit consultation or may lead the government to adopt less interactive forms of consultation  
538 when dealing with issues considered sensitive for confidentiality or security reasons.

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

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

544 *(Source: TFIG case stories, <http://tfig.unece.org/cases/Thailand.pdf> as of June 2014.)*

545 In Pakistan the National Transport and Trade Facilitation Committee (NTTFC) covers topics and  
546 activities including the continuous review of trade and transport procedures and systems, the  
547 alignment of trade and transport documents to the UN Layout Key, adoption of standard trade

548 and transport terminology and international codes for trade and transport information  
549 promoting training and research.

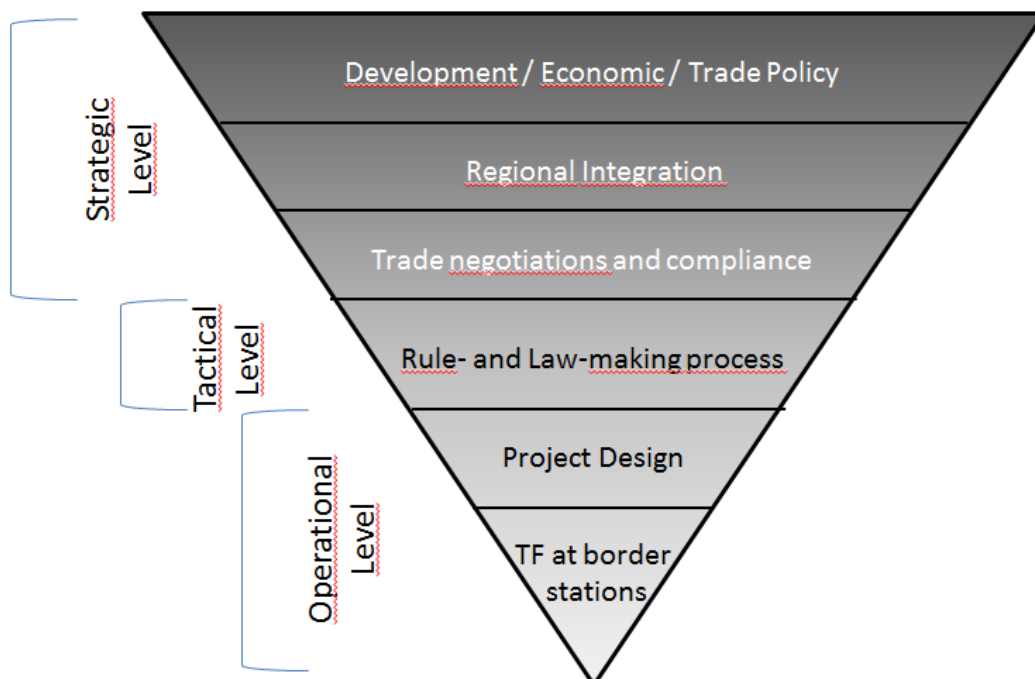
550 (Source: TFIG case stories, <http://tfig.unece.org/cases/Pakistan.pdf> as of June 2014.)

551 The goals and the topics of a consultation process need to be defined in advance. A consultation  
552 process without a clear topic will not attract interest and participation. Stakeholders will  
553 participate when matters have a direct bearing on business and daily operations. The issue or  
554 topic at stake in the consultation has a direct impact on the planning for the consultation  
555 process. The selection of stakeholders and the “technique/mode/instrument” for the  
556 consultation will be specific to the topic and the purpose. A clear setting of the topic and its  
557 relevance to the stakeholders must therefore be part of the framing of the consultation process.

558 The level of participation of the process has to be aligned to the topic. Strategy policy topics may  
559 involve a broad number of stakeholders. At a political level; operational issues are more  
560 effectively dealt with limited number of selected stakeholders with an expert knowledge. The  
561 topics chosen for the consultation should be aligned to the level and experience of collaboration  
562 in the group. Solving operational issues with a quick win for many can lay the ground for more  
563 substantial and sustained collaboration.

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

567



568

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

## 572 **6 Preparations for Consultations**

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

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

## 584 **7 Resources**

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

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

599 The selection of a less resource intensive method of consultation would naturally reduce  
600 commencement and operating costs. However to ensure sustainability some resources would be  
601 required to establish the consultation method and then lead and manage the process. Funding  
602 would be needed for the distribution of relevant material either physically or through a  
603 managed website.

604

## 8 Annex 1. A Proposed Toolbox for Consultations

### 605 1. Stakeholder Analysis

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

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

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

- 622 ● **what** is the agency need(s) or priority?
- 623 ● **how** flexible is the agency in its ability to change or modify this need or priority in the  
624 view of new proposals or developments?
- 625 ● **who** are all the impacted stakeholders?
- 626 ● **how is** information to be **shared** between the parties?
- 627 ● **what** information **can** be shared, and with which stakeholders?
- 628 ● **what** is the appropriate time to share this information so that parties have the  
629 necessary time to react?

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

### 636 2. Change Management

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

641 The initiator of change must be prepared to conduct a readiness assessment of its stakeholders  
642 to undergo that change. Stakeholders must be aware of the “as is condition” as well as the “go to  
643 condition.” This dialogue is necessary so that obstacles and risks are discussed and mitigated at  
644 the earliest opportunity.

645 “Engagement” of the stakeholder community must be well organized and make use of all feasible  
646 means of distributing the necessary information. This includes written communications,  
647 opportunities for comments, and posting of electronic information when websites are available.  
648 Where feasible, Government should also provide education and training so that impacted  
649 stakeholders are more willing to support the advocated changes.

650 In addition to these “readiness” activities, Government must also be prepared to sustain the  
651 necessary changes by providing for continuous process improvement, standards of  
652 measurement, and business process reengineering. This will result in smoother transition from  
653 the old to the new, positive perception of the changes advocated, less resistance to change, and  
654 improved cooperation.

### 655 3. Evaluation

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

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

### 666 4. Evaluation process

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

## 675 5. Evaluation framework

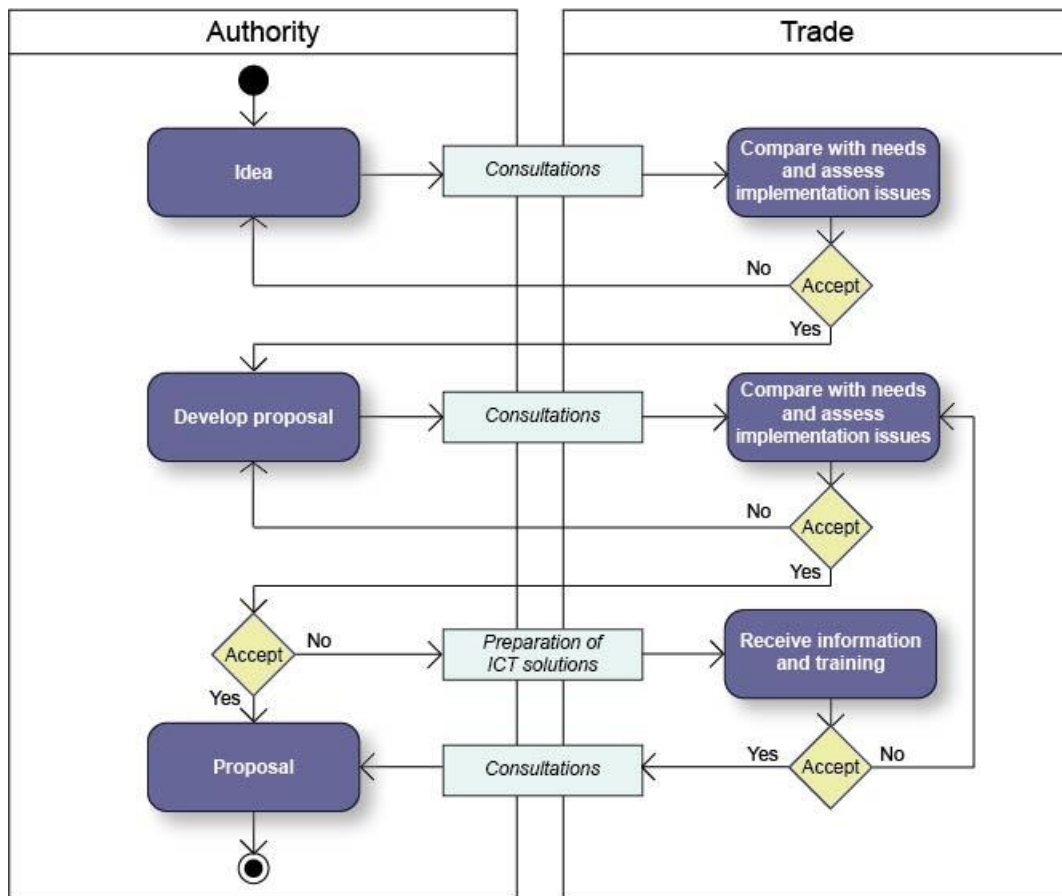
676 To evaluate the worth and success of a consultation process, one first has to define what  
677 constitutes a successful consultation. An evaluation framework defines the evaluation criteria  
678 with its indicators / data sources, and then set targets / assumptions for each criterion.  
679 Evaluation criteria reflect the goals pursued by the consultation process. They can be outcome  
680 and/or process oriented. Process related evaluation criteria for example, address questions  
681 pertaining to the fairness and openness of the process, and effectiveness in terms of managing  
682 resources and getting the right people involved at the right time. Outcome related criteria for  
683 example, refer to the impact of a consultation process on trust and relationships and on policy  
684 decision or the quality of public services.

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

## 690 6. Evaluation methods

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

699

700 **9 Annex 2: Generic Model**

701

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

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

708 In Figure 3, the *idea* is originating from the *Authority*, but it could also be initiated from *Trade*; in  
 709 which case the headings of the two boxes would be inverted.

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

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

718 In the proposed model, the consultation process is set in motion by an idea. Trade procedures  
719 are governed by policy and procedures, and any item of consultation will inevitable come from  
720 an idea of opportunities for new policies and procedures or in its more developed form,  
721 *proposals*. This is true independently of whether these ideas are a suggestion from Trade, new  
722 legislation imposed from a regional level or any of the other topics discussed in Section 5 of the  
723 Guidelines on Topics for Consultations.

724 From the *consultations* there will come a *proposal* for policies and procedures. The proposal may  
725 also lead to new problems and issues. These can be addressed by either *training* or new *ideas* or  
726 *proposals* on re-organization for new procedures or policies. This overall landscape of  
727 consultations is depicted in Figure 3.

728 The most basic part of the consultation model is an idea formulated and prepared in either  
729 *Authority* or *Trade* and through transparency procedures shared with the other stakeholders  
730 before the final decision on the final proposal is made. That process is depicted in the upper part  
731 of Figure 3. Please note that the prerequisite of transparency as early as at the problem  
732 formulation stage, applies to both stakeholders. Of course, there will be cases where quite  
733 substantial preparatory consultations are made with the stakeholders' own constituencies. This  
734 is surely the case when the issues are more complex. In this model that process has been given  
735 the name "*Compare with needs and assess implementation issues*", but it can be both more and  
736 less complex depending on where in the process it happens and the nature of the idea at hand.

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

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



754  
755  
756  
757  
758

## Consultation Approaches Proposed Recommendation – Public Review Template for comments and observations

Please return completed templates to Working Group Chair, Josephine BAIAMONTE: JOSEPHINE.BAIAMONTE@cbp.dhs.gov

Please submit comments before end of Public Review / Public Review ends: September 20, 2014

|                    |  |         |  |             |  |                  |  |
|--------------------|--|---------|--|-------------|--|------------------|--|
| Comment Submitter: |  | E-mail: |  | Delegation: |  | Date submission: |  |
|--------------------|--|---------|--|-------------|--|------------------|--|

759  
760

Please make all comments using this template.

Please propose suggested changes in order to make the Recommendation Draft align with your comments.

| Draft version number | Line numbers | Type of comment <sup>1</sup> | Comments | Proposed changes | Working Group Observations (leave blank) | State (leave blank) | Ref. (leave blank) |
|----------------------|--------------|------------------------------|----------|------------------|------------------------------------------|---------------------|--------------------|
|                      |              |                              |          |                  |                                          |                     |                    |
|                      |              |                              |          |                  |                                          |                     |                    |

761  
762  
763

<sup>1</sup> Types of comments: ge = general; te = technical; le = legal; ed = editorial