

OECD Trade Facilitation Indicators – Bangladesh

To help governments improve their border procedures, reduce trade costs, boost trade flows and reap greater benefits from international trade, OECD has developed a set of **trade facilitation indicators** that identify areas for action and enable the potential impact of reforms to be assessed.

Estimates based on the indicators provide a basis for governments to prioritise trade facilitation actions and mobilise technical assistance and capacity-building efforts for developing countries in a more targeted way.

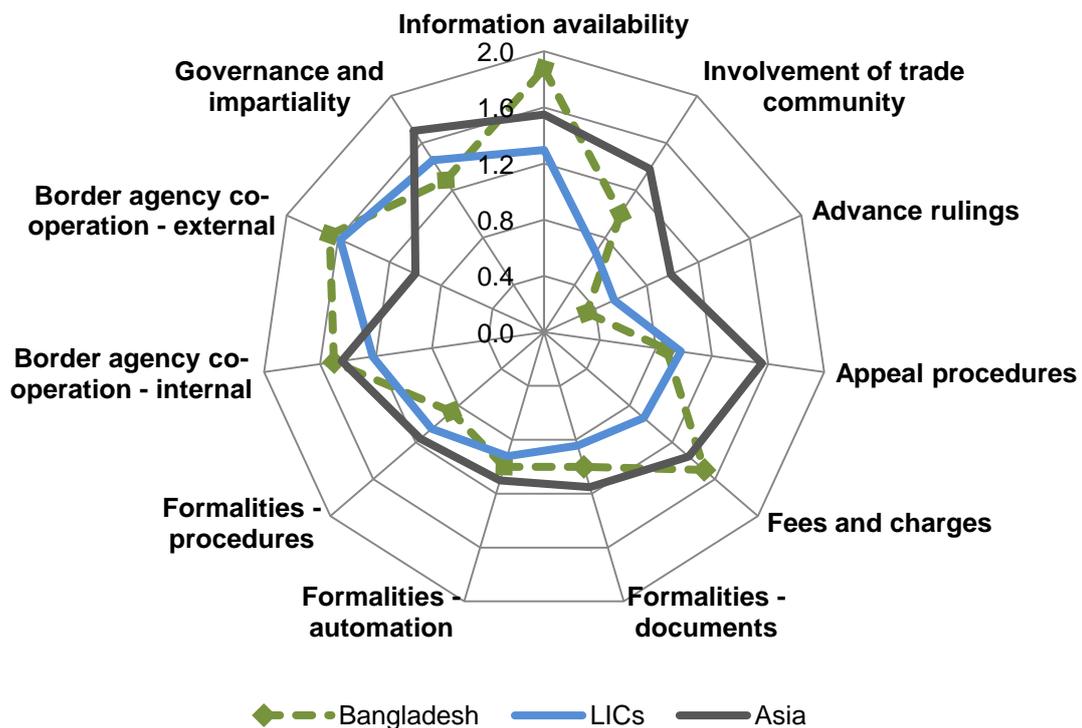
OECD analysis shows that trade facilitation measures can benefit all countries in their role as exporters as well as importers, allowing better access to inputs for production and greater participation in the international trading system.

Bangladesh's trade facilitation performance

- Bangladesh performs better than the averages of Asian and low income countries in **information availability** and **fees and charges**, according to OECD trade facilitation indicators.
- Bangladesh's performance for **advance rulings, governance and impartiality** and **procedures** is lower than the averages of Asian and lower income countries.

Bangladesh's trade facilitation performance: OECD indicators

Latest available data, where 2 = best performance



LICs: Low income countries (World Bank classification)

Analysis is based on TFIs latest available data as of January 2013 and the set of TFIs as constructed in "Trade Facilitation Indicators: The Potential Impact of Trade Facilitation on Developing Countries' Trade" (OECD Trade Policy Paper No. 144, 2013) for 107 countries outside the OECD area.

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Areas for action in trade facilitation

OECD quantitative analysis for the group of low income countries, which includes Bangladesh, shows that the areas with the greatest impact on increasing bilateral trade flows and lowering trade costs are: **formalities (documents, automation, procedures)** and **information availability**. The indicators **advance rulings, fees and charges**, and **governance and impartiality** also have a significant impact on trade flows. These indicators have a strong impact at the manufacturing trade level as well.

Taking into account the trade flow increase and costs reduction potential of the policy areas highlighted by the quantitative analysis, Bangladesh could draw considerable benefits in terms of trade volume increases and trade cost reductions from improvements in the areas of **streamlining of procedures, advance rulings, governance and impartiality** and **involvement of trade community**. Continued efforts in the areas of **automation** and **harmonisation of documents** would also deliver further benefits.

OECD Trade Facilitation Indicators

OECD has developed the following indicators to assess trade facilitation policies.

- *Information Availability*: Publication of trade information, including on internet; enquiry points.
- *Involvement of the Trade Community*: Consultations with traders.
- *Advance Rulings*: Prior statements by the administration to requesting traders concerning the classification, origin, valuation method, etc., applied to specific goods at the time of importation; the rules and process applied to such statements.
- *Appeal Procedures*: The possibility and modalities to appeal administrative decisions by border agencies.
- *Fees and Charges*: Disciplines on the fees and charges imposed on imports and exports.
- *Formalities-Documents*: Simplification of trade documents; harmonisation in accordance with international standards; acceptance of copies.
- *Formalities-Automation*: Electronic exchange of data; automated border procedures; use of risk management.
- *Formalities-Procedures*: Streamlining of border controls; single submission points for all required documentation (single windows); post-clearance audits; authorised economic operators.
- *Internal Co-operation*: Co-operation between various border agencies of the country; control delegation to Customs authorities.
- *External Co-operation*: Co-operation with neighbouring and third countries.
- *Governance and Impartiality*: Customs structures and functions; accountability; ethics policy.

Further reading

Read about the methodology, sources and findings from the OECD trade facilitation indicators in these two papers, available on our website: oecd.org/trade/facilitation

- **Trade Facilitation Indicators: The Potential Impact of Trade Facilitation on Developing Countries' Trade** (OECD Trade Policy Paper No. 144, 2013)
- **Trade Facilitation Indicators: The Impact on Trade Costs** – covering OECD member countries (OECD Trade Policy Paper No. 118, 2011)



OECD Trade and Agriculture Directorate (TAD)
E-mail: tad.contact@oecd.org

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