



# LEAST DEVELOPED COUNTRIES REPORT 2022

Red tape at borders undermines business confidence, hindering activities that drive economic growth, while virtually excluding micro, small and medium-sized enterprises (MSMEs), many of them women-owned, from the benefits of international trade.

The Global Alliance for Trade Facilitation (the Alliance) supports developing and least developed countries (LDCs) in implementing the World Trade Organization Trade Facilitation Agreement (TFA). The Alliance works with governments and business in implementing digitalisation and other modern techniques to

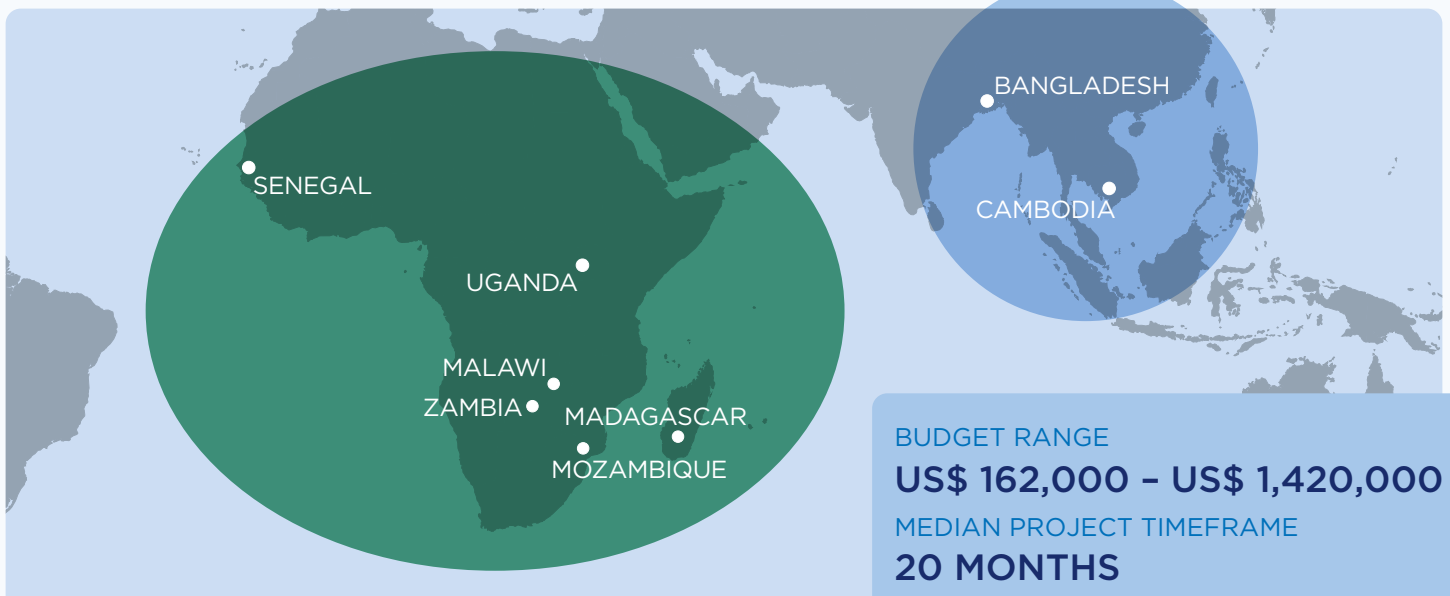
help break down barriers to market access and fuel growth, ultimately contributing to poverty reduction.

The Alliance is the only international aid for trade initiative based explicitly on public private partnership with a commitment to measuring the impact of its projects in terms of time and cost savings for business.

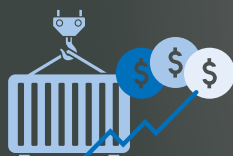
In helping countries to build resilience against supply chain disruptions, the Alliance is at the forefront of sustainable development efforts, working in agile ways to bring together governments and businesses, trade

associations and aid organisations in delivering targeted reforms. Using the TFA as a roadmap, the Alliance tackles identified bottlenecks to trade, building trust through public private partnership with a focus on implementing solutions to produce cost-effective benefits for both sectors.

Much of the Alliance's work is concentrated in LDCs, with even greater emphasis anticipated in future, based on a strong pipeline of requests for assistance in helping these countries to meet their TFA commitments.



REDUCED TIME AND  
COST OF TRADE



INCREASED TRADE,  
INVESTMENT AND JOBS



INCLUSIVE ECONOMIC GROWTH  
AND POVERTY REDUCTION

# SUB-SAHARAN AFRICA

## MADAGASCAR

### TFA Articles

- 3 Advance Rulings



DIGITALISATION



PROCESS REINFORCEMENT

Agriculture is the backbone of Madagascar's economy, employing almost 80% of the population, mostly working for MSMEs. Although agri-food accounts for around 70% of exports, daunting red tape is a significant deterrent, particularly for small exporters. Government ministries and agencies are working alongside the National Trade Facilitation Committee to introduce a pre-entry advance ruling programme, providing key decisions on shipments prior to import or export. Traders will be able to make an online application for a binding ruling, which will be uniformly applied by Customs, and valid for a set period, usually several years, making customs procedures more transparent and predictable, encouraging traders to enter export markets or consider expansion.

## MADAGASCAR

### TFA Articles

- 7.1 Pre-arrival Processing
- 7.9 Perishable Goods



DIGITALISATION



PROCESS OPTIMISATION

Madagascar is committed to simplifying agri-food trade by adopting the International Plant Protection Convention (IPPC) ePhyto Solution. Replacing its current, manual system with an electronic phytosanitary, or ePhyto, certification process will make trade more rapid, secure, and efficient, encouraging more MSMEs to enter export markets. Government ministries and agencies are working alongside the National Trade Facilitation Committee in advancing this project. The country has conducted successful initial exchanges of ePhytos with its main trading partners and is on schedule for full integration with the IPPC Hub in mid-2022, enabling ePhyto exchange with more than 100 countries around the world.

## MALAWI

### TFA Articles

- 10.6 Use of Customs Brokers



REGULATORY REFORM



PROCESS REINFORCEMENT

In Malawi, due to lack of available training for customs clearing agents, service can be inconsistent, leading to additional physical inspections and costly border delays. The Alliance is supporting efforts to design and implement a modern, equitable, robust clearing agent licensing system, including the necessary training. The country's President has assented to The Tax Administration Bill, enabling modernisation of clearing agency regulations. The training of trainers is now complete, and the country is preparing clearing agents for training and examinations. and the trainers have been trained. The programme is designed to maximise participation by women, who are often disadvantaged by being unable to spend extended periods away from home.

## MOZAMBIQUE

### TFA Articles

- 7.1 Pre-arrival Processing
- 8 Border Agency Cooperation
- 10.1 Formalities and Documentation Requirements



DIGITALISATION



PROCESS REINFORCEMENT

In Mozambique, some import licence applications for HIV and malaria rapid test kits (RTKs) can take up to two weeks to process while these products, which have short shelf lives, are forced to wait in storage. HIV and malaria are endemic, and the entire population is at risk. In collaboration with the National Trade Facilitation Committee, Customs and the private sector, the Alliance is supporting the digitalisation of processes and their integration into the country's existing Single Window to speed the import of RTKs, which provide a cost-effective way to identify infection.

## MOZAMBIQUE

### TFA Articles

- 7.1 Pre-arrival Processing
- 8 Border Agency Cooperation
- 10.1 Formalities and Documentation Requirements



DIGITALISATION



PROCESS REINFORCEMENT

Vaccine imports into Mozambique currently require written pre-shipment government authorisation that includes details on their country of origin, proof of effectiveness, and content details. The paper-based application and approval procedures can take as much as two weeks, during which often time-sensitive vaccines vital to child health are held in storage. In collaboration with UNICEF, the project is digitalising import processes by integrating them into the country's existing Single Window, promoting more effective coordination between relevant government ministries, health agencies, and Customs, and creating a public-private health working group within the National Trade Facilitation Committee.

## SENEGAL

### TFA Articles

- 7.1 Pre-arrival Processing
- 7.9 Perishable Goods
- 10.1 Formalities and Documentation Requirements



DIGITALISATION



PROCESS OPTIMISATION

Senegal is among a growing number of LDCs to embrace the International Plant Protection Convention (IPPC) ePhyto Solution, eliminating the risk of erroneous, lost, or damaged paper certification that may result in delays and spoiled produce. In 2021, Senegal completed its first successful ePhyto exchanges with France and The Netherlands and now has the capacity to exchange ePhytos with more than 100 countries around the world through the IPPC Hub. A public private partnership approach is ensuring that all relevant stakeholders are being trained to use the new system, enhancing its sustainability. Digitalisation will contribute to making exporting easier, improving the competitiveness of plant export sales.

## SENEGAL

### TFA Articles

- 1 Publication and Availability of Information
- 8 Border Agency Cooperation
- 10.1 Formalities and Documentation Requirements



REGULATORY REFORM



PROCESS REINFORCEMENT

Senegal has been upgrading its border administrative systems over recent years and has sought support from the Alliance to improve procedures and introduce digitalisation to speed up the process for importing agro-industrial products, starting with seeds and plant products. The Alliance project team is working on a change management approach, including public private dialogues, to ensure sustainability after the integration of the new procedure into Senegal's existing Single Window. This will include training for all relevant public and private stakeholders on how to use the new platform effectively.

## UGANDA

### TFA Articles

- 1.2 Information Available through the Internet
- 1.3 Enquiry Points
- 7.4 Risk Management
- 7.9 Perishable Goods
- 10.1 Formalities connected with Importation, Exportation, and Transit



DIGITALISATION



PROCESS REFORM

Horticultural exports from Uganda are worth around US\$ 35 million a year but only about 20% of products are currently exported, suggesting high growth potential in export revenue and employment if existing inspection processes can be made simpler, faster, and more cost-effective. Women make up 70% of the sector's workforce and own 30% of its businesses. The Alliance is supporting the government in streamlining and automating relevant processes at Entebbe airport and selected packhouses, where the lack of a modern risk management system entails physical inspections of every shipment. The government has stated its ambition to grow horticultural exports to US\$ 1 billion a year.

## ZAMBIA

### TFA Articles

- 10.6 Use of Customs Brokers



REGULATORY REFORM



PROCESS REINFORCEMENT

Zambia, like neighbouring Malawi, lacks a proper licensing framework and accreditation programme for customs clearing agents, leading to inconsistencies and errors in documentation, leading to high levels of physical inspection and delays at borders. The Alliance is working with the Zambia Revenue Authority and the private sector to design and implement a new framework for licensing customs clearing agents. The course was initially designed to be a blended learning experience, but it has pivoted towards online delivery. This clears the way for the necessary training, and examinations to take place.

## ASIA & THE PACIFIC

### BANGLADESH

#### TFA Articles

- 7.2 Electronic Payment
- 7.9 Perishable Goods
- 8 Border Agency Cooperation



DIGITALISATION



PROCESS OPTIMISATION

Every day, it can take trucks almost five hours to clear Customs at the busy Bhomra Land Port on the Bangladesh border with India. More than 400 trucks on average are parked up 24/7 at this crossing, which is only 60km from the northern India metropolis of Kolkata. The Alliance is working with BLPA, an independent body under the control of the Ministry of Shipping to digitalise handling, with anticipated reductions in the time taken to complete port authority procedures, leading to quicker turnarounds for trucks and lower costs for traders. The reforms are also likely to reduce traffic congestion around the busy port.

### CAMBODIA

#### TFA Articles

- 1 Publication and availability of information
- 7.1 Pre-arrival processing
- 7.4 Risk management
- 8.2 Border agency cooperation



DIGITALISATION



PROCESS REFORM

The Alliance is supporting Customs and Cambodia Post in linking their electronic systems for processing clearances of small packages to boost e-commerce exports, benefiting MSMEs. The Alliance has signed a partnership agreement with Cambodia Post and an MoU with the Ministry of Commerce. Implementation will involve software development, supplemented by change management workshops and training for relevant personnel. This project also includes working with the Cambodian Women Entrepreneurs Association to establish an online portal to provide information that will help the women-led businesses comprising 65% of MSMEs to better navigate cross-border trade.



## Digitalisation

Digitalisation runs through almost every Alliance project in LDCs, transforming cumbersome manual processes that impede trade

## Time and cost reductions

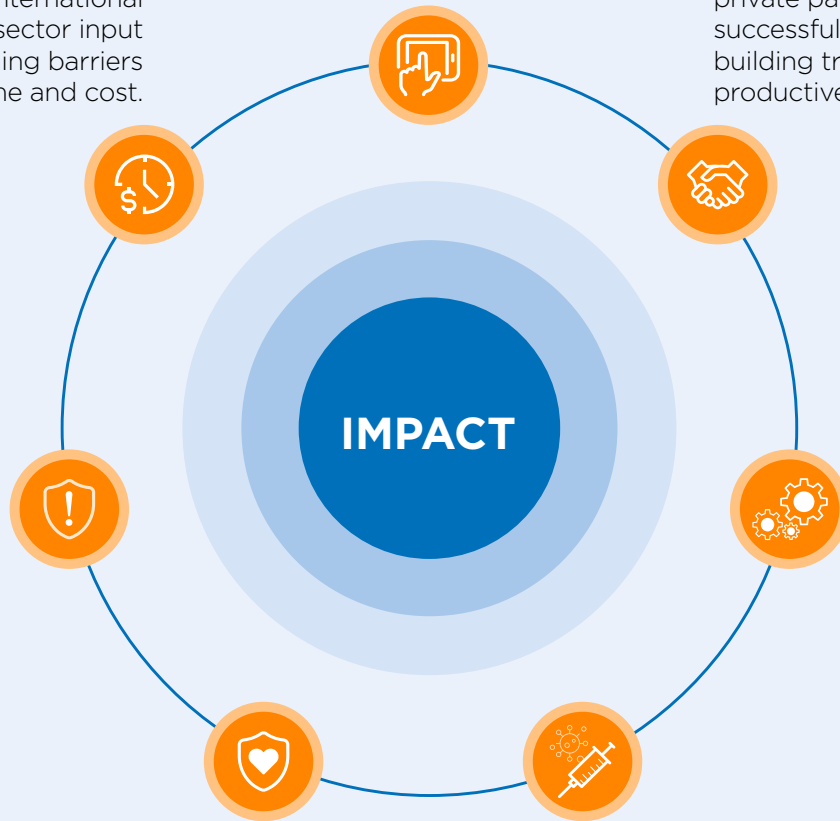
Supply chain disruptions are a huge challenge to international commerce. Private sector input is critical to overcoming barriers to trade, reducing time and cost.

## Public private partnership

The Alliance fosters public private partnership to achieve successful, sustainable outcomes, building trust that underpins productive, lasting relationships.

## Disaster preparedness

The Alliance is supporting countries in adopting trade facilitation reforms as part of their crisis management planning.



## MSMEs

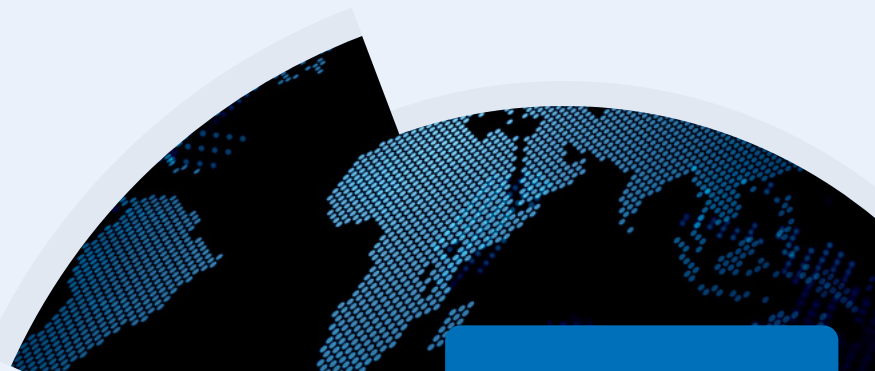
MSMEs in every country, including LDCs, stand to gain most from full implementation of the TFA. Sensitive to MSME needs, the Alliance works to ensure their input and active involvement.

## Resilience

As the past few years highlight, trade facilitation plays a crucial role during crises. It will also be vital in helping LDCs - the most vulnerable economies - to recover lost ground and to better prepare for future adverse events.

## Moving critical goods

The Alliance is partnering with UNICEF to automate and streamline imports of humanitarian aid, such as routine vaccines and associated medical products, bound for vulnerable communities.



### HOST ORGANISATIONS



### IN COOPERATION WITH



### SUPPORTED BY



To get involved or for more information, please contact us at

[info@tradefacilitation.org](mailto:info@tradefacilitation.org)  
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