



## The Essence of Trade Facilitation: Where does India Stand?

Zahid Ul Islam Dar<sup>1</sup> & Sandeep Kaur<sup>2</sup>

### 1. Introduction

Until the 1986-93 Uruguay round that subsequently led to the formation of the World Trade Organization (WTO) on January 1, 1995, the international trade affairs were regulated by the informal organization, the GATT. The prime focus of the GATT had been the slackening of the tariff rates and the removal of quotas, which was thus in conformance with its objective of trade liberalization (Crowley, 2003). The WTO with some additional affairs to manage, like trade in services, international investments and intellectual property rights, otherwise has had been working much on the lines of GATT. The WTO in pursuance of the free and eased up trade aim of the GATT, with the passage of time adopted the vision of fair trade (WTO, 2014a). In order to accomplish the goal of greater trade and hassle free business between the exporters and importers, the institution has had been time and again coming up with the innovative concepts and agreements. The latest of this type being the trade facilitation agreement is afoot for being ratified by the signatories. This agreement aims at cutting the red tape and trade costs in international trade transactions and thus endorses greater, speedy, timely and hassle-free trade.

Trade facilitation, the in-vogue policy tool of contemporary times in international trade is the most impressive and much discussed issue which has drawn an unprecedented attention. This concept came to the forefront, mainly as a consequence of reduction of the tariff rates globally. Yet another factor resulting in its emergence was the availability of contemporary advance technology for considerably improving the administration of cross-border transactions and distribution of goods (WTO, 2014b). The notion of trimming down the tariff rates was first initiated in the eighth round of Multilateral Trade Negotiations (MTN) spanning from 1986-1993, officially known as the Uruguay Round under the auspices and patronage of GATT. The series of rounds managed to gradually deescalate tariffs and as a consequence by the year 1999, it dipped on an average to 4 percent for industrial products in the industrialized nations. The slashing of tariffs tended to prioritize the other bottlenecks in international trade, those

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<sup>1</sup>Research Scholar, Department of Economic Studies, Central University of Punjab, India. Email: khaanzwrd@gmail.com

<sup>2</sup>Assistant Professor Department of Economic Studies, Central University of Punjab, India. Email: kaurandeep00@gmail.com

to be addressed by the trade facilitation measures. Also the activities leading to a greater globalization of the economies and particularly the incorporation of Medium and Small Enterprises (MSEs) in it diverted the attention towards reducing costs of doing business. The concern of the concept thus is the blockades to trade other than tariffs, the non-tariff barriers and many other annoying compliances and abidances. One such type of a measure is the simplification of documentation in trade processes which has proved since long a mounting burden for the trading community (Ujiie, 2006). Trade facilitation might be a newer and an innovative concept but its presence can be traced back even in the early times in terms of liberalizing trade and the attempts to improve the state of transactions across the borders (Grainger, 2007). A good number of measures that find place in the trade facilitation programme borrow their origin to the three 1994 GATT articles; Article V concerning the Freedom of Transit, Article VIII dealing with the Fees and Formalities involved in imports and exports and Article X related to Publication and administration of trade regulations. In the year 1996, trade facilitation along with other three issues, collectively called “Singapore Issues” was first introduced in the first ministerial conference of WTO held in Singapore. In Doha, 2001, the fourth ministerial conference held deliberations on capacity building and technical assistance required by the third world nations for undertaking trade facilitation measures. It was only in the fifth WTO ministerial conference that ministers decided to negotiate upon the modalities of trade facilitation. The task of elucidating and meliorating the relevant aspects of the 1994 GATT articles V, VIII and X was assigned to the Council for Trade in Goods. The council in addition was tasked to look into the member nations’ needs and priorities and in particular that of least developed nations (WTO, 2014b).

Trade facilitation besides reducing the Trade Transaction Costs (TTCs), literally pertains to enabling the speedy and timely movement of merchandise trade across the international borders. Trade facilitation primarily emphasizes obviating the avoidable controls and impediments that since long have been a source of chaos in international trade. The trade has had suffered a great deal due to the unnecessary obligations resulting in insurmountable increase in transactions costs. With regard to this, trade facilitation aims at easing off the trade environment, making it conducive to trade transactions across international borders through simplification and standardisation of procedure and requirements concerning, inter alia, customs, documentation and transport protocols. Doing this, it without interfering into a nation’s legitimate regulatory objectives seeks to defend the genuine interests of all the stakeholders.

Trade facilitation as such lacks a universally accepted definition and the definitions provided by different organizations and institutions vary according to their idiosyncratic perspectives concerning the issue. The former trade representative from United States, Robert Zoellick describes it as, “an extension of market access procedures that lower transaction costs and increase timeliness of transit” (ITC, 2013). Despite there being no unanimously agreed upon standard definition, every international institution acknowledges to the hilt the concerns of trade facilitation regarding streamlining the trade environment and reduction in TTCs. “The simplification and harmonization of

international trade procedures” is the most commonly used definition in literature, put forth by the WTO. The trade procedures relate to the “activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade” (WTO, 1998). The procedures primarily comprise customs procedures, trade insurance, payments, international transport and also the state institutional procedures and formalities required during border crossing (OECD, 2001; UNESCAP, 2003).

The obviating of inconveniences related to the formalities, procedures, documentation and other operations involved in international trade transactions is believed to be achieved through simplification and standardisation of the environment in which trade operations are being undertaken. It however requires a great deal of synchronization and consultation of all stakeholders involved in international trade process for realization of the trade facilitation goals. The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) delineates Simplification as “the process of eliminating all unnecessary elements and duplications in formalities, process and procedures”, Harmonization as “the alignment of national formalities, procedures, operations and documents with international conventions, standards and practices” and Standardization as “the process of developing internationally agreed formats for practices and procedures, documents and information” (UN/CEFACT, 2001). The narrow view of trade facilitation limits itself to the efforts addressing the issues of logistics of moving goods or coming up with paperless trade or at least the more efficient documentation process. The ambit of the definition however, in recent years has been widened to embrace issues like transparency and professionalism of customs and regulatory authorities and harmonization of the standards and their compliance with the international regulations. The broadened focus goes a step ahead in including the redressal of domestic policies and institutional structures within a nation that are believed to cast an impact on the nation’s supply chain. The redressal intends conformation of the domestic policies and regulations having a bearing on the international trade processes to the international standards. The contemporary definition of trade facilitation in addition gives due credit to the overwhelming role of the information technology in international trade (Wilson, Mann & Otsuki, 2004). The United Nations defining in nutshell unfolds trade facilitation as the systematic rationalization of procedures and documents for international trade (United Nations, 2001). Trade facilitation in general refers to the set of measures aiming at reforming the chain of administrative and physical procedures involved in the transportation of goods and transaction of services across international borders (Ikenson, 2012).

**Table.1.1: Several Definitions of Trade Facilitation**

<b>Institution/Author/ Declaration</b>	<b>Definition</b>
Wilson,2003	“the logistics of moving goods through ports or the required documentation at customs posts at the border and in a broader set up, the eased off environment in which trade transactions take place”
OECD, 2005	All the steps that can be taken to smooth and facilitate the flow of trade. The term has been used widely to cover all sorts of non-tariff barriers, including product testing and impediments to labor mobility.
Doha Declaration	“Expediting the movement, release and clearance of goods, including goods in transit”.
UNECE, 2014	“the simplification, standardization and harmonization of procedures and associated information flows required to move goods from seller to buyer and to make payment”
WTO, 2014	“the simplification and harmonization of international trade procedures...for collecting, presenting, communicating and processing data required for the movement of goods in international trade”.

With regard to different descriptions of trade facilitation, it includes obliterating or at least alleviating the avoidable formalities, procedures and documents and make use of electronic services in international trade transactions. Furthermore, it concerns the development of road and port infrastructure and transport infrastructure for timely movement of merchandise. Additionally, the dissemination of information and consultation of all stakeholders in trade is also the subject matter of trade facilitation (UN, 2006).

Besides the primary fallouts of increased and timely global trade, with trade facilitation come up other ancillary benefits like, increase in global GDP, improved employment prospects, rendering the small businesses globally more competitive and better administrative controls with improvement in collection of revenues. The expansion of trade transactions across international frontiers and simplification of the processes and procedures included therein have been the goals of GATT as well as the WTO. In this regard, the GATT focused more on the reduction of tariffs and the WTO on the other hand on simplification and elimination of non-tariff barriers. The splendid success achieved by GATT and the WTO in reducing the tariffs has resulted in international trade the shift of focus towards trade facilitation.

Pertaining to the benefits of trade facilitation, the reduction in red tape and standardized trade environment are projected to add to the global economy more than US\$1 trillion. Moreover, trade facilitation in contrast to altogether elimination of tariffs is estimated to more to the world economy. The reduction in barriers to global supply chain is appraised to increase the global GDP more by six times in contrast to the increase achieved through elimination of all tariffs. The simplification of regulatory

burdens to trade in striking contrast to only 0.7 percent increase in GDP by elimination of tariffs is estimated to increase the same by over 4.7 percent. Moreover, reduction in non-tariff barriers is anticipated to increase international trade by around 14 percent in comparison to 10 percent increase related to the removal of tariffs (WTO, 2013).

The international merchandise transactions are no longer dominated by the exchange of final manufactures and raw materials, the larger part of the transactions rather include the trade in intermediate goods, expanding the regional and global supply chains. A healthy portion of 60 percent of international trade transaction comprise trade in intermediate goods and of this 30 percent trade is transacted between affiliates of the same multinational corporation (Gamberoni, et al., 2010). It is thus in contemporary times indispensable for every individual economy to maintain an efficient and fast supply chain, for being competitive at the global level and retaining the share in international trade. There is also an immense potential associated with trade facilitation in the sphere of employment generation, estimated to create around 3 million jobs only in the developed economies. The developing economies in this regard also are projected to have an upper hand as estimates show that trade facilitation will ensue creation of over 18 million job opportunities in developing world economies. The increase in exports and imports as a result of trade facilitation is estimated to add US\$ 960 billion to the global GDP. The developing economies out of this are anticipated to hog a share of US\$ 520 billion and the developed economies the rest US\$ 440 billion, amounting to 55 percent and 45 percent respectively (Hufbauer & Schott, 2013).

Although not proportionately, but the benefits from trade facilitation are believed to be accrued by all stakeholders in trade. The leakages in the revenues arising from trade are believed to be checked, increasing the volume of revenue collected. The effective coordination among several trade governing on the other hand would result in better controls of and governance. The businesses would reduce their costs of doing trade and consequently increase their competitiveness through cutback in trade transaction costs. In a similar vein, the non-implementation of trade facilitation would mean the benefits forgone and inflicting additional costs on all economic players involved in international trade. In general a healthier economy would be the eventual fallout of trade facilitation, clearing the way for substantial upsurge in goods and services traded, the efficient use of resources through indorsing global competition and increased opportunities for inflow of international capital. Although, the implementation costs of trade facilitation is not meagre, estimated to be in between US\$7 million to US\$11 million but the costs associated with non-implementation of trade facilitation are assessed to be much greater than the immediate costs of implementation (ITC, 2013).

## **2. Trade Facilitation in South-Asia**

Several empirical studies have brought to the forefront that the potential gains from trade in the developing countries are relatively more than those available in the developed nations. The estimated gains form trade facilitation measures in Asian Pacific

Economic Cooperation (APEC) countries are gauged to be twice the benefits accrued from trade liberalization. These economies have a potential of generating a gain of about US\$ 154 billion from a mere reduction of 5 percent in trade transaction costs (Wilson et al., 2002). South Asian economies congregated under the banner of South-Asian association for Regional Cooperation (SAARC) in 1985 to foster sound and stout member nation's economies. Trade in accomplishing this goal secures a peculiar importance as the region is more trade dependent and trade facilitation in this regard is thus of undue importance. South Asia's half-hearted concerns towards facilitating a greater trade can be had from the fact that relative to other economic regions the performance of the region has been abysmal. The exports in East Asia have grown tenfold in comparison to the twofold growth in the South Asian region over the last two decades.

The nerve-wracking state is that since 1980 the interregional trade in South Asia as a share of its total global trade has remained stagnant around 2 percent (Wilson & Otsuki, 2007). The region for initiating trade liberalization has inked various bilateral and regional agreements which also do provide a room for various trade facilitating measures. The South Asian Free Trade Agreement (SAFTA) in its Article 3 and 4 seek commitments from member nations concerning streamlining the procedures, eliminating barriers to trade, fair competition, transparency measures and greater integration of the transport system (SAARC, 2007). SAFTA like other bilateral agreements, in spite of some provisions for trade facilitation has not made a big leap forward in attaining the goals of trade facilitation in the region. The overall achievement on regional level has not been up to the mark, albeit the economies individually have undertaken reforms concerning various cross-border trade related issues. The region out of a total 190 economies scores 126<sup>th</sup> rank in contrast to the 25<sup>th</sup> rank achieved by the high income Organization for Economic Co-operation and Development (OECD) countries and 102<sup>nd</sup> rank by the East Asia and Pacific (EAP) economies on the ease of trading across borders in the World Bank's Doing Business Report 2018. South Asia, furthermore, in terms of costs, documentation and time taken in the export and import processes portrays dismal performance compared to comparator regional groupings. The time required and the cost to export a consignment from South Asia is respectively almost ten and three times more compared to that in OECD and more astonishingly to import a consignment into the region in contrast to OECD it takes seventeen times more time. Compared to the East Asia & Pacific region, in South Asia both export and import processes require two times more time and are two times more costly (World Bank, 2017). Being mindful of the region's state of trade facilitation, the effective implementation of facilitation measures are projected to throw up immense gains. On part of inadequate infrastructure only, in South Asia the GDP growth rate decelerates by around 2 percent, amounting roughly to US\$ 20 billion a year. It is estimated that there would be an increase in trade by US\$ 2.6 billion if the region raises its trade facilitation capacity to half of East Asia. The benefit amounts approximately to 60 percent of the region's intraregional trade (Banik et al., 2014).

**Table. 2.1: Time requirements and Cost to Export-Import**

Regional Groups	Time to export (Hrs)	Cost to export (US\$)	Time to import (Hrs)	Cost to import (US\$)
East Asia & Pacific	124.1	499.6	136.1	542.4
OECD	15.1	185.3	12.2	137.2
South Asia	136.4	549.3	218.5	979.6
Sub-Saharan Africa	187.9	807.2	239.4	986.9

Source: Doing Business Report, 2017.

*Note: The cost and time relate to the total time and cost incurred in compliance with the documentary and border regulations.*

The region as a whole has to address various regulatory and procedural barriers and bottlenecks to trade on a war footing if the economies wish to stand out at the competitive global front. The enactment of trade facilitation reforms no doubt is a costly affair in contrast to the process of undertaking tariff reforms as they require use of substantial resources and supportive legal framework. Nevertheless, SAARC here has to play its role in assisting and coordinating the economies to embark on trade facilitation reforms for an increased extra and intraregional trade and consequently the region's strong economic integration. As South Asian economies to a considerable extent rely on imports to add value to their exports, the region is forecasted to glean glaring gains through reduction in supply chain barriers. The prognosis shows a healthy 65 percent increase in exports and 49 percent increase in imports (WTO, 2013). This in turn has substantial implications on the region's development through creation of more employment opportunities, more revenue to the government coffers and availability of low-cost production inputs and final goods to both business and consumers.

### **3. Trade Facilitation in India**

The response of overwhelming nature shown by economies across the globe to the trade facilitation measures witnessed a prominent impact on developing economies, breaking them free from the deleterious perceptions regarding facilitation. Like other developing economies India too had opted for anti-import policies out of being indisposed and superstitious concerning the fallouts of trade liberalization measures. India only in late 1980's started restrictedly opening up to the outer world. In the illustrious economic liberalization programme undertaken in early 1990s there happened to be some measures addressing even the cargo clearance issues and some other trade facilitation measures (Ministry of External Affairs, 2014). With the intent of increasing the share in international trade, India since then has been employing measures interrelated to trade facilitation in one way or the other, like, bringing related changes in the foreign trade policies in synchronisation with the changing dynamics of the international trade. India's several EXIM policies for promotion of greater trade with the outer world economies include some provisions of trade facilitation. The 1997-

2002 EXIM policy for promotion and expansion of international trade slashed the document requirements by almost half. Likewise, the 2004-09 EXIM policy's Board of Trade for streamlining the trade regulating procedures and the institutional framework brought forth several suggestive measures, and laid emphasis on trade related infrastructure requirements. The 2009-14 EXIM policy for easy trade included numerous simplified procedures and several other provisions addressing the decline in trade transaction costs. It comprised initiatives like, compilation of the Standard Input Output Norms (SION)<sup>1</sup>, simplifying the redemption and application forms under Export Promotion Capital Goods scheme and at Electronic Data Interchange (EDI) ports the exemption of double verification of shipping bills. The Free Sale Certificate procedure concerning the medical devices industry was simplified and validated for two years. The policy moreover, for enabling speedy customs clearances mandates the electronic exchange of information between customs and Directorate General of Foreign Trade (DGFT). Also, there is a mention of making the Registration Cum Membership Certificate EDI enabled and available online.

Several private notified ports, 187 minor ports and 12 major ports find home in India. The nation in addition to 36 international airports has along its international borders 138 Land Customs Stations (LCSs), 66 of them being fully functional. There are also 155 Inland Container Depots (ICDs) and Container Freight Stations (CFSs) dedicated for faster cargo clearance and avoidance of overcrowding at the ports (Domnic et al., 2012). India's vast hinterland and numerous entry and exit points renders trade facilitation accomplishment relatively problematic. The problem although has been circumvented to a considerable extent through induction of several measures aimed at simplification of procedures and upgradation of both hard and soft infrastructure. The nation's 98 percent international trade is currently operated through the Indian Customs EDI System (ICES), which is operational almost all major customs stations. The ICES helps in exchange of online customs and trade related information using Indian Customs Electronic Gateway (ICEGATE) and acts as an interface between the stakeholders in trade, among others, the Directorate General of Commercial Intelligence and Statistics (DGCI&S), traders, DGFT, Custom House Agents (CHAs), freight forwarders and RBI. Besides interchanging trade statistics and other relevant information, ICEGATE supports e-filing of bills of entry and shipping bills, on-line registration for Intellectual Property Rights (IPR), e-payment and document tracking at customs EDI. The measures implemented have to an extent paid off as there has been recorded an increase of 54.2 percent in international cargo at six international airports. Furthermore, in contrast to 2001-2002 an increase of 16.6 percent was documented in the total cargo dealt by the Airport Authority of India (AAI) in 2002-2003 (Sengupta & Bhagabati, 2003). The nation's total merchandise trade witnessed an increase from US\$ 489 billion in 2007 to US\$ 763 billion in 2014. The country has managed to secure 19th

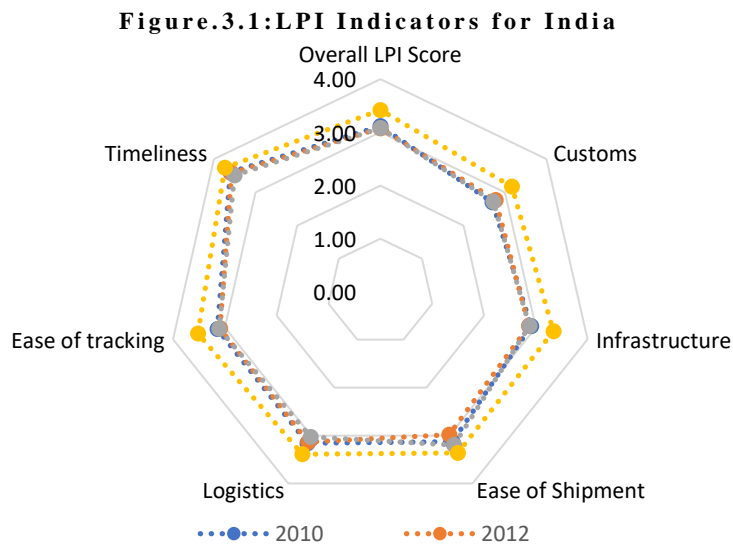
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<sup>1</sup>SION is a standard rule which defines the amount of input required to manufacture a unit of output forexport purposes.



rank in global exports which previously was 32nd in 2000. The share in global exports increased from 0.7 percent in year 2000 to 1.7 percent in 2013 (EXIM Bank, 2014).

The nation’s performance over the period in reforming the trade environment could well be gauged from various logistic performance indices. India, among other areas has shown stupendous performance in upgrading the trade supporting infrastructure more particularly through incorporation of Information and Communication Technology (ICT). The nation in the LPI-2016 managed to achieve a score of 3.42 in contrast to the score of 3.08 in 2014 and among a total of 160 countries has been ranked 35<sup>th</sup> in contrast to 54<sup>th</sup> in 2014.

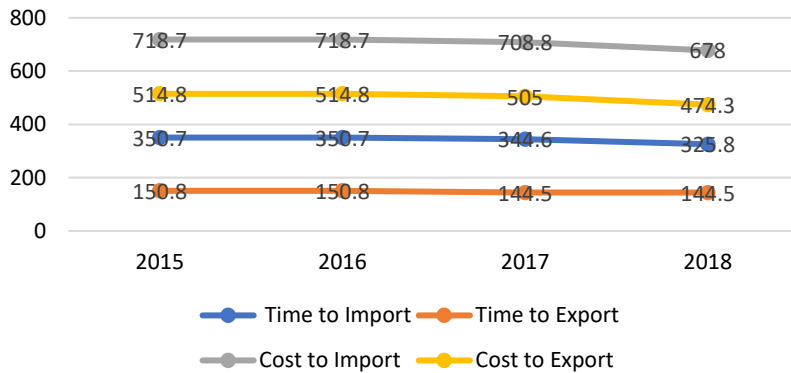


Source: LPI, 2010:2012:2014:2016.

*Note: The scores are on a scale of 1(very low)-5 (very high).*

Although, as indicated by the Doing Business reports the cost and time to export and import has surely come down, but not drastically. The border compliances are still contributing considerably to the overall time taken and the trade transaction costs and has not shown a decline in the fashion the costs and time associated with documentation obligations do. Breaking down the aggregate cost and time, the border regulations and procedures comprise both in exports and imports more than 80 percent of total cost and 73 percent of time in exports and more than 80 percent in imports.

**Figure. 3.2: Time and Cost to Export-Import:India**

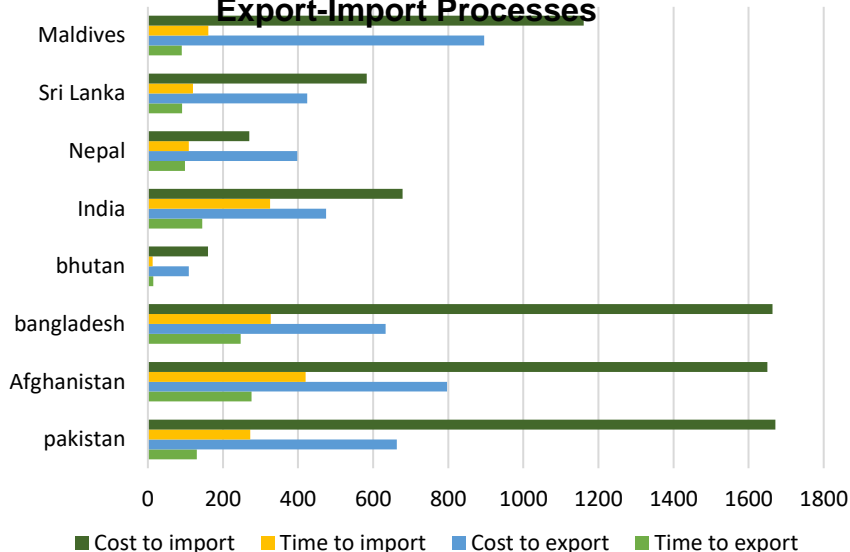


Source: Doing Business Report, 2015:2016:2017:2018.

*Note: The costs are in US\$ and time in hours.*

Despite several efforts on part of the government to ease off trade process and make it less costly, the trade transaction costs in India are still exorbitantly high. The transaction costs and the tardy consignment clearances bear a profound impact not only on the international trade itself but also on the health of other sectors of the economy. There have been undertaken several studies concerning the nation’s trade transaction costs and every individual study hints at high costs. Taneja, 2004, while mentioning a ten day clearance period on an average in India, estimates the trade transactions costs as high as 15 percent of the value of goods. De & Gosh, 2008, estimate the transaction costs around 24 per cent of the total value of imports, imported by India from Bangladesh for the period 2001-2006. For total exports of the nation the transaction cost stands somewhere between US\$ 13- 18 billion that falls in the range of 7-10 percent of the value of exports, and 50 percent such costs are argued as addressable cost (Department of Commerce, 2011). Prasad et al., 2014, attributes the high trade transaction costs in the nation, among other things, to the involvement of myriad government agencies and their numerous procedures and otiose documentation requirements. The transaction costs borne by Indian exporters are projected to amount to around ten times of that in most developed economies. The Comptroller and Auditor General of India, 2015 estimates that export procedures alone inflict cost on exporters by around 3.72 percent of the value of exports.

**Figure. 3.3: Time and Cost incurred in Export-Import Processes**



Source: Doing Business Report, 2017.

*Note: The import-export cost and time requirements are aggregate of time and cost incurred in compliance with the border procedures and the documentary obligations.*

A comparative analysis of South Asian economies on the cost and time requirements in international trade sketches a disconsolate picture of India. The nation's border procedures seem to be cumbersome relative to other nations and also the documentation procedures to a large extent. In the region, with regard to exports, it is India where the time consumed by the border regulations is the highest and to abide by such procedures the cost to export is lower in Nepal, Sri Lanka and Bhutan than India. While dealing with the border regulations and procedures, India takes more time to import than all region's member nations and incurs more cost in the process than Nepal, Sri Lanka and Bhutan. The time cost put up by the documentation obligations is relatively low, the second lowest for exports in the region and the costs associated are third lowest. Although, the cost and time required to export and import in compliance with the documentation requirements is relatively low but there is a lot more scope to bring the related costs and time down to the international best practice. As a part of trade facilitation capacity building no doubt numerous measures have been initiated with most of them addressing the issues related to GATT articles VIII and X. The initiatives in contrast to the preceding decade fetched the nation impressive gains at the global front but the measures left out still pose substantive trade transaction costs and delay at length in clearance of consignments.

The lack of investment in domestic logistics infrastructure has also been adding considerably to the overall trade transaction costs. At several checkpoints put up by the states at their boundaries, the cargo trucks for the purpose of checking have to halt for long hours. At around 26 such stops on the Kolkata and Mumbai highway, the halt time for a cargo vehicle on an average is 32 hours (Indian Chamber of Commerce, 2014). However, a lot has been accomplished, like the paperwork has been slashed drastically through introduction of EDI and the consequent costs and time related to this particular process has witnessed a considerable decrease. The border procedures still haunt the nation's international trade environment and have been to a significant extent adding to the transaction costs. Albeit, the nation in the South Asian region, with the exception of one or two economies has been doing better in the area of trade facilitation but still has not been able to put up the required infrastructure and reform the related institutions to emulate the international best practice. The nation thus is in an earnest requirement of improving the performance by doing away with the age old practices and regulations, and installing the perquisite infrastructure, enabling the nation's external trade to overcome the annoyances and fictions that it confronts.

#### **4. Suggestions**

Whatsoever strategies the Indian authorities or that of any other nation put to use for expansion of its external trade, would not fully fructify unless and until being buttressed by a priorly established conducive trade governing environment. As to reform the trade environment the government needs to play a proactive role and rope in all stakeholders in international trade. The reduction in clearance time, trade transaction costs and paperwork could not be achieved overnight, the start needs to be taken by addressing the areas of prime concern that add excessively to the time and transaction costs, recognised through periodic deliberations and consultations with the traders and trade bodies. The government agencies overseeing the trade activity should recognise their role of facilitating the trade rather than trying to be regulators. In India the trade governing procedures, in particular the ones trade need to comply with at the borders require simplification and standardisation. The regulations at the nation's every international border need to be uniform and in synchronisation with the international standards and such regulations need to be framed that leave no scope for more than one interpretation. This will help in executing the regulations in their true sprit at the ground level that prevents the unnecessarily hampering of the flow of trade. Besides this an intensive training programme for officials, traders and other stakeholders in trade needs to be scheduled on a regular basis as to keep them abreast of latest regulations and development in trade. The documentation requirements although have been reduced but yet awaits simplification and standardisation. There is no doubt that the introduction of EDI has to a considerable extent reduced the paperwork burden but even today traders are required to submit the print outs of the electronic documents at some other stage. Furthermore, the EDI faces intermittent breakdowns and there is no quick shift to the manual documentation system, adding more time and cost to trade. The intervention of numerous agencies in trade also considerably increases the paperwork burden. The

burden could be alleviated through formulating a single standard document that suffices every department's needs. Furthermore, there still is lot of scope left in slashing the document requirements, which should be reduced to minimum possible. The nation very recently has framed a National Trade Facilitation Committee (NTFC) that seems to be the need of the hour given the accomplishments of such committees already functioning in other nations. The private sector that has been long ignored should be taken on board by this committee that would largely help in recognising and exterminating/simplifying the real burdens and impediments to trade. The committee for private sector representation requires selecting representatives from all business types and more particularly from medium and small business that due to their size and capacity are put on the back burner.

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