



Support to an Enabling Business Environment for MSMEs Development & Financial Inclusion



HASHEMITE KINGDOM OF JORDAN:

PANEL 1: WTO TFA and Paperless Trade

Simplification and Digitalization of Foreign Trade Procedures, Jordan

Marrakesh, September 26, 2022





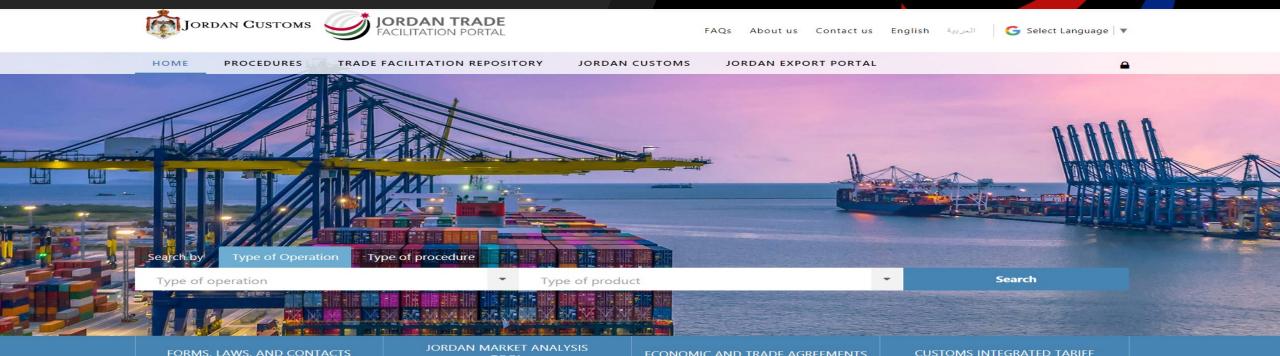
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1. INTRODUCTION

- ✓ Jordan WTO TFA implementation update (Categories A, B & C)
- ✓ Jordanian Government launched the National Strategy for Digital

 Transformation in 2020
- ✓ A set of electronic services has been launched within the framework of the digital transformation process including:

Jordan Trade Facilitation Portal (JTFP), Jordan Customs



Jordan National Window:



Issuance of Import and Export licenses:

Ministry of Industry, Trade and Supply (MITS) has completed a digital transformation project regarding import and export licenses for goods that need approvals in Jordan

Electronic Certificates of Origin (eCO):

- ✓ Jordan has started, since the amendment of the customs law, to accept electronic certificates of origin (eCO)
- ✓ A **National Committee** has been formed to implement the project of issuance of eCO as well as follow up on implementation

ePhytosanitary Certificates:

- ✓ Work is ongoing to finalize the project to electronically issue a e-phytosanitary certificate for fresh fruits, vegetables and livestock, which will reduce time and cost and speed up the export process.
- ✓ The service will hopefully be launched before the end of this year.





2. Coordination

National Committee for Trade and Transport Facilitation (NCTTF) - main objectives of the committee are to:

- ✓ Create an environment of dialogue and coordination between all parties involved in trade and transport operations, specifically, the private and public sectors.
- ✓ Facilitate trade and transport activities through administrative and legal reforms
- ✓ Enhance Jordan's competitive edge and boost exports
- ✓ Help in improving procedures (in terms of the length of time and the use of IT) and removing obstacles to increased trade (and tourism)
- Increase awareness of the benefits of trade facilitation, and present recommendations and proposals to the government for investments and future projects



3. Difficulties and challenges:

- ✓ Complexity and uncertainty
- ✓ Cost of doing business increasing
- ✓ Non-tariff barriers (NTBs) and measures (NTMs)
- ✓ Opportunities under competition
- ✓ Speed of ongoing change and managing this
- ✓ Number of required documents and data related to trade and goods
- ✓ One of the main challenges is that organizations need to re-engineer procedures
- ✓ Many issues require more effective risk management implementation, investment in IT infrastructure, etc., and in this regard, government institutions should cooperate in this area as a first step.
- ✓ This requires intensified efforts as there are legal implications and laws that need to be updated and amended to ensure that tariffs are consistent across institutions
- ✓ Ongoing legal and regulatory reforms needed

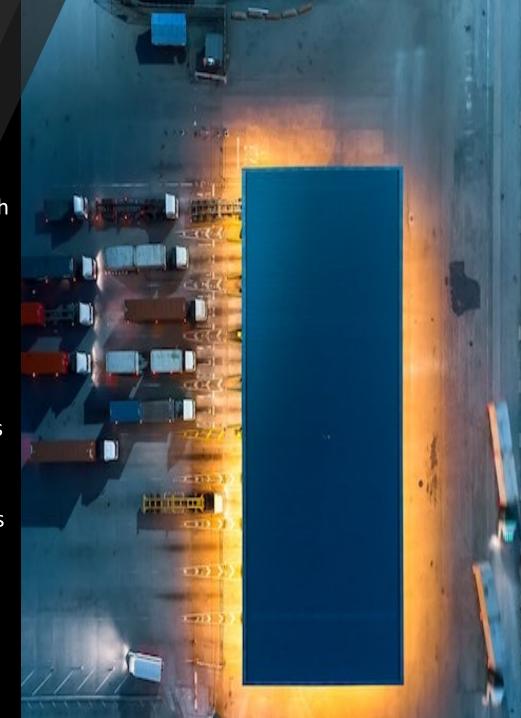
4. Support Needs

A need for more studies and the provision of support and technical assistance to work on facilitating trade by accelerating digitization and simplifying procedures and legal reforms, as follows:

- 1. Capacity building programs and TA in the field of IT and integrated tariffs to update and upgrade the available systems
- 2. Provision of **funding** to obtain the required equipment, upgrade hardware, software and network infrastructure
- **3.** Improving and maintaining the relevant authorities' website and continue to upload trade related documents and forms
- **4. Enhance knowledge** regarding areas for improving international trade procedures in Jordan
- 5. Review existing business regulations and procedures
- 6. Commit to the **ongoing improvement of legislative, regulatory, and control structures** governing economic activities
- 7. Adopting a «Legislative Guillotine» to study and reduce negative legislative constraints pert
- **8. Expanding the application of e-government** to simplify, accelerate, and increase the transparency of government services
- 9. Merging Border Agencies: The Jordanian government has recently taken a decision to enroll number of employees of 6 agencies to the Customs Department

5. Regional Cooperation

- 1. Regional Single Window (RSW): electronic payments, pre-clearance, electronic inspection, import and export licenses, temporary acceptance.
- 2. Introducing Digital Standards Initiatives (DSI): it will speed up the smooth flow of data between parties
- 3. Conduct background studies to evaluate all **logistical issues in Jordan compared to other countries in the MENA region**. This will help to determine the competitive situation as a step to developing the logistics sector to support export, import and re-export activities.
- **4. Comparison with best practices** in other countries
- **5.** Increasing Jordan's competitiveness in the region, especially with a focus on the performance of the port of Aqaba compared to other ports in neighbouring countries
- **6. Study visits** to determine the areas to focus on and conduct consultations with stakeholders such as shipping companies.
- 7. In addition to organizing study tours to learn about the best practices of **change management** in countries with successful experiences
- 8. Food traceability
- 9. Block chain technology





Shukran Merci Thank you