

OECD Trade Facilitation Indicators

Transforming border bottlenecks into global gateways

International trade is the engine of the global economy. More people, goods and services are crossing borders than ever before. But trade is changing - today, products and the services that go with them are made from parts that are sourced from all over the world.

As goods cross borders many times, first as inputs and then as final products, fast and efficient customs and port procedures are essential. Unduly complex processes and documentation raise costs and cause delays, and ultimately, businesses, economies and consumers bear the cost. Conversely, a country where inputs can be imported and goods and services can be exported within quick and reliable time frames is a more attractive location for foreign firms seeking to invest.

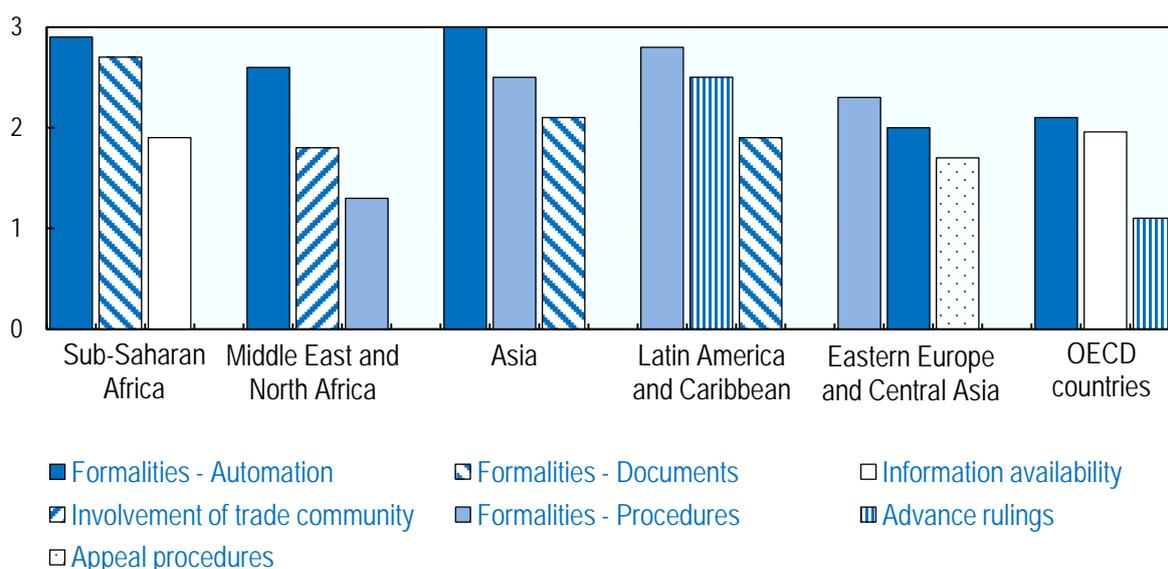
To help governments improve their border procedures, reduce trade costs, boost trade flows and reap greater benefits from international trade, OECD has developed a set of trade facilitation indicators that identify areas for action and enable the potential impact of reforms to be assessed. Estimates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

The OECD indicators cover the full spectrum of border procedures, from advance rulings to transit guarantees, for 133 countries across income levels, geographical regions and development stages.

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 global value chains that characterise international trade today.

- Comprehensive trade facilitation reform is more effective than isolated or piecemeal measures.**
 The potential cost reduction of all the trade facilitation measures combined is greater than the sum of their individual impacts - almost 14.5% for low-income countries, 15.5% for lower-middle-income countries, 13.2% for upper-middle-income countries and 10% for OECD countries.

Potential cost reductions in goods trade, %
 Most beneficial areas for reform in each region

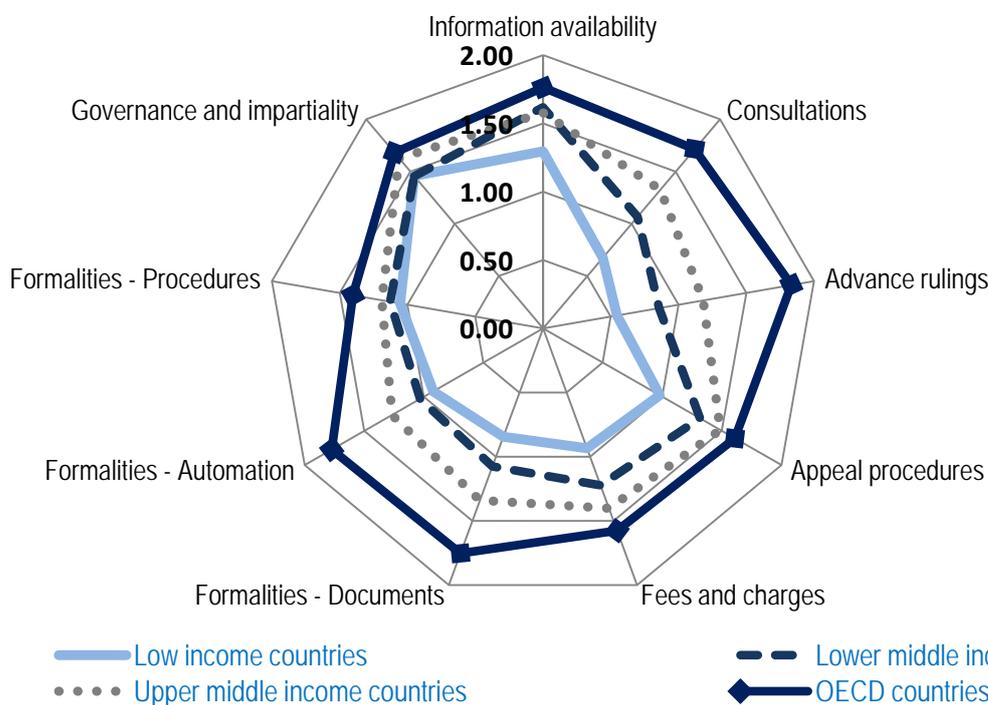


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- **Harmonising and simplifying documents** would reduce trade costs by 3% for low-income countries and by 2.7% for lower-middle-income countries.
- **Streamlining procedures** would bring further trade cost reductions of 2.8% for upper-middle-income countries, 2.2% for lower-middle-income countries and 1% for OECD countries.
- **Automating processes** would also reduce trade costs by 2.3% for low-income countries, 2.1% for lower-middle-income countries, 2.4% for upper-middle-income countries and 2.1% for OECD countries.
- **Ensuring the availability of trade-related information** would generate cost savings of 2% for OECD countries, 1.6% for low-income countries and 1.4% for lower-middle-income countries.
- **Advance rulings on customs matters** would also bring cost reductions of 1.5% for lower-middle-income countries, 1.2% for upper-middle-income countries and 1% for OECD countries.

Implementation of trade facilitation measures

Average trade facilitation performance by country group, latest available data, where 2 = best performance



Note: The indicators are built with the latest information available. Implementation dates of the different measures are not available at this stage, thus it can be considered that the indicators broadly cover the period 2002-2012.

Further reading

Read about the methodology, sources and findings from the OECD trade facilitation indicators in these two papers:

- 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 (OECD Trade Policy Paper No. 118, 2011)

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