



## COSIPLAN

Presidencia Pro Tempore Chile 2013 - 2014

# Meeting of the Executive Technical Group on Trade Integration through Postal Services

September 18 and 19, 2014 Montevideo, Uruguay

#### REPORT OF THE MEETING

On September 18 and 19, 2014, the city of Montevideo, Uruguay, hosted the Meeting of the Executive Technical Group (GTE) on Trade Integration through Postal Services, which was attended by delegates from Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, and Uruguay, as well as by representatives of IIRSA Technical Coordination Committee (CCT), Canada, Costa Rica, El Salvador, the United States, Guatemala, Panama, the Dominican Republic, the Universal Postal Union (UPU), and the Postal Union of the Americas, Spain and Portugal (UPAEP). The meeting agenda and the list of participants are attached as Annexes 1 and 2, respectively.

The objectives of the meeting were the following: i) report the progress of the Work Plan 2014 in relation to Trade Integration through Postal Services; ii) present the results of the Exports through Postal Services project in the COSIPLAN-IIRSA member countries that have implemented it and promote the exchange of experiences with the service; iii) identify indicators that show the results of exports through postal services and help measure the value added by Exporta Fácil; iv) share the current status of the national plans for the simplification of imports through postal services; v) present the actions targeted for MSMEs developed by the UPU, the WCO (World Customs Organization) and the UPAEP, and identify areas of joint work with the COSIPLAN-IIRSA GTE; vi) discuss the impact of electronic commerce on the import and export processes of the postal services as well as any activities of the GTE associated with this topic; and vii) reach an agreement on the Work Plan 2015 for the GTE on Trade Integration through Postal Services.

The meeting was opened by Uruguay's Under Secretary of Transport and Public Works, Mr. Pablo Genta, who reviewed the background to IIRSA Exporta Fácil (Easy Exports) project and its inclusion in the COSIPLAN Strategic Action Plan. Then, Mr. Genta noted the impact of the project on the facilitation of exports for micro-, small- and medium-sized enterprises, as they use the postal platform for their foreign trade operations. This is a project that does reach people and also promotes the development of the communities, which is the main purpose of UNASUR. Next, the Secretary General of UPAEP, Mr. Roberto Cavanna, stressed the fact that Exporta Fácil should be regarded as a government program and not just as another service provided by the postal operator, because what really matters is the involvement of all the competent government areas, which join efforts to attain results and, thus, create a significant synergy for the country concerned.

Subsequently, the working sessions began as scheduled in the meeting agenda. The CCT presented the background to the Trade Integration through Postal Services project within the framework of COSIPLAN-IIRSA, and explained the meeting objectives and expected results. The Brazilian Ministry of Communications detailed

the activities scheduled for the GTE in the Work Plan 2014 and their current status. The presentations are attached as Annexes 3 and 4.

#### Exports through Postal Services Project

The countries that have already implemented the Exports through Postal Services project (Brazil, Colombia, Ecuador, Peru, and Uruguay) presented its progress, the obstacles identified, and the results attained so far. In their presentations, the delegations ratified the importance of the program as a government tool for the economic and social inclusion of micro-, small- and medium-sized enterprises. The different actions taken contribute to the formalization of these firms, the promotion of an exporting culture among them, and the facilitation of their access to the international markets. Furthermore, it was stated that one of the keys to the success of the program is the coordination and synergy of the joint work undertaken by the institutions involved. Some of the difficulties or critical issues mentioned include budget allocation, the establishment of the working groups, the diverging conditions of the system in the different countries, and the need to facilitate the import process in the countries of destination. Finally, the importance of the exchange of experiences and lessons learned at this meeting was stressed, as they help improve the services provided in each country and create a horizontal work and cooperation network. The presentations are attached as Annexes 5 to 9.

Next, a proposal concerning indicators to measure the results of the program in the COSIPLAN-IIRSA member countries was presented. The attending delegates agreed to disseminate this proposal for comments with the aim of defining a limited number of indicators that might be applied on a pilot basis in 2015. Initially, the purpose of these indicators would be to (i) measure the performance of the project in each country taking into account the size of the domestic economy; (ii) compare the performance of the project in the different countries; and (iii) aggregate the results attained in the group of countries where the project was implemented. Emphasis was placed on the need to use the information already being collected. The presentation is attached as Annex 10.

## Facilitation of Trade through Postal Services

The next block included the presentation of initiatives from different regional and international institutions concerned with trade facilitation that could supplement and enhance the actions of this GTE:

- 1) The role played by UPAEP in supporting the regional countries' postal sector —more specifically, in facilitating trade through postal services— was described, highlighting the role that the postal sector could play in the implementation of public policies and in rural development, due to the capillarity of its network, and also as a useful tool to support the growth as well as the financial and social inclusion of the firms. Based on the experience of UPAEP in the implementation of Exporta Fácil, interest in continuing to support such process was stressed, taking into account issues such as the interoperability of postal networks, the development and application of Information and Communication Technologies (ICTs), the development of e-commerce, regulatory frameworks, and postal network security, among others. The presentation is attached as Annex 11.
- 2) The Connect Americas portal was introduced, which is an IDB initiative to support the exports of regional SMEs through a business network in Latin America and the Caribbean. From this portal, SMEs can also apply the IDB programs targeted for them as well as identify any financing and technical assistance alternatives offered to them by the whole IDB Group. The attending delegations stressed the importance of this tool to support and enhance the work carried out by export promotion organizations and the postal services, as well as to increase the use of Exporta Fácil by SMEs. The IDB representative offered to incorporate the Exporta Fácil project to the portal. The presentation is attached as Annex 12.
- 3) The Universal Postal Union presented the progress made by the UPU MSME Business Development Group (MSME BDG). An overview of the postal sector, the Doha Postal Strategy, and the programs related to the

postal trade facilitation value chain was provided. The achievements made and products developed by the MSME BDG as well as other UPU activities and issues were discussed. The attending delegations highlighted the role played by UPU and its joint actions with other institutions such as the WCO, as well as the importance of strengthening coordination between the efforts of the UPU and UPAEP and this GTE with the purpose of developing regional tools aligned with global initiatives. The presentation is attached as Annex 13.

4) The accelerated growth of e-commerce in the region, a trend that was expected to continue, was described, and this was compared to the situation in the rest of the world. On the basis of this context, some needs for SMEs to participate in e-commerce were identified, and a presentation was delivered on the role that postal services could play to strengthen such participation through specific solutions such as the delivery of parcels, the simplification of international trade, payment solutions, partnerships with different public and private organizations, and the provision of knowledge and guidance to MSMEs. Finally, the UPU e-commerce program (ECOMPRO), which includes a series of activities, a guide, and postal solutions for this topic, was presented. The presentation is attached as Annex 14.

## Imports through Postal Services

Brazil's Mail and Telegraph Company and the Secretariat of the Federal Revenue Bureau of Brazil presented the new model of imports through the postal channel to be implemented in the first quarter of 2015. The objectives are to standardize and speed up the postal processing and customs release of international parcels, offering security and transparency, on the basis of the electronic exchange of information between exporters, postal services, and customs. From the postal perspective, the new model seeks to simplify the payment of taxes and reduce delivery times, and from the customs perspective, it seeks to improve risk analysis and simplify the tax and duty payment process. Finally, the flow of information and the systems and formats used to exchange it as well as the data register were presented. The presentation is attached as Annex 15.

Next, the countries that have already implemented the Exports through Postal Services project (Brazil, Colombia, Ecuador, Peru, and Uruguay) presented the current status of their national plans for the simplification of imports through postal services. All the presentations stressed the importance of continuing this simplification process with timely and quality information, as well as the significance of the process for the establishment of the Customs-Postal Service Committee. The difficulties and areas of improvement include the development of appropriate IT systems and web services for the transmission of information before arrival, the training of exporters and importers, the definition and implementation of the risk profiles, the specialization of centers for customs storage and valuation, the electronic payment of taxes and duties, and the definition of new processes and their regulations, among others. The presentations are attached as Annexes 16 to 20.

## Next Steps for 2014 y and Work Plan 2015

Finally, a consensus was reached on a work schedule for the last quarter of 2014, the main activities of which are as follows:

- 1. Reach an agreement on the indicators proposal to be submitted to the COSIPLAN Ministers (October 30, 2014).
- 2. Draw up the National Work Plan and submit it to the CCT Secretariat (November 30, 2014).

The main action lines identified in the Work Plan 2015 are the following:

- 1. Encourage/promote the priority processing of Exportal Fácil parcels at destination.
- 2. Analyze the potential inclusion of Exporta Fácil in the Connect Americas portal.
- 3. Develop results indicators for the Exporta Fácil program.

- 4. Reach agreements to design an Exporta Fácil-Importa Fácil connectivity pilot test between Brazil and Peru.
- 5. Strengthen the correlation of the GTE actions and the UPU and UPAEP projects and activities.

The presentation is attached as Annex 21.

#### **List of Annexes:**

Annex 1: Meeting Agenda

Annex 2: List of Participating Delegations

Annex 3: Objectives and Expected Results - Ignacio Estévez - IIRSA CCT Secretariat

Annex 4: Work Plan 2014: State of Progress - Rose Mary Antunes, Ministry of Communications of Brazil

Annex 5: Export through Postal Services Project: Progress, Obstacles and Results – José Ademar de Souza, Brazilian Mail and Telegraph Company

Annex 5a: Export through Postal Services Project: Progress, Obstacles and Results – José Ademar de Souza, Brazilian Mail and Telegraph Company

Annex 5b: Export through Postal Services Project: Progress, Obstacles and Results – José Ademar de Souza, Brazilian Mail and Telegraph Company

Annex 6: Export through Postal Services Project: Progress, Obstacles and Results – Aníbal Ramírez Cuellar, Ministry of Industry, Trade and Tourism, Colombia

Annex 7: Export through Postal Services Project: Progress, Obstacles and Results - Carlos Calderón Espinales, Ministry of Industries and Productivity, Ecuador

Annex 8: Export through Postal Services Project: Progress, Obstacles and Results – Carol Flores, Exports and Tourism Promotion Board of Peru (PROMPERÚ)

Annex 8a: Export through Postal Services Project: Progress, Obstacles and Results – Carol Flores, Exports and Tourism Promotion Board of Peru (PROMPERÚ)

Annex 9: Export through Postal Services Project: Progress, Obstacles and Results – Verónica Santos, DINAPYME, Ministry of Industry, Energy and Mining, Uruguay

Annex 10: Proposed Indicators to Present the Results of the Exporta Fácil Project – Verónica Santos, DINAPYME - Uruguay

Annex 11: The Role of UPAEP in the Facilitation of Trade through Postal Services – Roberto Cavanna, Secretary General of UPAEP

Annex 12: Support to the Implementation of Exporta Fácil and the Role of the IDB in the Promotion of Exports (Connect Americas Portal) – Pablo García, Integration and Trade Lead Specialist, IDB

Annex 13: UPU MSME Business Development Group (BDG) - Frederick Omamo, Universal Postal Union

Annex 14: E-commerce and Micro, Small and Medium Enterprises -Alex do Nascimento, Brazil's Mail and Telegraph Company and Head of the UPU E-commerce Group

Annex 15: New Model of Imports through the Postal Channel – José Ademar de Souza, Brazil's Mail and Telegraph Company, and Edna Rossi Beltrao, Brazil's Secretariat of the Federal Revenue Bureau

Annex 16: National Plans for the Simplification of Imports through Postal Services -Edna Rossi Beltrao – Secretariat of the Federal Revenue Bureau, and José Ademar de Souza, Brazil's Mail and Telegraph Company

Annex 17: National Plans For the Simplification of Imports through Postal Services – Sandra Molano Villate, National Taxes and Customs Directorate (DIAN), Colombia

Annex 18: National Plans For the Simplification of Imports through Postal Services – Rubén Montesdeoca Mejía, National Customs Service (SENAE), Ecuador

Annex 19: National Plans For the Simplification of Imports through Postal Services – María L. Hurtado Custodio, National Superintendency of Customs and Tax Administration (SUNAT) – Peru

Annex 19a: National Plans For the Simplification of Imports through Postal Services – María L. Hurtado Custodio, National Superintendency of Customs and Tax Administration (SUNAT), Peru

Annex 20: National Plans For the Simplification of Imports through Postal Services – Eduardo Lombardo, National Customs Directorate, Uruguay

Annex 21: Proposal and Discussion of the Work Plan 2015, Trade Integration through Postal Services