


**Union of South American Nations
Initiative for the Integration of the Regional South American
Infrastructure**

	SUMMARY STATEMENT OF THE TERMS OF REFERENCE
	PROJECT: Trade Integration through Postal Services
	Subsecretary of Postal Services and Governance of Public-owned Enterprises - SSPO Ministry of Communications - MC
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PROJECT DESCRIPTION

Objective: To develop solutions for foreign trade, so as to complement the flow of exports made through postal services (“Exporta Fácil” system), by simplifying the administrative process and passage of goods through customs in the country of destination and, consequently, promoting trade integration among the countries of the IIRSA/UNASUR (Initiative for the Integration of the Regional South American Infrastructure/Union of South American Nations, in English).

Recipients: Small-sized enterprises (EPP, in Portuguese), exporters, importers, postal services, customs agencies and other agencies involved, which facilitate foreign trade in each country.

General Objective: To facilitate the entry of goods as exports through postal services in the countries of destination.

Specific Objectives:

1. To promote greater integration among the postal services, customs agencies and the institutions involved, which facilitate foreign trade in each country, and seek regional integration through the exchange of experiences;
2. To propose the revision of postal and customs procedures for the imports of the countries that are member of the IIRSA/UNASUR, by creating simplifications in the import process through postal services in the destination countries;
3. To implement the requirements for entry of goods through the nomenclature of harmonized systems (MERCOSUR, ANDEAN, etc..) of the destination countries that are members of the UNASUR;
4. To standardize the use of international terms of trade for the sale of transportation services for the official postal services of the countries that are member of the IIRSA/UNASUR;
5. To facilitate the exchange of information between the postal and customs agencies, and among these and other institutions involved, which are facilitators of foreign trade;
6. To provide the exporting EPPs and importers access to services that are able to handle a wider range of products traded internationally;
7. To promote greater regional trade competitiveness, even through the facilitation of e-commerce through postal services; and
8. To continue with the Project: “Exports through Postal Services”, extending the original scope, with new facilities for customs and logistics.

Approach: Solutions for simplified imports through postal services.

Development Strategies:

- Creation of a multi-regional working group;
- Pre-diagnosis to create maps of the existing solutions and additional needs;
- Multilateral forum for the expansion of the debates under the IIRSA/UNASUR;

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- Design of a simplified import model (baseline project) and broadening of the simplified export model for the region;
- Definition of the countries of the IIRSA/UNASUR in which the import-export corridor will be implemented, based on the model designed;
- Implantation of the pilot related to the simplified import model –including tests, the trial run, the launch, and the adjustments made to each of the previous stages; and
- Knowledge management –transfer of the development and implantation of the simplified import model for the rest of the countries of the IIRSA/UNASUR.

JUSTIFICATION FOR THE IMPLEMENTATION OF THIS PROJECT

International trade is one of the most important frontiers of economic growth (even more so in a scenario of crisis!) With this in mind, all governments have adopted strategies to support the competitive integration of enterprises (especially the EPP) into foreign trade. The service called Exporta Fácil of the Brazilian Postal Service is one of these strategies.

Ten years after the launch of Exporta Fácil in Brazil, we can say that the service has completed its initial cycle. Over seven thousand companies used the service, which contributed to a 15% expansion in the base of exporting companies in Brazil.

Under the IIRSA, the service of exports through postal services achieved an important outreach in South America and, given the Brazilian experience, it was introduced in Peru, Uruguay and Colombia. The project is being developed in Ecuador, Argentina and Chile. The creation of a service that is similar to Exporta Fácil in these countries represents the introduction of a government infrastructure designed to provide real support to micro, small and medium-sized companies in their sales process for the international market. The excellent results obtained by the service in Peru, the first country to replicate the Brazilian experience, demonstrate the importance of the exchange of ideas among the countries of the region.

The project that is now proposed will continue the trade integration of the countries of the IIRSA/UNASUR through the use of the logistics platform of the postal services in the region. Likewise, as focus is placed on the other side of exports, that is to say the import process in the countries of destination, the IIRSA/UNASUR would be promoting the dynamization of trade relations with another project for the structuring of regional foreign trade.

Moreover, the **Project of Trade Integration through Postal Services** develops solutions for the implantation of a simplified model of imports through postal services, thus becoming a major boost for domestic economy, contributing to raising employment rates, with reduced informality, for outcome generation, with a positive impact on the GDP, and for the dynamization of multilateral trade in the region. In addition to this, the Project sets forth actions for improvement of the solution to simplified exports, which are aimed at expanding the universe of goods transported by post, using electronic solutions for sales channels and exchanging information.

¿Why base this trade integration on postal logistics?

Traditionally, postal services are, in their own right, the major logistics providers for trade, especially for the segment of e-commerce and goods of small volume. It is also a fact that postal services, as they provide logistics solutions, may explore new business ventures in the digital arena (such as e-commerce), further invigorating the economy based on addresses.

The postal sector is characterized by a diversified network of services covering the entire process that is involved in the stages of e-commerce and distribution of parcels: they have a vast network of customer service, which is widespread in their countries and with international accessibility, they have a great potential for penetration in the respective populations, they have consolidated distribution networks, they provide secure means of payment and, in most countries, they enjoy high credibility.

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These characteristics help public postal services achieve a great democratization of communications, including those arising in trade. Unlike what happens with other operators that restrict the customers they will be attending, in postal services any citizen may exercise his or her consumer rights, making use of services that allow access to products from anywhere in the country or world.

The exchange of experiences and the support among regional postal services may represent a breakthrough in the use of the postal infrastructure for the dissemination and the feasibility of the expansion of foreign trade in the South American countries.

At the same time, the process of customs clearance related to the postal goal is an important step towards efficiency in postal logistics. A greater degree of harmony and uniformity in postal and customs procedures carried out in each country could facilitate the use of the postal infrastructure as a tool for social and trade integration.

The consolidation of post office-customs relationships and the harmony between the two entities are fundamental so that, indeed, postal services may become full providers of logistics solutions to the market and so that customs agencies may play their role as facilitators of foreign trade.

Therefore, an arena such as the IIRSA/UNASUR may facilitate the exchange of experiences and enable the participation of segments of government that may effectively support the implantation of common solutions for simplified exports and imports through postal services.