A Closer Look at Other EBA Indicators That Influence Trade

Session 3

Photo: Fintrac Inc.
SESSION 3: LEARNING OBJECTIVES

- Foreign trade indicators:
  - Fertilizer imports
  - Machinery imports
  - Cross-border trucking licenses

- Competitiveness indicators:
  - Seed
  - Finance
  - Water
  - ICT
  - Fertilizer and Machinery
  - Transport – domestic licenses

Photo: Fintrac Inc.
Measure trade restrictions of:
- The import of fertilizer and tractors
- Cross-border transport rights
- Efficiency (time and cost) of related processes
What is Measured:

- Entities allowed to import and distribute fertilizer products
- Requirement for a company to register as a fertilizer importer
- Requirement of import permits to import fertilizer products
Good Regulatory Practices:

• All entities, including the private sector, nongovernmental organizations and producer organizations, can import and distribute fertilizer.

• All entities are required to register as importers, and registration is inexpensive and does not expire.

• Import permits are not required or they are imposed only at the trader level, with no volume, shipment or time limits, and they are inexpensive and simple to obtain.
MACHINERY IMPORT REGULATIONS

What is Measured:
- The private sector’s ability to import and sell tractors
- Importer registration and renewal requirements, including registration validity
- Import permit requirements, including permit type, cost and validity
Good Regulatory Practices:

• Businesses are not required to register as importers, beyond general business registration requirements. In countries where importer registration is required, the registration validity is indefinite or registration renewal is automatic.

• Importers do not have to apply for an import permit each time they want to import. In countries where the import permit is required, it is a time-efficient, low-cost process.
What is Measured:

- **Cross-border licensing** - Cross-border licensing and total time (calendar days) and cost (in % of income per capita) to obtain a cross-border license

- **Limitations to foreign competitors** - Foreign operator transport rights and operational limitations on foreign truck operations
Good Regulatory Practices:

- Foreign truck operators are granted transport rights similar to domestic operators and are not limited by quotas or mandatory routes when operating in the domestic market.

- Truck operators are required to have a license when performing cross-border transport and the process of obtaining a cross-border license is efficient and affordable.
EBA FOREIGN TRADE INDEX – FEED THE FUTURE COUNTRY SCORES

- **Fertilizer import & distribution** (0-7)
- **Tractor import** (0-5)
- **Cross-border transportation** (0-9)
RECAP WHAT WE HAVE LEARNED SO FAR

Foreign trade indicators:
- Fertilizer imports
- Machinery imports
- Cross-border trucking licenses
LET’S CHECK WHAT WE’VE LEARNED
QUESTION 1

1. Which of the below are Good Regulatory Practices governing cross-border transport:

   a. The process to obtain a cross-border license is efficient and affordable
   b. Foreign truck operators are not hindered by quotas or mandatory routes when operating in the domestic market
   c. Truck operators are required to have a license when performing cross-border transport
   d. All of the above
   e. B and C only
   f. None of the above
1. Which of the below are Good Regulatory Practices governing cross-border transport:

a. The process to obtain a cross-border license is efficient and affordable
b. Foreign truck operators are not hindered by quotas or mandatory routes when operating in the domestic market
c. Truck operators are required to have a license when performing cross-border transport
d. All of the above
e. B and C only
f. None of the above
QUESTION 2

2. Good Regulatory Practices applying to fertilizer import and distribution include:

   a. All entities are required to register as importers, and registration is inexpensive and does not expire

   b. Import permits are not required or they are imposed only at the trader level, with no volume, shipment or time limits

   c. All entities, including the private sector, nongovernmental organizations and producer organizations, can import and distribute fertilizer

   d. Import permits are inexpensive and simple to obtain

   e. All of the above
2. Good Regulatory Practices applying to fertilizer import and distribution include:

a. All entities are required to register as importers, and registration is inexpensive and does not expire

b. Import permits are not required or they are imposed only at the trader level, with no volume, shipment or time limits

c. All entities, including the private sector, nongovernmental organizations and producer organizations, can import and distribute fertilizer

d. Import permits are inexpensive and simple to obtain

e. All of the above
QUESTION 3

3. True or false: The Transport indicator measures the ease of obtaining trucking licenses for transport within country borders.

   a. True

   b. False
3. The Transport indicator measures the ease of obtaining trucking licenses for transport within country borders.

a. True

b. False
EBA COMPETITIVENESS INDICATORS

Measure ability of farmers and agribusinesses to:

- Access to high quality seed
- Access to finance
- Sustainably access water
- Access information and communication technologies
**SEED INDICATOR**

What is Measured:

- Protection and licensing of plant breeder rights
- Time, cost and requirements to register a new seed variety
- Quality control of seed in the market
FINANCE INDICATOR

What is Measured:

• Requirements for establishing and operating deposit-taking microfinance institutions and financial cooperatives

• Requirements for third-party agents to provide financial services and provision of e-money by non-financial institutions

• Use of agriculture relevant assets as movable collateral and availability of credit information on small loans and from non-bank institutions
WATER INDICATOR

What is Measured:
• Water use permits
• Water resource management
ICT INDICATOR

What is Measured:

- Licensing of mobile operators
- Authorization regimes
- Spectrum management that promotes greater investment in rural areas
FERTILIZER, MACHINERY AND TRANSPORT INDICATORS

**Fertilizer**
- Fertilizer Registration
- Import and Distribution
- Fertilizer Quality Control

**Machinery**
- Tractor Import
- Tractor Operation and Registration
- Testing & Standards (Type Approval)

**Transport**
- Domestic Trucking Licenses and Operations
- Cross-Border Licenses and Transportation
EBA Competitiveness Indicators DTF Scores for Bangladesh and Nepal (0-100)

* Excludes foreign trade components
RECAP WHAT WE HAVE LEARNED

Competitiveness indicators:

- Seed
- Finance
- Water
- ICT
- Fertilizer and Machinery
- Transport – domestic licenses
QUESTION 1

1. The Seed indicator examines the regulatory environment for plant breeding, registration of new varieties and:

   a. Seed quality control

   b. Seed quantity control

   c. Seed availability control

   d. All of the above

   e. None of the above
1. The Seed indicator examines the regulatory environment for plant breeding, registration of new varieties and:

   a. Seed quality control

   b. Seed quantity control

   c. Seed availability control

   d. All of the above

   e. None of the above
QUESTION 2

2. The business case under the Machinery indicator uses tractors as a proxy for agricultural machinery.

a. True

b. False
2. The business case under the Machinery indicator uses tractors as a proxy for agricultural machinery.

a. True

b. False
QUESTION 3

3. Which indicator does not apply to Finance indicators:

a. The use of agriculture relevant assets as movable collateral

b. The availability of credit information on small loans and from non-bank institutions

c. Requirements for third-party agents to provide financial services and provision of e-money by nonfinancial institutions

d. Pre-shipment export documents (number, time and cost)

e. Requirements for establishing and operating deposit-taking microfinance institutions and financial cooperatives
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e. Requirements for establishing and operating deposit-taking microfinance institutions and financial cooperatives
YOUR FEEDBACK IS WELCOME!

✓ Was this learning resource helpful?

✓ Do you have questions or suggestions for improvements on the EBA methodology?

✓ Other feedback?

Please contact Lourdes Martinez Romero (COR) at lmartinezromero@usaid.gov or Nate Kline (COP) at nkline@fintrac.com.
Proceed to the next session in the Trade Module