

## Trade and COVID-19 Guidance Note

# Managing Risk and Facilitating Trade in the COVID-19 Pandemic<sup>1</sup>

## OVERVIEW

Maintaining trade flows as much as possible during the COVID-19 pandemic will be crucial in providing access to essential food and medical items and in limiting negative impacts on jobs and poverty.

Some countries are closing border crossings and implementing protectionist measures such as restricting exports of critical medical supplies. Although these measures may in the short-term provide some immediate reduction in the spread of the disease, in the medium term they may undermine health protection, as countries lose access to essential products to fight the pandemic. Instead, governments should refrain from introducing new barriers to trade and consider removing import tariffs and other taxes at the border on critical medical equipment and products, including food, to support the health response.

Trade facilitation measures can contribute to the response to the crisis by expediting the movement, release, and clearance of goods, including goods in transit. The World Bank Group provides guidance and technical assistance to developing and least developed countries to implement best practices to facilitate the free flow of goods.

This note provides initial guidance on measures:

- to support business continuity and protection of front-line officers, and
- to facilitate safe cross-border trade, which includes (i) handling of relief/emergency consignments, (ii) enhanced use of risk management, safe processing of risk passengers and (iii) increased internal and external border agency collaboration.

*A summary checklist for client countries is included on the final page.*

## MEASURES TO SUPPORT BUSINESS CONTINUITY AND FRONT-LINE BORDER AGENCIES

The COVID-19 pandemic is impacting trade-related workplaces through growing health risks for front-line workers supporting trade operations and transactions in the supply and logistics chains. Affected workers include customs brokers, freight forwarders, transport operators, and border management officials.

An increasing number of governments are issuing general guidance regarding social distancing and are rapidly reorganizing their day-to-day office operations to stem the spread of the disease. Under these circumstances, government administrations are placing increased emphasis on business continuity measures to keep their offices operational and protect their front-line workers. These measures include:

### Protection of front-line workers

- [Sanitizing offices and practicing the recommended precautionary measures<sup>2</sup>](#) issued by health authorities
- Practicing safe handling of cargoes to reduce the risk of contracting the virus (e.g. using hand sanitizers and frequent handwashing, and wearing personal protection equipment, including protective gloves and gowns where necessary)
- Establishing training of front-line staff to assess passengers for illness and to isolate potentially ill passengers

### Support to business continuity

- Ensuring ICT readiness to support remote work, where feasible

<sup>1</sup> Trade and COVID-19 Guidance Notes are prepared by the Global Trade and Regional Integration Unit of the World Bank to provide practical measures governments can implement to mitigate the impact of the COVID-19 virus outbreak. Future notes will focus on policy recommendations to leverage trade to mitigate the economic impact of the pandemic and boost the economic recovery. For further information please contact Bill Gain (Global Lead for Trade Facilitation, [wgain@ifc.org](mailto:wgain@ifc.org)), or Antonio Nucifora (Practice Manager, Global Trade and Regional Integration Unit, [anucifora@worldbank.org](mailto:anucifora@worldbank.org)). A full list of Trade and COVID-19 briefs is available at <https://www.worldbank.org/en/topic/trade/brief/trade-and-covid-19>

<sup>2</sup> <https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html>

- Instituting flexible working conditions
- Staggering schedules to limit the number of workers on shift at the same time and to increase the physical distance between workers
- Extending border agency working hours to accommodate social distancing among border officials (*as described above*) to allow for increased trade flows of critical commodities and for logistics providers to more adequately manage cargoes
- Taking advantage of the remote work features of existing automated solutions, by ensuring that documents needed to prepare customs declarations are received and handled electronically, and any need to submit hard copies is deferred until a later time
- Using online and telephone appointment management systems and scheduling to limit the physical presence and interaction of logistics workers at buildings, facilities and border crossing points
- Ramping up presence at enquiry points to address as many issues as possible through distance communications, including telephones, SMS/WhatsApp, web-chat, online forms, electronic payment, and email
- Increasing the available trade-related information on websites (such as Trade Information Portals (TIP), direct mailings, routine video conferences, etc.) regarding changes to procedures related to facilitating trade and reducing risk of transmission
- Establishing a contingency plan for staff shortages which may include identifying changes in procedures, diversion of traffic, increased use of automation for screening, etc.

## MEASURES TO FACILITATE SAFE CROSS-BORDER TRADE

### Handling of emergency/relief consignments

- [The World Customs Organization \(WCO\) Communiqué \(March 9, 2020\) on COVID<sup>3</sup>](#) includes a reference to a WCO resolution on the appropriate handling of cargoes during natural disasters and the World Health Organization (WHO) guidance on international traffic under COVID-19

### Enhanced use of risk management

- Implement risk management, which prioritizes border activities for imports and exports, to allow low-risk critical supplies to bypass clearance controls. These measures should be combined with reasonable random audit procedures to confirm compliance with requirements. This could apply to critical products subject to Pre-Shipment Inspection.
- Consider the enhanced use of pre-arrival processing and post-clearance audit methods in order to achieve higher level of release for low risk consignments
- Establish accredited importers or exporters (such as Authorized Economic Operators) based on compliance records to allow critical products to be expedited (establish audit procedures that validate ongoing compliance)
- Review policy priorities and the levels of inspection in view of lower workplace attendance

### Increased internal and external border agency collaboration

- Using information technology tools to stimulate workplace collaboration
- Customs and Sanitary and Phytosanitary (SPS) agencies should work together to identify critical products and design special regimes for expedited clearance including the facilitation of entry and clearance of critical commodities (e.g. medicines, medical equipment, perishable foods, foods required for a potentially extended period of quarantine testing kits, clothing, etc.)
- SPS agencies in importing countries should work with the counterparts in exporting countries, particularly neighboring countries to identify key critical commodities which are produced under equivalent processes that allow clearance controls to be reduced or removed. For example, many critical food items are produced under controls in the exporting country which are equivalent to or similar to those controls used in the importing countries. In these situations, the commodity should enter without additional requirements.
- Border agencies should identify critical imports that receive pre-exit testing equivalent to or are mutually agreeable with import requirements so that they may bypass clearance procedures or may be required to undergo fewer clearance activities at entry

<sup>3</sup> <http://www.wcoomd.org/en/media/newsroom/2020/march/wco-communicue-regarding-the-coronavirus-outbreak.aspx>

- Border agencies and the private sector should work together to undertake pre-assessment of imports through advance screening of documentation to identify and prioritize import activities prior to commodity arrival
- Government authorities should work closely with the private sector (via the National Trade Facilitation Committees) to identify service standards and precise inspection procedures for critically needed items, so that the private sector can better anticipate and sequence logistics

## BEST PRACTICE IN MANAGING COVID-19

**Example 1: Brazil:** On 17 March 2020, the Brazilian government introduced new legislation that simplifies the customs clearance processes for articles used to combat the spread of COVID-19. The legislation allows articles such as disinfectants, antiseptic gels, protective masks and other key articles needed by hospitals, pharmacies, etc. to move to the importer under expedited clearance. It also allows for the authorization of importers to receive goods under expedited release.

**Example 2: European Union:** On 16 March 2020, the European Commission approved the ‘Guidelines for border management measures to protect health and ensure the availability of goods and essential services.’ The provisions state that:

*“Member States should preserve the free circulation of all goods. In particular, they should guarantee the supply chain of essential products such as medicines, medical equipment, essential and perishable food products and livestock. No restriction should be imposed on the circulation of goods in the single market, especially (but not limited to) essential, health-related and perishable goods, notably foodstuffs, unless duly justified. Member States should designate priority lanes for freight transport (e.g. via ‘green lanes’) and consider waiving existing weekend bans.*

*No additional certifications should be imposed on goods legally circulating within the EU single market. It should be noted that, according to the European Food Safety Authority, there is no evidence that food is a source or a transmission source of Covid-19.”*

## ADDITIONAL REFERENCES ON MANAGING COVID-19

The following links provide additional references to key policy responses/guidance from various organizations:

- [European Union Guidelines for border management measures to protect health and ensure the availability of goods and essential services](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/20200316_covid-19-guidelines-for-border-management.pdf)<sup>4</sup>
- [International Air Transport Association \(IATA\) repository of government measures related to coronavirus](https://www.iata.org/en/programs/safety/health/diseases/government-measures-related-to-coronavirus/?url=https://www.iata.org/ncov-measures&data=02%7c01%7cswingewooe@iata.org%7cb72f5e2c2a354398632108d7c1e5f981%7cad22178472a84263ac860ccc6b152cd8%7c0%7c0%7c637191065782469935&sdata=DZp6iIT7BhFFxdy%2b9e/ouWvAL3RytSa4GogADCtRtFRk%3d&reserved=0)<sup>5</sup>
- [International Civil Aviation Organization \(ICAO\) guidance on coronavirus](https://www.icao.int/Newsroom/Pages/Update-on-ICAO-and-WHO-Coronavirus-Recommendations.aspx)<sup>6</sup>
- [International Maritime Organization \(IMO\) guidance on Coronavirus disease \(COVID-19\)](https://www.imo.org/en/MediaCentre/HotTopics/Pages/Coronavirus.aspx)<sup>7</sup>
- [Centers for Disease Control \(CDC\) Lessons from the Ebola outbreak](https://www.cdc.gov/mmwr/volumes/65/su/su6503a9.htm)<sup>8</sup>
- [Food and Agriculture Organization \(FAO\) information on Coronavirus disease \(COVID-19\) outbreak](http://www.fao.org/2019-ncov/en/)<sup>9</sup>
- [World Organization for Animal Health \(OIE\) Questions and Answers on the 2019 Coronavirus Disease \(COVID-19\)](https://www.oie.int/en/scientific-expertise/specific-information-and-recommendations/questions-and-answers-on-2019-novel-coronavirus/)<sup>10</sup>
- [Africa CDC Guidance on Community Social Distancing During COVID-19 Outbreak](http://www.africacdc.org/covid-19-and-resources/guidelines-policies/covid-19-and-resources/guidelines-policies/africa-cdc-guidance-on-community-social-distancing-during-covid-19-outbreak-pdf/detail)<sup>11</sup>

<sup>4</sup> [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/20200316\\_covid-19-guidelines-for-border-management.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/20200316_covid-19-guidelines-for-border-management.pdf)

<sup>5</sup> <https://www.iata.org/en/programs/safety/health/diseases/government-measures-related-to-coronavirus/?url=https://www.iata.org/ncov-measures&data=02%7c01%7cswingewooe@iata.org%7cb72f5e2c2a354398632108d7c1e5f981%7cad22178472a84263ac860ccc6b152cd8%7c0%7c0%7c637191065782469935&sdata=DZp6iIT7BhFFxdy%2b9e/ouWvAL3RytSa4GogADCtRtFRk%3d&reserved=0>

<sup>6</sup> <https://www.icao.int/Newsroom/Pages/Update-on-ICAO-and-WHO-Coronavirus-Recommendations.aspx>

<sup>7</sup> <http://www.imo.org/en/MediaCentre/HotTopics/Pages/Coronavirus.aspx>

<sup>8</sup> <https://www.cdc.gov/mmwr/volumes/65/su/su6503a9.htm>

<sup>9</sup> <http://www.fao.org/2019-ncov/en/>

<sup>10</sup> <https://www.oie.int/en/scientific-expertise/specific-information-and-recommendations/questions-and-answers-on-2019-novel-coronavirus/>

<sup>11</sup> <http://www.africacdc.org/covid-19-and-resources/guidelines-policies/covid-19-and-resources/guidelines-policies/africa-cdc-guidance-on-community-social-distancing-during-covid-19-outbreak-pdf/detail>

# TRADE FACILITATION CHECKLIST FOR COUNTRY RESPONSES TO COVID-19

## 1. MEASURES TO SUPPORT BUSINESS CONTINUITY AND FRONT-LINE STAFF

### Protection of front-line workers

- √ Are offices being sanitized and precautionary measures issued by health authorities followed?
- √ Are customs officials using hand sanitizers, frequently handwashing, and wearing personal protection equipment, including protective gloves and gowns where necessary?
- √ Are quarantine measures or segregation spaces in place for potentially ill passengers
- √ Are staff trained to assess passengers for illness and to take measures to avoid contracting the disease?

### Support to business continuity

- √ Are ICT systems ready to support remote work?
- √ Have flexible working conditions been considered?
- √ Have schedules been staggered to limit the number of workers on shift at the same time and to increase the physical distance between workers?
- √ Have border agency working hours been extended to accommodate social distancing among border officials?
- √ Have remote work features of existing automated solutions been considered?
- √ Are online and telephone appointment management systems and scheduling being used to limit the physical presence and interaction of logistics workers at buildings, facilities and border crossing points?
- √ Has presence at enquiry points been ramped up to address as many issues as possible through distance communications, including telephones, SMS, web-chat, online forms, electronic payment, and email?
- √ Has available trade-related information on websites been increased (such as Trade Information Portals - TIP, direct mailings, routine video conferences, etc.) regarding changes to procedures related to facilitating trade and reducing the risk of transmission?
- √ Has a contingency plan been developed to address staffing shortfalls?

## 2. MEASURES TO FACILITATE SAFE BORDER TRADE

### Handling of emergency/relief consignments

- √ Have the recommendations contained in WCO Communique (March 9, 2020) been considered?

### Enhanced use of risk management

- √ Have risk management measures been implemented to prioritize border activities for imports and exports and to allow low risk critical supplies to bypass clearance controls? Have the measures been combined with reasonable random audit procedures to confirm compliance with requirements?
- √ Has the enhanced use of pre-arrival processing and post-clearance audit methods been established for critical commodities to achieve higher level of release for low risk consignments?
- √ Have accredited importers or exporters been established based upon compliance records to allow critical need articles to be expedited (establish audit procedures that validate ongoing compliance)?
- √ Have policy priorities and the levels of inspection been reviewed in view of lower workplace attendance?

### Increased internal and external border agency collaboration

- √ Can information technology tools be used to stimulate workplace collaboration?
- √ Are Customs and Sanitary and Phytosanitary (SPS) agencies working together to identify critical need products and facilitating the entry and clearance of critical supplies (e.g. medicines, perishable foods, foods required for a potentially extended period of quarantines testing kits, clothing, etc.)?
- √ Are SPS agencies working with regional and international trading counterparts to identify those items certified under equivalent regimes or produced under similar production systems that could bypass entry controls?
- √ Have border agencies identified critical imports that receive pre-exit testing equivalent to or are mutually agreeable with import requirements so that they may bypass clearance procedures or may be required to undergo fewer clearance activities at entry?
- √ Are border agencies and the private sector working together to undertake pre-assessment of imports through advance screening of documentation to identify and prioritize import activities prior to commodity arrival?
- √ Are government authorities working closely with the private sector to identify service standards and precise inspection procedures for critically needed items, so that the private sector can better anticipate and sequence logistics?

## **ANNEX 1: ADDITIONAL RESOURCES**

### **Trade and COVID-19 Guidance Notes:**

[Trade and Covid-19 Brief Page](#)

[Managing Risk and Facilitating Trade in the COVID-19 Pandemic](#)

[Do's and Don'ts of Trade Policy in the Response to COVID-19](#)

[Trade in Critical COVID-19 Products](#)

[Trade Responses to the COVID-19 Crisis in Africa](#)

### **Forthcoming in April 2020**

Trade Implications and Policy Responses

Implications for Logistics and Recommendations for Policy Actions

Health Services Trade Reform

### **Other resources:**

[Espitia, Rocha, Ruta \(2020\). "Database on COVID-19 trade flows and policies"](#)