



**DIFFICULTIES IN NON-TARIFF  
PROCEDURES IN EXPORTS OF FOOD IN  
COLOMBIA BETWEEN 2014-2016**

**ESTEFANIA CARVAJAL OROZCO  
TATIANA LONDOÑO VELÁSQUEZ**

Esumer University Institution  
Faculty of International Studies  
Medellín, Colombia  
2017



# **Difficulties in non-tariff procedures in exports of food in colombia between 2014-2016**

**ESTEFANIA CARVAJAL OROZCO  
TATIANA LONDOÑO VELÁSQUEZ**

Research work to obtain the title of:

**Professional in international business**

Director (a):

Federico Alonso Atehortúa Hurtado, M. Sc.

Line of research

International Business

Esumer University Institution  
Faculty of International Studies  
Medellín, Colombia

2017



# Thanks

This project would not have been possible without the help of many people to whom today we would like to thank you deeply for being present throughout the process and elaboration of this final project. We thank Professor Federico Alonso Atehortúa Hurtado for the constant accompaniment he gave us during the preparation of the project, making it possible for our work every day to improve, in order to achieve the academic and personal satisfaction of each one of us.

We wish to thank and express our satisfaction to all the teachers who guided and accompanied us during this academic period. With the constant effort and commitment they gave in each of their classes and helped us to form a good team that did not hesitate their skills and knowledge delivered by them, to do all that was required to carry our degree project and thus to scale a goal in our lives leaving us a knowledge for the life and our future.

We also want to thank all of our classmates with whom we have been around for 5 years at this academic stage. We learned from each one of them and created bonds of friendship and trust which will remain in us.

And finally express our total gratitude and joy to our families and our parents for their great efforts with those who expressed us day by day to see ourselves graduates. To them to whom today we owe them countless thanks we want to see them glad because the time has come when they will finally see one of their dreams fulfilled, to see their children receiving with honors the title of Professional in International business of the University institution Esumer..









**Abstract**

It is an investigation focused on the difficulties that are presenting the food exporting companies to carry out the non-tariff procedures in Colombia.

The main phase is to identify the procedures to be carried out by companies, to identify the main actors that generate difficulties in non-tariff procedures and to specify the consequences that companies are suffering.

For this search a series of data collection techniques and tools are used, such as surveys and / or interviews, and secondary and tertiary sources such as the Internet, books, printed or online news.

Finally it is wanted to establish different proposals that allow to mitigate the delays in the different non-tariff procedures.

**Keywords:**

Export, foods, non-tariff processes, entities.



# Content

	<u>Pág.</u>
Thanks .....	V
List of symbols and abbreviations .....	XV
List of abbreviations .....	XV
Introduction .....	1
<b>1. Formulation of the project .....</b>	<b>3</b>
1.1 Background.....	3
1.1.1 State of the art.....	3
1.2 Problem Statement .....	5
1.3 Justification .....	6
1.4 Objectives .....	7
1.4.1 General objective .....	7
1.4.2 Specific objectives.....	7
1.5 Methodological framework.....	8
1.5.1 Method.....	8
1.5.2 Methodology .....	8
1.6 Scopes .....	8
<b>2. Project execution .....</b>	<b>9</b>
2.1 Characterization of non-tariff procedures.....	9
2.1.1 DIAN .....	10
2.1.2 ICA.....	11
2.1.3 INVIMA .....	12
2.1.4 Tax and Customs Police Directorate .....	13
2.2 Factors influencing delays in non-tariff procedures.....	14
2.2.1 Personal.....	14
2.2.2 Corruption .....	15
2.2.3 Processes and / or procedures.....	17
2.2.4 Information system (technological infrastructure) .....	19
2.2.5 Lack of knowledge of non-tariff procedures .....	19
2.3 Consequences for exporters .....	20
2.4 Proposals for improvement.....	23
<b>3. Findings .....</b>	<b>29</b>
<b>4. Conclusions and recommendations .....</b>	<b>30</b>
4.1 Conclusions .....	30
4.2 Recommendations .....	31
<b>5. Bibliography .....</b>	<b>33</b>
<b>ANNEXES.....</b>	<b>37</b>
<b>A. Interview 1.....</b>	<b>37</b>

<b>B. Interview 2.....</b>	<b>43</b>
<b>C. Interview 3.....</b>	<b>48</b>

## List of figures

**Pág.**

Figure 1. Percentage of companies affected by non-tariff procedures, according to the sector. Source:: (ITC, 2015) .....	21
--	----

## List of tables

**Pág.**

Table 1. Index of transparency and level of risk of corruption in the entities under study.

Source: Own elaboration with Transparency by Colombia data..... 16

Table 2. Citizens- dissatisfied customers for the service. Source: (DIAN, 2014)..... 18

# List of symbols and abbreviations

## List of abbreviations

**ITC:** International Trade Centre

**BID:** Inter-American Development Bank

**ICONTEC:** Colombian Institute of Technical Standards and Certification

**DIAN:** National Tax and Customs Directorate of Colombia

**ICA:** Colombian Agricultural Institute

**SISPAP:** Health information System for importing and exporting agricultural and livestock products

**INVIMA:** The National Institute of Medications and Food Surveillance

**POLFA:** Directorate of Management of Fiscal and customs police

**VUCE:** Single Window of foreign trade

**PYMES:** Small and Medium Enterprises

**IFS:** International Featured Standard

**BRC:** British Retail Consortium

**RUT:** Single tax record.

**GMPP:** Multidisciplinary Public policy Group

**SGC:** Quality Management systems.

**ANDI:** National Association of Industries.

**MNA:** Non-tariff measures.

**DAFP:** Administrative Department of the public service.

# Introduction

National and international trade development is a fundamental part of industrial, cultural and economic progress for each country. There are different controls to guarantee the ideal conditions in the environment of handling the products and services of exports and imports. The conditions of non-tariff procedures base their objectives on dynamic and efficient controls that meet the needs of markets and customers globally.

At present, there is research and studies which show a general problem, based on figures and documents that provide a number of shortcomings that are in the control systems of non-tariff procedures in our country. This control system shows serious errors that significantly affect the country's social and cultural economic systems.

With this investigation about the internal problem in the non-tariff procedures (mechanisms) of the Colombian foreign trade system; It seeks to have greater clarity on the causes that are generating the failures that lead to the non-satisfaction of the exporting companies of the country. To do this, the investigation resorted to the consultation of primary and secondary sources and a systematization of the causes and consequences of the problem stated in said sources. The food sector was chosen because it is the one that has the greatest number of non-tariff procedures to develop before several entities. The paper is structured in three main themes: first, a description is made of the non-tariff procedures that food exporters should carry out in Colombia, then the consolidation of the causes and consequences of delays in these procedures is presented and finally proposals for improvement are presented, tending to facilitate the processes for food exporters.

Acquiring the real knowledge of the causes, it will be possible to emphasize in the improvement of the system where they will identify the problems that have and which are



hindering the national and international growth of the food companies and the economic growth of the country and will propose solutions Which are expected to be effective, based on impact mechanisms focused on more versatile systems for proper management of the system in the country.

Due to the above, the work focuses on the general objective of which the specific objectives are deployed in order to allow a more efficient development and to conclude with the problem presented in the non-tariff procedures.

The first chapter describes the history of non-tariff procedures and if these difficulties are presented a long time ago, diagnosing that so great is the impact on exports from Colombia.

The second chapter is where are characterized the non-tariff procedures by presenting the entities responsible for issuing all necessary documentation for exports, determining the factors that influence the delays of these procedures and finally the consequences that are suffering the exporters.

In conclusion of the investigation, it was determined that the entities DIAN, ICA, INVIMA, POLFA, before which food exporters have to carry out the procedures, have applied some improvements in quality management systems, which has not been sufficient To solve the problem of delays. However, because it is an internal problem of the country, these entities can still take much more relevant measures to improve and speed the non-tariff processes that food companies must face before them.

# 1. Formulation of the project

## 1.1 Background

### 1.1.1 State of the art

In Colombia and as in many countries, there are drawbacks when it comes to exporting and importing by internal processes in the country or external.

On this occasion difficulties are established in the internal processes of the country for the exit of food exports and it is found that non-tariff procedures have become one of the problems of the XXI century for exporters.

The International Trade Center (ITC), it is the joint body of the World Trade Organization and the United Nations and aims to make enterprises in developing countries more competitive in the world market by accelerating economic development. Its mission is to ensure the success of small business exports by connecting SMEs in developing countries and economies in transition to the global trading system (The International Trade Center ). The ITC released surveys carried out on Colombian importers and exporters. The ITC study found that 42% of companies have problems with non-tariff measures and that delays occur in procedures to obtain certificates of origin, counternarcotics, international quality controls, sanitary, phytosanitary and zoosanitary documents. Same study indicates that the inspections have represented a delay of 70% of the exports of the country. (DINERO, 2015)

According to Corpoica magazine published by the Ministry of Agriculture, the country can have a significant growth with food exports, however can be very affected by the processes for the issuance of non-tariff procedures that are required for food. This is a

challenge for developing countries such as Colombia, because the food safety standards are not met are reprocessing tendencies and even losses of the products. (CORPOICA, 2008)

It is a matter of great concern for the development of the country and the competitiveness of food companies in foreign trade. For these problems the BID (Inter-American Development Bank) Implemented an investigation focused on the simplification of the procedures to promote a better competitiveness between the countries. For this, the internal processes of companies and customs processes must be standardized and the Single Foreign Trade Window (VUCE Spanish acronym) As a dynamic figure that makes it possible to efficiently and efficiently carry out the processes that import and export. (LARA, 2008)

The VUCE (Spanish acronym) Is the main trade facilitation tool in the country, through which foreign trade procedures are channeled to 62,000 users linked to 21 state entities in order to exchange information, eliminate redundancy of procedures, implement efficient controls and promote administrative actions efficient. (MINCOMERCIO INDUSTRIA Y TURISMO, 2014). However, it is not a process that all countries can take advantage of and thus mitigate the problems of non-tariff procedures; although it is a very dynamic system and has a good adaptability can also collapse.

In many cases, the entities in charge of issuing the different documents do not have the necessary capacity required by the market to carry out these processes in due time, but situations have arisen that these processes are directly affected by the companies, which are not aware of the different Ways to carry out the management of the issuance of your documents. Non-tariff procedures are difficult to know and to fulfill and therefore are one of the major obstacles in trade.

For the specific case of the food sector, in the Master's thesis on food quality management developed between 2015 and 2016 by the researcher Ana Cecilia Vélez of the Lasallista University Corporation, the author established that it is necessary for food exporters in Colombia ensure compliance with the national legal requirements of INVIMA (Decree 3075 of 1997 and Resolution 2674 of 2013, Decree 60 of 2002), Of ICONTEC (ISO22000) and of the European Standards IFS (International Featured Standard) and BRC (British Retail Consortium). The research resulted in a proposal for a methodological guide that can be used and taken into account by companies wishing to implement a quality and food safety system that includes national and international guidelines (British Commonwealth, France and Germany) and that at the same time Open markets and facilitate the export of their products. (Vélez, 2017). The results of this investigation only confirm the difficulties experienced by food exporters in accessing particularly demanding international markets such as those in Europe. If this is compounded by the complex non-tariff procedures in Colombia, it is understood that this whole scenario does not encourage producers to export their products.

## **1.2 Problem Statement**

At present there is a worrying situation with the processes that the exporters of foodstuffs of Colombia must carry out in front of the entities responsible for issuing the different documents (licenses, certifications, seen good), since these processes have been more delayed. However, it is worth resalting that the country's trade has improved and not only have flaws been presented internally, but problems at the global level, such as the fall of oil, which generated great impact in the country.

Due to the above, the following main question is presented: What are the main causes that hamper the issuance of non-tariff procedures to exporters in the food sector in Colombia?

In addition, the following questions will allow a better development of the research and will be intertwined with the objectives..

- Which documents should be issued by food exporting companies as established in Colombia?
- What are the factors that influence delays in non-tariff procedures?
- What are the consequences of food exporters in Colombia?
- What are the measures of the processes that have been carried out by the entities that intervene to solve the problem in the delays of the non-tariff procedures?

## **1.3 Justification**

### **1.3.1 Theoretical justification**

This research seeks to determine and complement the surveys carried out by the ITC on the problems they present in the non-tariff procedures of food exports in Colombia and then identify the actors responsible for carrying out the processes and the consequences that the exporters are suffering, In order to propose the necessary and adequate control measures to prevent delays in the exit of goods. It is a theoretical contribution based on quality management criteria and continuous improvement in international trade activities.

### **1.3.2 Social justification**

The research is focused on the country's food exporters. It seeks to clarify the factors that most influence the delays to acquire documentation such as: authorization, inspection and certification of food, raw materials and alcoholic beverages export, sanitary permit to elaborate, market, import, export, packaging, process, hydrate And sell the products, among others. This is because if improvements are made in these procedures,

exports will be more efficient, expenses will be reduced and companies will have a more competitive profile in foreign trade.

### **1.3.3 Personal justification**

The development of this project was very important on a personal level, because as professionals in international business helps to clarify the issue of non-tariff procedures, of the processes carried out by the exporter to obtain these documents and whether or not the problem is actually part Of the entities responsible for issuing them or having some degree of responsibility for the exporters themselves.

## **1.4 Objectives**

### **1.4.1 *General objective***

Analyze proposals to reduce delays in the non-tariff processing of Colombian exports..

### **1.4.2 *Specific objectives***

- Characterize the non-tariff procedures to be carried out for food exports.
- Determine the factors that influence the delays of non-tariff procedures for the food sector.
- Specify the impact of food exporting companies in the country.
- Identify the measures that have been taken and can be taken to reduce these export problems in the food sector in Colombia.

## **1.5 Methodological framework**

### **1.5.1 Method**

The method developed for the investigation is the deductive since it starts from the general as the tariff and non-tariff restrictions to the commerce to arrive at the particular, non-tariff procedures in the food sector.

### **1.5.2 Methodology**

In order to reach the objectives foreseen in the present investigation, primary sources such as interviews were used, which are done to people who have knowledge about the processes that Colombian exporting companies are doing in front of the entities (DIAN, ICA, INVIMA, POLFA) and additional information is collected from secondary sources such as articles, journals and other investigations, which allow to determine the failures in the non-tariff procedures and analyze the problem from the root.

## **1.6 Scopes**

Identify the causes and main consequences of delays in non-tariff procedures for food exports in Colombia between 2014 and 2016.

## 2. Project execution

### 2.1 Characterization of non-tariff procedures

The non-tariff procedures are a policy applied by the countries that has as a measure to control all type of product of entry or exit of a country taking into account the quality and fulfillment of the requirements that are demanded (THE INTERNATIONAL TRADE CENTER, 2012). According to the Foreign Trade Center, there are several types of non-tariff procedures. Below are a few.

- Sanitary, phytosanitary and zoosanitary measures: They prevent the entrance of goods that can cause harm to the health of the people, the animals and the environment by its toxic, harmful or chemical contents.
- Technical requirements to the trade: They are based on the merchandise complied with all the requirements, norms, components and structures for their entrance in the markets.
- Pre-shipment inspection and other measures: These are the measures that require the quality, quantity and control of the price of goods before shipment from the exporting country.
- Protectionist measures of commercial contingency: the measures better known as antidumping. They are used to counteract the negative effects of dumping or unfair competition, which is to sell a product at a price lower than the cost incurred to produce it, in order to compete more effectively in the market. (Debitoor ECI, 2017)
- Restriction of distribution: Control of distribution of goods in the countries, through an additional license or certification requirements.



- Rules of origin: These rules are important in the implementation of trade policies of anti-dumping and countervailing duty rights, rules of origin which are the criteria necessary to determine the national origin of a product and the safeguard measures that Are defined as Emergency measures with respect to increased imports of specific products where imports occur with the injury caused by serious injury to the domestic industry the importer (WORLD TRADE ORGANIZATION, 2017).

In Colombia, exporters in the food sector are required to advance this type of procedure to several state entities: DIAN, INVIMA, ICA and the Fiscal and Customs Police. A brief description of each of them and the non-tariff formalities required is given below.

### **2.1.1 DIAN**

The National direction of Taxes and Customs (DIAN Spanish acronym), is the entity responsible for ensuring compliance with customs, exchange and tax obligations, facilitating domestic and international trade operations and aims to ensure fiscal security and the economic order of the Colombian state. (DIAN, 2015)

In order to make exports, it must be presented to the DIAN:

- Location of the tariff subheading.
- RUT (single tax registration)
- Procedure for certification of origin
- Customs clearance procedure

### 2.1.2 ICA

The Colombian Agricultural Institute (ICA Spanish acronym) is the public entity responsible for preventing, controlling and reducing the health, biological and chemical risks to animal and plant species, which may affect Colombia's agricultural, forestry, fishing and aquaculture production. As an objective to achieve a competitive agricultural production that allows to obtain a growth of the exports of agricultural products. (ICA, 2005) The dependence of the ICA that controls the exports and imports is the Border Protection Department. As described by the Institute "The ICA makes a health presence in 34 border control posts distributed in international airports, maritime and fluvial ports, border land passages and quarantine stations, defined by Resolution 003761 of November 24, 2014, exercising Sanitary and phytosanitary control of agricultural commodities, in order to achieve an adequate level of protection against import risks, the application of quarantine measures to maintain the country's health status and the reliability of the export certification system for Maintain admissibility and real access to international markets." (The Colombian Agricultural Institute, 2016).

The ICA Uses a tool called sanitary information systems for import and export of agricultural and livestock products (SISPAP), which provides information on phytosanitary and animal health requirements, enables online registration of applications to obtain these documents and intervention directly in the export and import.

The documents for export required by the ICA are described in resolution 1558 of 2010 "By means of which provisions are issued for the import and export of plants, plant products, regulated articles, animals and their products" and are as follows:

- Phytosanitary Certification
- Animal health certification
- Certification for the export of vegetables, products and by-products of vegetable origin

To give an idea of the volume of procedures handled by the ICA, this entity states that in 2015 "The direct users who demand our inspection and quarantine services are 42,723 between importers and exporters, which have the character of companies or natural persons and Are represented in their foreign trade formalities by 730 customs agencies." (The Colombian Agricultural Institute, 2016). It is evident then the number of companies and procedures that this state entity must attend to the food sector for exports, which represents challenges in terms of agility and efficiency in the procedures.

### **2.1.3 INVIMA**

The National Institute of Medications and Food Surveillance (INVIMA Spanish acronym) is the entity in charge of controlling and monitoring the quality and safety of food products, medicines, biological products, cosmetics, alcoholic beverages, dental care, cleaning and cleaning. An impact on the health of living things. (INVIMA, 2011)

INVIMA aims to establish a better national health security system in which different institutions intervene to provide better health care for Colombians and also to guide the organization in good management ie to have more studies on products, damages And benefits that can bring these.

INVIMA issues several documents depending on the products, below are some of the documents for export.

- 
- Audit and certification of establishments exporting meat, edible meat products or meat products.
  - Certificate of export of medicines and pharmaceutical preparations based on natural resources
  - Certification of good manufacturing practices to establishments that develop and adapt medical devices on prosthesis and external orthosis measurement
  - Certification of production capacity to national cosmetic establishments
  - Inspection and certification of import and export food, raw materials and alcoholic beverages
  - Registration of factories of fishery and aquaculture products for export
  - Health records for different products such as: alcoholic beverages, domestically produced domestic pesticides, medical devices and biomedical equipment, food, pharmaceutical preparations based on medicinal plants and phytotherapeutic products.

#### **2.1.4 Tax and Customs Police Directorate**

It is the dependence of the National Police in charge of ensuring fiscal security and the protection of the country's economic order with the support of the DIAN, counteracting crimes of smuggling, tax evasion, exchange violations and drug trafficking through investigations and Controls throughout the Colombian Territory (COLOMBIA NATIONAL POLICE, 2017)

The non-tariff procedures that are carried out before the Tax and Customs Police:

- Request for anti-narcotic review and control of export processes

- Request for inspection and certification of technical identification of antinarcotics for aircraft and / or vessels.
- Chemical control system.

## **2.2 Factors influencing delays in non-tariff procedures**

### **2.2.1 Personal**

In Colombia there are a large number of exporting companies. These have increased with the passage of the years, according to the DIAN there are currently more than 10,000 registered companies. (DIAN, 2017) And in the case of the food sector, the growth in the volume of foreign trade is evident. To give just one example, according to data from the ICA, "During 2015, exports of fertile eggs for hatching to Ecuador showed a 670% increase in relation to the previous year and the sending of chicks of a day, also for the Same destination, was reduced by 19%." (The Colombian Agricultural Institute, 2016) Something similar happened with exports of beef and veal (from 7,903 tonnes in 2014 to 10,346 in 2015) and the product "Bovinos sacrificio y ceba" (from 70,388 units in 2014 to 85,478 in 2015 ). Unfortunately, however, these increases in the demand for services are not offset by an increase in the personnel plants of the entities, which remains frozen by National Government policies established since 2000 in the so-called "Tax Adjustment Law" 617 of 2000).

The consequence of this situation is that the entities in charge of intervening in the different tariff and non-tariff procedures have demonstrated an inefficiency with the processes. According to Juan Carlos Calle, professor of international physical distribution of the University Institution Esmer "the staff in these areas is also very limited, since if they had the staff cannot be delayed carry out the formalities". (Calle, 2017).

Apart from the fact that there is a lot of delay in the approval of the different applications, there is also another difficulty in the procedures. As stated by Mónica Lucia Bernal Valencia, professor of exports at the Esmer University Institution "There are no personnel trained in languages other than English for the approval of documents required by other countries, such as German for the European Union." (Bernal, 2017).

The Multidisciplinary Public Policy Group (GMPP) carried out an investigation into the personnel of public institutions in Colombia. This study found several weaknesses such as: "lack of information on the total number of people working in the sector, difficulties in aligning the design of competitions with the profile of the selected and the needs of the entity; Low performance, low labor mobility of career servers and their effects at different organizational levels". (EL ESPECTADOR, 2015).

Pablo Sanabria, a professor at the Government School of the University of the Andes, said: "The way in which the management of people in the public sector currently functions is dysfunctional" (Sanabria, 2015).

### **2.2.2 Corruption**

The entities that intervene in the export processes (DIAN, ICA, INVIMA, POLFA) are of a public nature, which are also included as entities that generate a great distrust to the entrepreneurs and citizens, because in the country there is a high Corruption, but this is given directly by the personnel working in the entities and not by the entities as such. The annual report of the nongovernmental organization Transparency by Colombia showed the following results of the transparency index and the risk of corruption for these entities in 2016. (Transparency for Colombia, 2017):

**Table 1. Index of transparency and level of risk of corruption in the entities under study. Source:** Own elaboration with Transparency by Colombia data

ENTITY	PUTTING ON THE TRANSPARENCY RANKING	TRANSPARENCY INDEX	RISK LEVEL
INVIMA	6	79,4	Moderate
Policía Nacional	24	73,5	Medium
DIAN- Special administrative unit	31	69,2	Medium
ICA	68	57,7	high

Note that, with the exception of INVIMA, the other entities have a level of risk of corruption that could be classified as a concern. Especially striking is the case of the ICA, rated as "High" risk and in position 68 out of 75 national entities assessed. This reflects the low confidence these institutions generate among their users and the need to strengthen the control mechanisms within them.

Experts from the different public and private sectors discussed the issue of corruption and sought to improve customs legislation by applying a central of risk.

This central would give place as main focus to the public and private actions, to audit the fulfillment of the norms, permissions and to generate effective channels of communication.

Corruption in Colombia is a major problem that directly affects international trade operations. This negative impact must be countered from its root and should take the possible measures and those necessary to start generating a little reliability with companies and citizens and additionally with companies and characters from abroad. It is

really possible that the country would be more competitive in the international market and be a strategic attraction for foreign investors.

### **2.2.3 Processes and / or procedures**

The processes that must be carried out to obtain the different non-tariff procedures are quite exhausting and require a lot of time because these entities have too many documents that must be manually completed and physically delivered and there are also others that need to get on the platform.

This process becomes more inefficient because it interlocks directly with the personnel, that is to say, when the exporting companies fill out the required physical and virtual documentation, it delays the person of the entities (DIAN, ICA, INVIMA, POLFA) The documents because it must validate the information by different means (physical and by the platform) and at the moment has not been a process that is carried out in an appropriate and efficient way.

According to Juan Carlos Calle, Lecturer of international physical distribution of the Esumer University Institution "the processes really are a matter of concern, because the processes must be managed with 3 months of anticipation and if there is any error in the documents or any lack is due Wait an additional month, which determines that the management is inefficient and generates many delays ". (Calle, 2017).

Additionally it also faces problems as it is in the definitive review of goods. Kelly Rojas, International Business student and Banana Export Manager of Banafрут says: "The issue of port entry and profiling is one of the most common problems, because when the cargo comes out for inspection, the DIAN decides to make it physical or documentary, which



causes delays, but when it has automatic selectivity does not present so many inconveniences "(Rojas, 2017)

The DIAN conducted a survey in which it determined the number of users who were dissatisfied with the services or processes that are performed in this one, which had the result that is shown in table 2.

**Table 2. Citizens- dissatisfied customers for the service. Source: (DIAN, 2014)**

Citizens- dissatisfied customers for the service September 2013 to August 2014	
Concept	Total
Total claims	3,790
Total complaints for care	322
Total non-conforming citizens	4,112

It was observed that it is a considerable amount of dissatisfaction for so many users that the DIAN attends, which reveals that they do not efficiently handle all the processes that must be improved to generate greater credibility in the interventions that the entity does.

It is important to point out that the state entities in which non-tariff procedures are carried out (DIAN, ICA, INVIMA, POLFA) have carried out and certified quality management systems based on the technical quality standard in public management NTCGP1000 (DAFP, 2009) And in the Colombian technical standard NTC-ISO9001 (ICONTEC, 2015) These specify the requirements to apply the quality management systems (SGC), which allow to direct and evaluate the institutional performance, in terms of quality and social satisfaction with the supply of products and / or the provision of the services in charge of Entities All the requirements of these standards should be applied in conjunction with the legal provisions specific to the nature of each entity. However, the results before the case of the DIAN that the implementation of quality management

systems has not contributed to improve the provision of services to customs users, every time that user dissatisfaction is significant

#### **2.2.4 Information system (technological infrastructure)**

Given the high volumes of non-tariff procedures that the entities have to handle before, the information systems should be are robust and precise, because companies can present many doubts and concerns about the information to be addressed and the entities are It provides through its clearer instructional platforms and provides an improvement in customer service that the exporters can fill out the documents without so many obstacles.

However, a lot of technical information must be presented in order to obtain certifications, good visas or licenses and these are not always sufficient for the officials responsible for approving the applications.

#### **2.2.5 Lack of knowledge of non-tariff procedures**

Professor Juan Carlos Calle points out that "these entities do not really have clarity about the documents that need to be appended, a standardization of documents is required, since their explanations also have terms that are not easy to understand, the service is not very efficient due to That when it comes to having communication is very time consuming or do not really answer calls or requests "(Calle, 2017).

According to the document, if it is a matter of concern, because companies always need to streamline their processes, whether internal or external and not have a precise knowledge about the documents to be processed, it creates a delay in supplying the

information to the entities and that you are Doing the review processes without having so many inconsistencies.

### **2.3 Consequences for exporters**

Colombia over time has been expanding the domestic market to the outside, currently has several free trade agreements in force and so it would be assumed that there would be a greater growth of sales abroad, although if they have improved, there are still obstacles in the operations of export. In the specific case of the food sector, information provided by Colombia's Agriculture Minister Aurelio Irragorri indicates that by 2016 "the latest DANE data indicate that external sales of agricultural products, food and beverages showed an increase of 17.4 % From US \$ 481.2 million FOB in the month of June 2015 to US \$ 564.9 million FOB in the same month of 2016, especially for Belgium, the United Kingdom and the United States". (Reaction, Opinion, 2016)

But this increase in the export dynamics is not reflected in a facilitation of the procedures to the companies. According to former Foreign Trade Minister Carlos Ronderos, "exporters encounter obstacles of all kinds when it comes to wanting to market their products abroad, some because of governmental and other policies, but because of factors directly related to them" (EL TIEMPO, 2015).

The obstacles that the companies have and are generated by them, is because you have not done a deep investigation of how the international market they want to penetrate. They cannot ignore that all markets move in a different way and that they must generate an adaptability of the product and / or service in the destination country.

There was a significant impact in all segments according to the size of the companies, but particularly in medium-sized firms (between 51 and 200 workers), which

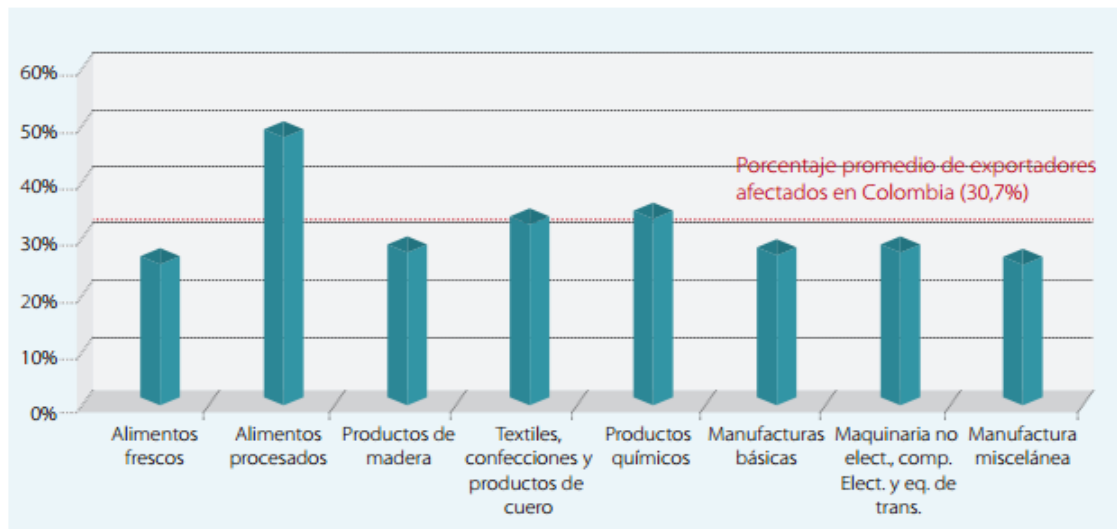
faced heavy regulations and obstacles to trade in 44.1% of cases. Large firms (more than 200 workers) and small ones (between 11 and 50 workers), in turn, registered levels of affectation of 43.1% and 40.3%, respectively, while in micro firms 10 or fewer workers), the degree of involvement amounted to 30.3%. (ITC, 2015)

In Colombia the causes associated with government policies are all the non-tariff procedures that each company must carry out for the domestic market or to expand its market internationally, a process that is even more complex.

This has generated great uncertainty, so much so that many food companies and other types of industries have left the country.

Below is a figure where it demonstrated in what percentage the exporting companies have been affected by the non-tariff procedures.

**Figure 1. Percentage of companies affected by non-tariff procedures, according to the sector. Source:: (ITC, 2015)**



It shows from the previous figure that the food sector (both fresh and processed) is one of the most affected by non-tariff procedures. In the case of processed foods, the percentage of companies affected (about 50%) is even above the average of all sectors

(30.7%). Against this background, it is inevitable that the consequences will be negative, due to the difficulties encountered in each process by the exporters.

The main effects suffered by these companies are economic losses, because when they do not issue the different documents in time, the merchandise cannot leave the country and this will generate additional costs in warehousing, that faster than the companies carry out the management for the Delivery of the documents to the different entities to be able to fulfill their clients, it is not going to economically recover what they must invest in the ports until the documents are complete to authorize the departure of the cargo. Given that food products are in many cases perishable, there is also a risk that the long waiting times for the procedures will lead to partial or total deterioration of the goods, leading to even greater costs to the exporters. The risk that such delays may also have negative consequences on the safety of food being exported, with damage to the health of consumers, is also present.

There is also customer dissatisfaction, because for the exports the precise times are established so that the merchandise arrives in the time established with the customer and is in very good condition and this not only generates dissatisfaction of the customers but also loss of the Loss of trust and reputation damage.

Finally, another unfortunate consequence is that because the procedures are so cumbersome, it ends up generating an environment more conducive to corruption, because the exporter who prefers to bribe an official to "expedite" the process will not be lacking. So serious is the situation that the president of the Republic Juan Manuel Santos put it in evidence when in 2013 declared that "The main modality used for this purpose [bribery] is the payment to expedite or facilitate paperwork, followed by political contributions, Common bribery, and gifts." (Republic of Colombia. Government

Information System, 2013) That is to say, the National Government admits that in the face of the tide of clovers that the exporters (of all sectors) have to do, many times for the money to give money to the public servants in charge of attending them, so that the sea process more simple.

## **2.4 Proposals for improvement**

In the face of the specific issue of corruption, which is one of the most likely to affect the aforementioned issues, a forum of experts in 2014 formulated the following proposals for improvement:

1. Incorporate the knowledge and experience of companies in the elaboration of public and legislative policies.
2. Improve and coordinate the work of all public and private entities, to strengthen the scourge of corruption.
3. Implement joint programs as a corporate transparency pact and strengthen business coalitions.
4. In-depth knowledge of the different rules by officials.
5. Implement within internal entities internal control systems and conduct audits that allow the detection of corrupt behavior by workers.
6. If a worker is found to have committed an act of corruption, he or she shall be punished or dismissed depending on the degree of the offense.
7. More attention in the different mechanisms used by the entities, that is, to control more the companies of the country to prevent tax evasion and to apply the due controls.

8. Improve the regulations applicable to corruption problems, because current standards have become impossible to apply to corruption and weaknesses in government infrastructure and capacity. (PORTAFOLIO, 2014)

ICA, Por su parte, ha reconocido la necesidad de aplicar al menos las siguientes mejoras en sus procesos de Protección Fronteriza:

- Strengthening the disclosure of formalities and rules to internal and external users
- Strengthening human resources
- Strengthening infrastructure and equipment
- Technological strengthening focused on the systematization of the request for animal exports and on the systematization of the Zoosanitary Document of Import for products for human consumption, DZI.
- Facilitation of international trade, through the standardization and homologation of the information contained in the phytosanitary certificates of export of the four countries of the Pacific Alliance (Chile, Peru, Mexico, Colombia) with the purpose of certifying electronically in origin and the Implementation Of the International Merchandise Transit Pilot, TIM, between Colombia and Ecuador. (The Colombian Agricultural Institute, 2016)

In addition to these proposals and based on the investigations and interviews carried out, the following improvements are proposed to address the causes of delays and inefficiencies in non-tariff procedures in the food sector:

1. Systematization of the different documents that the companies require, such as: certifications, licenses, good visas and registrations, allowing to streamline the processes in the export operations.

2. An example of an improvement is the process that the ICA is implementing with the application of SISPAP, a platform by which the issuance of documents can be carried out, avoiding that it is manual and possibly not accepted. This entity is also conducting training and / or conferences to provide better information on the instructions that still need to be done manually.
3. To avoid corruption by promoting awareness-raising activities whose purpose is to develop ethical behavior in the workers of the entities; That is, to create an ethical culture within the company that will guide and train workers in values, which will allow them to act according to these values and can resolve the ethical conflicts that arise during the working days, allowing the reduction of corruption.
4. Propose that the managers of each area of the food exporting companies should have full knowledge of the activities performed by the employees in their charge, and at the end of the working days, the managers must verify that their workers have performed their tasks during the working day; By constantly supervising workers, will prevent them from exposing themselves to committing fraudulent acts.
5. More agile and modern information systems, that is, the entities have platforms to which users can access by assigning them a user and password, where they find the documents they must fill out for their exports, reducing time and cost, as well where they provide detailed instructions on how to complete these documents avoiding errors that may delay procedures.
6. Implement programs that allow the rapprochement between companies-control entities so that both parties have a better understanding of the dynamics of exporters and officials. An example of such initiatives It is the one that is developing the INVIMA with four plants of profit of the bovine species type export



(meat net, Frigisinú in Cordoba; Cold River Fridge in Santander and Frigocolanta in Antioquia). According to the information provided by the entity, "in order to increase the export of bovine meat to large markets such as: the United States and the European Union, the National Institute for the Surveillance of medicines and food (Invima), start in Montería (Córdoba) The stage of implementation of the project" Improvement of the national system of control and safety of food of national consumption and export under a national risk approach "to meet the most demanding sanitary standards of the world. [...] During the initiative, the entity will work with the plants three main components: strengthening the system of inspection and verification in plants, characterization of biological hazards and chemical hazards. This achievement is the result of work between the Invima and the ministries of trade, Industry and tourism, of agriculture and rural Development, of health and social protection; The Banco de Comercio Exterior de Colombia S.A (Bancóldex), the project of national and Strategic Interest (PINES). (INVIMA, 2017) In this example it can be seen that there is also cooperation between the state entities themselves to facilitate the development of non-tariff procedures.

7. Exporters in the food sector should also take the necessary steps and find ways to be more informed about the requirements that are needed, additional should have a better timeline of logistical, protocol and delay times To issue the certifications, licenses, good visas, among other documents.
8. More professional staff should be accommodated for the attention of the exporters and for the review of the different applications.
9. The international business or foreign trade faculties of higher education institutions in Colombia should improve the training of their students in the topics related to non-tariff procedures for the food and related sectors (beverages, agriculture).

Typically, technologists and professionals receive training in the procedures before the DIAN, but little or nothing is known about the procedures before other pertinent entities such as ICA, INVIMA or the National Polic



### 3. Findings

At present, the issue of non-tariff procedures does not have enough research to establish that it is the biggest problem of the 21st century in international trade and that measures must be taken that are effective and that generate positive changes in trade in The exporting companies.

The delay of non-tariff procedures lies mainly in the lack of trained personnel and the lack of clarity provided by the entities to fill the required documents at the time of export.

Although the entities in charge of processing the necessary documents for exporting have implemented and certified quality management systems in their processes, they have not taken sufficient measures to counteract the negative effects that are causing the inefficiency of their processes in exporting companies Colombian

Exporting companies in the food sector have suffered great negative consequences due to delays in non-tariff procedures, such as economic losses or losses of their products, as well as dissatisfaction and loss of confidence of customers who do not want to negotiate with these companies

It is necessary to take and implement measures of improvements to speed up the non-tariff procedures, to reduce the losses that Colombian companies are having and to regain confidence on the part of the clients since of the exports depends a great part of the economy of the country

## 4. Conclusions and recommendations

### 4.1 Conclusions

For the characterization of the non-tariff procedures that must be carried out for exports, it was concluded that food exporting companies must execute multiple processes to obtain documents such as certifications, licenses, good visas and other documents, which are of mandatory nature to have a continuous flow in exports. The state entities in front of these procedures are mainly DIAN, ICA, INVIMA and the Fiscal and Customs Police.

Among the main factors that influence the delay in non-tariff procedures, it is concluded that the delays are mainly due to the limited and insufficiently trained staff to supply all the processes, as well as little clarity in all the documents that must be addressed by individuals and employers for their exports and also that these entities do not have agile systems that allow to reduce time and costs in the diligences of the documents.

The main negative effects suffered by the country's exporting companies were that these effects are due to delays in non-tariff procedures which generate economic losses, products and business opportunities with other international companies and additionally damage their Reputation and their level of credibility.

Finally, it is concluded that various measures have been taken to mitigate the negative effects generated by delays in non-tariff procedures, but it is also proposed that state entities have platforms through which they can carry out the entire documentation process, as well, Food exporters are encouraged to be constantly informed about the requirements they must meet to make their exports to avoid errors and thus delays. It is

also necessary to adapt the personnel sufficiently qualified to carry out all these processes followed by different activities to avoid corruption within the entities and thus have positive results with the export of the different products and services of the country and that has the capacity of Be competitive in the international market.

## **4.2 Recommendations**

1. Investigate the possibility of having a closer relationship with the personnel working in the different entities in charge of issuing the non-tariff procedures, in order to obtain more precise information on factors that are influencing the delay of these procedures.
2. Publicize the results obtained through the interviews with the different entities, so that they are aware of the users' dissatisfaction with their processes.
3. Examine more precisely how entities manage a quality management system, which allows them to determine the shortcomings they are having with these systems and whether they are being applied optimally.
4. Establish other possible scenarios that may be pertinent to provide alternative solutions to the problem. Indagar



## 5. Bibliography

COLOMBIA NATIONAL POLICE. (04 de May de 2017). *Directorate of Tax and Customs Police Management - POLFA*. Recuperado el 22 de Marzo de 2017, de <https://www.policia.gov.co/direccion/fiscal-aduanera>

CORPOICA. (2008). Agricultural Science and Technology. *Chemical residues in food of animal origin: Problems and challenges for food safety in Colombia*, 3-4.

DAFP. (2009). *QUALITY TECHNICAL STANDARD FOR PUBLIC MANAGEMENT NTCGP 1000: 2009*. Bogotá: DAFP.

Debitoor ECI. (2017). *¿Qué es el dumping?* Recuperado el 14 de Abril de 2017, de DEBITOOR: <https://debitoor.es/glosario/definicion-dumping>

DIAN. (2014). *Rendición de Cuentas, contribuir a construir una colombia con equidad*.

DIAN. (24 de February de 2015). *About DIAN*. Recuperado el 22 de Marzo de 2017, de <http://www.dian.gov.co/DIAN/12SobreD.nsf/pages/Laentidad?OpenDocument>

DIAN. (07 de April de 2017). *Figures and management, directory of importers and exporters*. Recuperado el 15 de Abril de 2017, de <http://www.dian.gov.co/dian/14cifrasgestion.nsf/e7f1561e16ab32b105256f0e00741478/6bd6a0a2ab2bf31e05257360007ed9a9?OpenDocument>

DINERO. (19 de June de 2015). Recuperado el 22 de 03 de 2017, de <http://www.dinero.com/pais/articulo/las-medidas-no-arancelarias-como-gran-problema-del-comercio-exterior-colombia/209656>

EL ESPECTADOR. (21 de March de 2015). *The Labor Reality of the Colombian Public Sector*. (R. Política, Editor) Obtenido de <http://www.elespectador.com/noticias/economia/realidad-laboral-del-sector-publico-colombiano-articulo-550672>

EL TIEMPO. (5 de September de 2015). *WHY EXPORT IS NOT SO SIMPLE IN COLOMBIA*. Recuperado el 26 de Abril de 2017, de <http://www.eltiempo.com/archivo/documento/CMS-16343283>

ICA. (2005). *GUIDE FOR IMPORT AND EXPORT OF ANIMALS, VEGETABLES AND AGRICULTURAL PRODUCTS*. Second edition. Recuperado el 22 de Marzo de 2017, de <http://www.ica.gov.co/getattachment/e187d1fc-07b6-4144-a4f0-ba175aa7f650/Publicacion-16.aspx>



- ICONTEC. (2015). *TECHNICAL STANDARD COLOMBIAN NTC- ISO9001*. Bogotá: ICONTEC.
- INVIMA. (22 de December de 2011). Recuperado el 22 de Marzo de 2017
- INVIMA. (2017). *PROJECT TO BE ENHANCED FOR BOVINE MEAT EXPORTS*. Bogotá: INVIMA. Obtenido de <https://www.invima.gov.co/se-inici%C3%B3-proyecto-que-permitir%C3%A1-aumentar-las-exportaciones-de-carne-bovina>
- ITC. (2015). *Colombia: Business Perspectives, ITC Non-Tariff Measures Program*. Bogotá: International Trade Centre.
- ITC, I. T. (2015). *COLOMBIA: PERSPECTIVAS EMPRESARIALES*. Obtenido de [http://www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Market\\_Data\\_and\\_Information/Market\\_information/Non-tariff\\_measures/Countries/Colombia/Resumen%20ejecutivo%20MNA%20Colombia%20FINAL%2025FEB15.pdf](http://www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Market_Data_and_Information/Market_information/Non-tariff_measures/Countries/Colombia/Resumen%20ejecutivo%20MNA%20Colombia%20FINAL%2025FEB15.pdf)
- Kume, H. (2002). Diagramas de causa-efecto. En H. Kume, *Herramientas estadísticas básica para el mejoramiento de la calidad* (págs. 27-39). Bogotá: Norma.
- LARA. (2008). *CORPOICA*. Recuperado el 22 de Febrero de 2017, de <http://revista.corpoica.org.co/index.php/revista/article/view/112/113>
- MINCOMERCIO INDUSTRIA Y TURISMO. (2014). Recuperado el 21 de Marzo de 2017, de [http://www.vuce.gov.co/index!.php?id\\_menu=2](http://www.vuce.gov.co/index!.php?id_menu=2)
- NORMA TÉCNICA DE CALIDAD PARA LA GESTION PÚBLICA NTCG 1000:2009 Y NORMA TÉCNICA COLOMBIANA NTC-ISO 9001*. (14 de Noviembre de 2008). Recuperado el 26 de Abril de 2017, de [https://manipulaciondealimentos.files.wordpress.com/2010/11/ntc-iso\\_9001-2008.pdf](https://manipulaciondealimentos.files.wordpress.com/2010/11/ntc-iso_9001-2008.pdf) Y <http://www.upra.gov.co/documents/10184/11174/UPRA-contexto-+sistema-gestion-Calidad.pdf/01ea7be6-96fe-4904-8c49-518a22e10e75?version=1.0>
- ORGANIZACION MUNDIAL DEL COMERCIO. (s.f.). Recuperado el 14 de Abril de 2017, de [https://www.wto.org/spanish/tratop\\_s/safeg\\_s/safeg\\_info\\_s.htm](https://www.wto.org/spanish/tratop_s/safeg_s/safeg_info_s.htm)
- PORTAFOLIO. (23 de October de 2014). *Propose to create a center of risk to attack smuggling*. Obtenido de <http://www.portafolio.co/economia/finanzas/proponen-crear-central-riesgo-atacar-contrabando-55364>
- Reaction, Opinion. (20 de Agosto de 2016). Agricultural exports of food and beverages grow. *The Opinion*. Obtenido de <http://laopinion.com.co/economia/crecen-las-exportaciones-agricolas-de-alimentos-y-bebidas-117338>

- Republic of Colombia. Government Information System. (2013). *Remarks by President Juan Manuel Santos at the presentation of the High Level Complaints Mechanism*. Bogotá: Presidency of the Republic. Obtenido de [http://wsp.presidencia.gov.co/Prensa/2013/Abril/Paginas/20130402\\_09.aspx](http://wsp.presidencia.gov.co/Prensa/2013/Abril/Paginas/20130402_09.aspx)
- The Colombian Agricultural Institute. (2016). *ICA 2015 Management Report*. Bogotá: ICA. Obtenido de <http://www.ica.gov.co/Rendicion-de-Cuentas/documentos/informegestion-2015.aspx>
- The International Trade Center*. (s.f.). Recuperado el 21 de MARZO de 2017, de <http://www.intracen.org/itc/acerca-del-itc/>
- THE INTERNATIONAL TRADE CENTER*. (2012). Recuperado el 22 de Marzo de 2017, de <http://www.intracen.org/itc/analisis-mercados/medidas-no-arancelarias/identificando-las-medidas-no-arancelarias/>
- Transparency for Colombia. (2017). *Index of transparency of public entities. January 2015 through April 2016*. Bogotá: Transparency for Colombia. Recuperado el 28 de abril de 2017, de <http://transparenciacolombia.org.co/indice-de-transparencia-de-las-entidades-publicos-enero-de-2015-a-abril-de-2016/>
- Vélez, A. (2017). *Methodological guide for the implementation of a food safety system that integrates the BPM, the HACCP system, NTC ISO22000 and the European standards IFS and BRC*. Medellín: Lasallista University Corporation.
- WORLD TRADE ORGANIZATION. (2017). *Información técnica sobre las normas de origen*. Recuperado el 14 de Abril de 2017, de WORLD TRADE ORGANIZATION: [https://www.wto.org/spanish/tratop\\_s/roi\\_s/roi\\_info\\_s.htm](https://www.wto.org/spanish/tratop_s/roi_s/roi_info_s.htm)



## **ANNEXES**

### **A. Interview 1**

**Name of interviewee:** Mónica Lucia Bernal Valencia

**Company:** Institución Universitaria Esumer

**Position:** Teacher of process of export

**Questions:**

**1. Procedures before the DIAN**

What are the non-tariff procedures to be carried out before the DIAN for food exports?

**A:** In the first place, exports do not generate any type of tax upon exit from the country.

In national purchases of raw materials and inputs for the production of final goods to be exported, VAT is charged which is discounted or crossed in the periodic report to the DIAN presented by the accountants in the exogenous information.

What are the most common difficulties that arise in the development of these procedures by the entity (DIAN)?

**A:** On the part of the DIAN none, because it is an entity that does not issue good visas on food, but can demand them as a customs support in some cases.

What are the most common difficulties that arise in the development of these procedures by the exporter?

**A:** None according to the answer in the previous item.

## **2. Procedures before the ICA**

What are the non-tariff procedures to be carried out before the ICA for food exports?

**A:** The phytosanitary certificate issued on each shipment.

- On farms or producers, the ICA also has to certify the farms, crops or farms.

What are the most common difficulties that arise in the development of these procedures by the entity (ICA)?

**A:** The absence of protocols for certain products.

There are no staff trained in languages other than English for the approval of documents required by other countries, such as German for the European Union.

What are the most common difficulties that arise in the development of these procedures by the exporter?

**A:** The lack of training and motivation on the part of the entity so that farmers and / or producers, carry out the different processes of adaptation and standardization of processes to certify the farms, plants and / or production centers.

## **3. Procedures before the INVIMA**

What are the non-tariff procedures to be carried out before INVIMA for food exports?

**A:** The certificate of free sale

-Sanitary registration

What are the most common difficulties that arise in the development of these procedures by the entity (INVIMA)?

**A:** Very long time for the approval of different certificates, licenses and / or good visas.

What are the most common difficulties that arise in the development of these procedures by the exporter?

**R:** Obtain a lot of technical information that must be submitted to access the licenses, certifications and / or good visas, and that the technical files and / or different media are not always sufficient for the evaluator or professional in charge of approving the applications.

#### **4. Procedures before the Tax and Customs Police**

What are the non-tariff procedures that must be carried out before the National Police for food exports?

**A:** The process that is carried out is the registration with the Anti-Narcotics Police and should be done by all exporters including those who export food.

As of April 30, 2017, all exporting companies must be registered at MINCIT-VUCE Ministry of Commerce and Industry website. This process APPLIES to ALL exporters, both new and old, regardless of the date on which it has made the respective update or creation in the Anti-narcotics Police. Additionally each legal representative must have a digital signature, which certifies the veracity of the information provided when filing all the information before the VUCE.

1. The Digital signature or Token MUST be in the name of the Legal Representative or Alternate, as long as it appears in the Chamber of Commerce.
2. With this process the exporter will NOT have to present the PHYSICALLY the Interview on narcotics, nor should he send to file documents because ALL will be done virtually.
3. This procedure must be done prior to the Exportation in order to have no inconvenience, because the generation of the token or digital signature can take between 8 to 10 business days.

What are the most common difficulties that arise in the development of these procedures by the entity (National Police)?

**A:** Little staff available for the attention of this procedure and slowness in the approval of the requests.

What are the most common difficulties that arise in the development of these procedures by the exporter?

**A:** The cost of the token

The authentication of documents in notaries

Delay in approval

What effects have food processing companies had on the non-tariff procedures to be carried out before the DIAN, ICA, INVIMA and the National Police?

<b>EFFECTS</b>	<b>Yes/No</b>	<b>Explanation</b>
Delays in exports	Yes	
Economic losses	Yes	
Customer dissatisfaction	Yes	
Loss or deterioration of goods	Yes	
Impairment of the exporter's reputation	Yes	
Conflicts with other entities (shipping companies, cargo agencies, transporters)	Yes	
Others (Which)		

What measures have been taken or could be taken on the procedures of the corresponding entities (DIAN, ICA, INVIMA, National Police)?

**A:** Avoiding corruption and reducing protocols.

What measures have been taken or could be taken on the information systems of the corresponding entities (DIAN, ICA, INVIMA, National Police)?

**A:** Let them be agile and modern.

What measures have been taken or could be taken on the knowledge (training) of the personnel of the corresponding entities (DIAN, ICA, INVIMA, National Police)?

**A:** Implement training programs that bring the business sector closer to the officials of the official and control entities so that the dynamics of exports from each of the parties (exporters / control entities) are sensitized and understood.

What measures have been taken or could be taken on the knowledge (training) of exporters?

**A:** To make the exporter aware of scheduling their logistic times, investigating and knowing the terms, protocols and times that each entity is delayed in issuing certifications, permits, licenses and / or good visas.

What other measures have been taken or could be taken to prevent or mitigate these problems?

**A:** More rapprochements between exporters and official entities

- More points of attention and / or professionals available to evaluate applications
- Modernize agile IT tools in control entities to streamline requests.
- Exporters must plan their delivery times and logistics very well, taking into account the approval times of the good visas.
- Document very closely to the protocols to be followed for requests for non-tariff requirements.





## B. Interview 2

**Name of interviewee:** Kelly María Rojas

**Company:** Banafrut

**Position:** International Business student.

### **Questions:**

#### **1. Procedures before the DIAN**

What are the non-tariff procedures to be carried out before the DIAN for food exports?

**A:** The permissions before:

- ICA (Phytosanitary), for the issuance of this certificate, food producers must be registered with SISAP.
- BL, issued by the shipping company, transport card (document of transport of the merchandise)
- Commercial invoice to be issued by the exporter.
- Request for boarding authorization.
- DIAN and anti-narcotics inspection. The SAE is presented, it is confirmed that the cargo is made manifest by the shipping company and in three months the customs agent has the maximum period for closing Dex (export declaration) when dealing with single shipment with provisional data .

Note: The certificate of origin is considered as a tariff procedure since with this one I receive a tax benefit.

What are the most common difficulties that arise in the development of these procedures by the entity (DIAN)?

**A:** The issue of entry to port and profiling, when the cargo comes out for inspection that the DIAN performs physical or documentary inspection, when it has automatic selectivity is no problem.

What are the most common difficulties that arise in the development of these procedures by the exporter?

**A:** To cut the BL wrongly with erroneous data on the part of the shipping company, if there are forecasted to take fruit or some food product and these quantities are not estimated estimated many times by the tide it is not possible to take the estimated, it is not fulfilled with the reserves ( Booking) to the shipping company.

If we are missing in delivery, if there are no farms (fruit farms) registered with governmental entities such as the ICA, there may be problems in the development of the procedures

## **2. .Procedures before the ICA**

What are the non-tariff procedures to be carried out before the ICA for food exports?

**A:** registration with SISAP, if you are not registered you can not make any formalities nor give the phyto for export

What are the most common difficulties that arise in the development of these procedures by the entity (ICA)?

**A:** Failure or system failure will occur so that documents are not issued on time.

What are the most common difficulties that arise in the development of these procedures by the exporter?

**A:** Not to register the premises before SISAP for the issuance of the phytosanitary certificate, this creates many delays when exporting

### **3. Procedures before the INVIMA**

What are the non-tariff procedures to be carried out before INVIMA for food exports?

**A:** Does not apply to the food sector (for my banana sector does not apply INVIMA standard)

What are the most common difficulties that arise in the development of these procedures by the entity (INVIMA)?

**A:** Not applicable for fruit products.

What are the most common difficulties that arise in the development of these procedures by the exporter?

**A:** Not Applicable.

### **4. Procedures before the Tax and Customs Police**

What are the non-tariff procedures that must be carried out before the National Police for food exports?

**A:** Profiling of the cargo, the only intervention it has with the merchandise is when they review the letter of responsibility issued by the exporter and the required narcotics police is at the time of inspection (cargo profiling).

What are the most common difficulties that arise in the development of these procedures by the entity (National Police)?

**A:** Not to make the interview with the police narcotics in advance, and not to present the documents requested by the POLFA

What are the most common difficulties that arise in the development of these procedures by the exporter?

**R:** Do not present the letter of responsibility, in case there is cargo pollution is delayed everything already happens to another procedure

What effects have food processing companies had on the non-tariff procedures to be carried out before the DIAN, ICA, INVIMA and the National Police?

<b>EFFECTS</b>	<b>Yes/No</b>	<b>Explanation</b>
Delays in exports	Yes	When they implement the process in a systematic way.
Economic losses	Yes	When the certificates are not given in time the cargo does not leave and the reserves are lost and the fruit is ripe and lost.
Customer dissatisfaction	Yes	For the delays.
Loss or deterioration of goods	Yes	When they mature.
Impairment of the exporter's reputation	Yes	For breach
Conflicts with other entities (shipping companies, cargo agencies, transporters)	Yes	Trust is lost.
Others (Which)	Yes	Non-payment and no re-establishment of business relationships, No sales.

What measures have been taken or could be taken on the procedures of the corresponding entities (DIAN, ICA, INVIMA, National Police)?

**A:** Systematization, of the whole process the interviews are being signed by magnetic means (digital signature).

What measures have been taken or could be taken on the information systems of the corresponding entities (DIAN, ICA, INVIMA, National Police)?

**A:** SISPAPE (ICA), at the national level, is being implemented to expedite the operation process for the phytosanitary expedition so that it is not so manual.

What measures have been taken or could be taken on the knowledge (training) of the personnel of the corresponding entities (DIAN, ICA, INVIMA, National Police)?

**A:** Instructions through the web pages.

What measures have been taken or could be taken on the knowledge (training) of the exporters?

**A:** The ICA is training through hands-on lectures

What other steps have been taken or could be taken to prevent or mitigate these problems?

**A:** Each one has its part in the export operation and executes it, some have implemented that the process is more systematized.

## C. Interview 3

**Name of interviewee:** Juan Carlos Calle Muñoz

**Company:** Institución Universitaria Esumer

**Position:** Teacher of international physical distribution

At the time of the interview, the teacher focused more on his experience with ICA, because he is one of the entities in which he has had to carry out paperwork. However he gave very general terms about the difficulties.

### **Questions:**

#### **1. Procedures before the ICA**

What are the non-tariff procedures to be carried out before the ICA for food exports?

**A:** - Sales Records

- Add Datasheet

- Chamber of Commerce

- Laboratory analysis

- Labels project

- Letters

- ICA Form

What are the most common difficulties that arise in the development of these procedures by the entity (ICA)?

A: procedures are really a matter of concern, because the processes must be managed 3 months in advance and if there is any error in the documents or if any is missing an

additional month must be expected, which determines that the management is inefficient and Generates many delays.

The staff in these entities is also very limited, because if they had enough staff it would not be so much delay when carrying out the procedures.

What are the most common difficulties that arise in the development of these procedures by the exporter?

**A:** these entities do not have clarity about the documents that must be appended, a standardization of documents is required, as also their explanations have terms that are not easily understood, the service is not very efficient, because when it comes to having Communication is very time consuming or do not really answer calls or requests.