

# WORLD TRADE ORGANIZATION

TN/TF/3  
21 November 2005

(05-5491)

---

## Negotiating Group on Trade Facilitation

### REPORT TO THE TRADE NEGOTIATIONS COMMITTEE

1. Since its establishment on 12 October 2004, the Negotiating Group on Trade Facilitation met eleven times to carry out work under the mandate contained in Annex D of the General Council Decision in WT/L/579. The negotiations are benefiting from the fact that the mandate allows for the central development dimension of the Doha negotiations to be addressed directly through the widely acknowledged benefits of trade facilitation reforms for all WTO Members, the enhancement of trade facilitation capacity in developing countries and LDCs, and provisions on special and differential treatment (S&DT) that provide flexibility. Based on the Group's Work Plan (TN/TF/1), Members contributed to the agreed agenda of the Group, tabling 60 written submissions sponsored by more than 100 delegations. Members appreciate the transparent and inclusive manner in which the negotiations are being conducted.

2. Good progress has been made in all areas covered by the mandate, through both verbal and written contributions by Members. A considerable part of the Negotiating Group's meetings has been spent on addressing the negotiating objective of improving and clarifying relevant aspects of GATT Articles V, VIII and X, on which about 40 written submissions<sup>1</sup> have been tabled by Members representing the full spectrum of the WTO's Membership. Through discussions on these submissions and related questions and answers (JOB(05)/222), Members have advanced their understanding of the measures in question and are working towards common ground on many aspects of this part of the negotiating mandate. Many of these submissions also covered the negotiating objective of enhancing technical assistance and support for capacity building on trade facilitation, as well as the practical application of the principle of S&DT. The Group also discussed other valuable submissions dedicated to these issues.<sup>2</sup> Advances have also been made on the objective of arriving at provisions for effective cooperation between customs or any other appropriate authorities on trade facilitation and customs compliance issues, where two written proposals have been discussed.<sup>3</sup> Members have also made valuable contributions on the identification of trade facilitation needs and priorities, development aspects, cost implications and inter-agency cooperation.<sup>4</sup>

3. Valuable input has been provided by a number of Members in the form of national experience papers<sup>5</sup> describing national trade facilitation reform processes. In appreciation of the value to developing countries and LDCs of this aspect of the negotiations, the Negotiating Group recommends that Members be encouraged to continue this information sharing exercise.

4. Building on the progress made in the negotiations so far, and with a view to developing a set of multilateral commitments on all elements of the mandate, the Negotiating Group recommends that it continue to intensify its negotiations on the basis of Members' proposals, as reflected currently in

---

<sup>1</sup> TN/TF/W/6-W/15, W/17-W/26, W/28, W/30-W/32, W/34-36, W/38-W/40, W/42, W/44-W/49, W/53, W/55, W/58, W/60-W/62, W/64-W/67, W/69, W/70.

<sup>2</sup> TN/TF/W/33, W/41, W/56, W/63, W/73 and W/74.

<sup>3</sup> TN/TF/W/57 and W/68.

<sup>4</sup> TN/TF/W/29, W/33, W/41, W/62 and W/63.

<sup>5</sup> TN/TF/W/48, W/50, W/53, W/55, W/58, W/60, W/61, W/65, W/69 and W/75.

document TN/TF/W/43/Rev.4, and any new proposals to be presented. Without prejudice to individual Member's positions on individual proposals, a list of (I) proposed measures to improve and clarify GATT Articles V, VIII and X; (II) proposed provisions for effective cooperation between customs and other authorities on trade facilitation and customs compliance; and, (III) cross-cutting submissions; is provided below to facilitate further negotiations. In carrying out this work and in tabling further proposals, Members should be mindful of the overall deadline for finishing the negotiations and the resulting need to move into focussed drafting mode early enough after the Sixth Ministerial Conference so as to allow for a timely conclusion of text-based negotiations on all aspects of the mandate.

5. Work needs to continue and broaden on the process of identifying individual Member's trade facilitation needs and priorities, and the cost implications of possible measures. The Negotiating Group recommends that relevant international organizations be invited to continue to assist Members in this process, recognizing the important contributions being made by them already, and be encouraged to continue and intensify their work more generally in support of the negotiations.

6. In light of the vital importance of technical assistance and capacity building to allow developing countries and LDCs to fully participate in and benefit from the negotiations, the Negotiating Group recommends that the commitments in Annex D's mandate in this area be reaffirmed, reinforced and made operational in a timely manner. To bring the negotiations to a successful conclusion, special attention needs to be paid to support for technical assistance and capacity building that will allow developing countries and LDCs to participate effectively in the negotiations, and to technical assistance and capacity building to implement the results of the negotiations that is precise, effective and operational, and reflects the trade facilitation needs and priorities of developing countries and LDCs. Recognizing the valuable assistance already being provided in this area, the Negotiating Group recommends that Members, in particular developed ones, continue to intensify their support in a comprehensive manner and on a long-term and sustainable basis, backed by secure funding.

7. The Negotiating Group also recommends that it deepen and intensify its negotiations on the issue of S&DT, with a view to arriving at S&DT provisions that are precise, effective and operational and that allow for necessary flexibility in implementing the results of the negotiations. Reaffirming the linkages among the elements of Annex D, the Negotiating Group recommends that further negotiations on S&DT build on input presented by Members in the context of measures related to GATT Articles V, VIII and X and in their proposals of a cross-cutting nature on S&DT.

## **I. PROPOSED MEASURES TO IMPROVE AND CLARIFY GATT ARTICLES V, VIII AND X**

### **A. PUBLICATION AND AVAILABILITY OF INFORMATION**

- Publication of Trade Regulations
- Publication of Penalty Provisions
- Internet Publication
  - (a) of elements set out in Article X of GATT 1994
  - (b) of specified information setting forth procedural sequence and other requirements for importing goods
- Notification of Trade Regulations
- Establishment of Enquiry Points/SNFP/Information Centres
- Other Measures to Enhance the Availability of Information

B. TIME PERIODS BETWEEN PUBLICATION AND IMPLEMENTATION

- Interval between Publication and Entry into Force

C. CONSULTATION AND COMMENTS ON NEW AND AMENDED RULES

- Prior Consultation and Commenting on New and Amended Rules
- Information on Policy Objectives Sought

D. ADVANCE RULINGS

- Provision of Advance Rulings

E. APPEAL PROCEDURES

- Right of Appeal
- Release of Goods in Event of Appeal

F. OTHER MEASURES TO ENHANCE IMPARTIALITY AND NON-DISCRIMINATION

- Uniform Administration of Trade Regulations
- Maintenance and Reinforcement of Integrity and Ethical Conduct Among Officials
  - (a) Establishment of a Code of Conduct
  - (b) Computerized System to Reduce/Eliminate Discretion
  - (c) System of Penalties
  - (d) Technical Assistance to Create/Build up Capacities to Prevent and Control Customs Offences
  - (e) Appointment of Staff for Education and Training
  - (f) Coordination and Control Mechanisms

G. FEES AND CHARGES CONNECTED WITH IMPORTATION AND EXPORTATION

- General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation
  - (a) Specific Parameters for Fees/Charges
  - (b) Publication/Notification of Fees/Charges
  - (c) Prohibition of Collection of Unpublished Fees and Charges
  - (d) Periodic Review of Fees/Charges
  - (e) Automated Payment
- Reduction/Minimization of the Number and Diversity of Fees/Charges

H. FORMALITIES CONNECTED WITH IMPORTATION AND EXPORTATION

- Disciplines on Formalities/Procedures and Data/Documentation Requirements Connected with Importation and Exportation

- (a) Non-discrimination
- (b) Periodic Review of Formalities and Requirements
- (c) Reduction/Limitation of Formalities and Documentation Requirements
- (d) Use of International Standards
- (e) Uniform Customs Code
- (f) Acceptance of Commercially Available Information and of Copies
- (g) Automation
- (h) Single Window/One-time Submission
- (i) Elimination of Pre-Shipment Inspection
- (j) Phasing out Mandatory Use of Customs Brokers

I. CONSULARIZATION

- Prohibition of Consular Transaction Requirement

J. BORDER AGENCY COOPERATION

- Coordination of Activities and Requirement of all Border Agencies

K. RELEASE AND CLEARANCE OF GOODS

- Expedited/Simplified Release and Clearance of Goods
  - (a) Pre-arrival Clearance
  - (b) Expedited Procedures for Express Shipments
  - (c) Risk Management /Analysis, Authorized Traders
  - (d) Post-Clearance Audit
  - (e) Separating Release from Clearance Procedures
  - (f) Other Measures to Simplify Customs Release and Clearance
- Establishment and Publication of Average Release and Clearance Times

L. TARIFF CLASSIFICATION

- Objective Criteria for Tariff Classification

M. MATTERS RELATED TO GOODS TRANSIT

- Strengthened Non-discrimination
- Disciplines on Fees and Charges
  - (a) Publication of Fees and Charges and Prohibition of Unpublished ones
  - (b) Periodic Review of Fees and Charges
  - (c) More effective Disciplines on Charges for Transit
  - (d) Periodic Exchange Between Neighbouring Authorities
- Disciplines on Transit Formalities and Documentation Requirements
  - (a) Periodic Review
  - (b) Reduction/Simplification
  - (c) Harmonization/Standardization
  - (d) Promotion of Regional Transit Arrangements
  - (e) Simplified and Preferential Clearance for Certain Goods

- (f) Limitation of Inspections and Controls
- (g) Sealing
- (h) Cooperation and Coordination on Document Requirements
- (i) Monitoring
- (j) Bonded Transport Regime/Guarantees
- Improved Coordination and Cooperation
  - (a) Amongst Authorities
  - (b) Between Authorities and the Private Sector
- Operationalization and Clarification of Terms

## **II. PROPOSED PROVISIONS FOR EFFECTIVE COOPERATION BETWEEN CUSTOMS AND OTHER AUTHORITIES ON TRADE FACILITATION AND CUSTOMS COMPLIANCE**

- Multilateral Mechanism for the Exchange and Handling of Information

## **III. CROSS-CUTTING SUBMISSIONS**

### **1. Needs and Priorities Identification**

- General tool to assess needs and priorities and current levels of trade facilitation
- Take result of assessment as one basis for establishing trade facilitation rules, arranging S&D treatment and providing technical assistance and capacity building support

### **2. Technical Assistance and Capacity Building**

- Technical Assistance and Capacity Building in the Course of the Negotiations
  - Identification of Needs and Priorities
  - Compilation of Needs and Priorities of Individual Members
  - Support for Clarification and Educative Process Including Training
- Technical Assistance and Capacity Building Beyond the Negotiations Phase
  - Implementation of the Outcome
  - Coordination Mechanisms for Implementing Needs and Priorities as well as Commitments

### **3. Multiple-Areas**

- Identification of Trade Facilitation Needs and Priorities of Members
  - Cost Assessment
  - Inter-Agency Cooperation
  - Links and Inter-relationship between the Elements of Annex D
  - Inventory of Trade Facilitation Measures
  - Assessment of the Current Situation
  - Timing and Sequencing of Measures
-