

WORLD TRADE ORGANIZATION

RESTRICTED

TN/TF/M/21

29 November 2007

(07-5252)

Negotiating Group on Trade Facilitation

SUMMARY MINUTES OF THE MEETING

Held in the Centre William Rappard
from 5-9 November 2007

Chairman: H.E. Mr. Eduardo Ernesto Sperisen-Yurt (Guatemala)

1. The Chairman recalled that the proposed agenda for the meeting had been circulated in WTO/AIR/3101. As indicated in the airgram and the accompanying fax on the suggested structure, the meeting sought to respond to Members' call for a more focussed negotiating mode, initiating a process of intensified textual work. In addition, one would address the standing item of looking into the participation of the Annex D organizations.
2. The agenda was adopted.
3. The Chairman wished to say a few words on how he saw the negotiating week unfold. Its general structure had been communicated to Members in his fax of 26 October. As indicated therein, it was planned for the meeting to open and close in plenary mode, leaving the middle days for focussed textual work. Those drafting initiatives were scheduled to take place in a variety of formats to ensure maximum flexibility. The mornings of the sessions would be conducted under his chairmanship in open-ended, informal mode, working on the textual proposals as set out in the compilation document. Based on those deliberations the Chair would then invite Members to engage in further negotiation amongst themselves in the afternoon, focussing on a number of issues identified as requiring additional work.
4. The results of those inter-delegation activities would be fed back into the Chair-led process through reports by the Members involved, informing the Group about progress made and yet to be achieved. There would also be two types of reporting from the Chair to further guide the debate. One verbal brief at the end of every morning session, recalling key points made and highlighting open questions necessitating additional work. And a second, more comprehensive, report at the end of the negotiating week, summarizing the main issues raised and drafting suggestions made. Both reports were also meant to assist Members with their internal record-keeping efforts and to facilitate their preparation for future negotiating activities.
5. All of those steps were aimed at creating an environment conducive to intensified work. They sought to initiate the more focussed negotiating process Members had solicited in the Chair consultations on the Group's future path. Setting up this mode of operation did, however, not amount to changing the basic rules of the game. Fundamental principles of the previous process such as its Member-driven, transparent and inclusive nature would remain intact.
6. This was also the case for the integral manner of approaching the Trade Facilitation agenda, looking at all elements in an interconnected way. S&DT and TACB remained a fundamental part of

the overall balance, which was why he had considered it paramount that adequate time be awarded to its discussion over the course of the week.

A. NEW AND REVISED PROPOSALS

7. The Chairman said that work on revising earlier propositions had continued with several papers being only a short time away from their formal presentation. There not being any communications for immediate tabling at this point in time and no requests for any other contribution that a Member wished to make in the plenary, he suggested moving straight to the informal working sessions.

8. The plenary was adjourned.

9. Upon resumption of the plenary, the following statements were made in formal mode:

10. The representative of Canada introduced document TN/TF/W/136/Rev.1, explaining that it was a revision of an earlier proposal on the issue of separating release from clearance that Canada and Switzerland had been working on in response to comments from various Members. Canada had also prepared responses to some questions on border agency cooperation following up on a workshop held on the matter.

11. A number of questions had been posed during the July session on border agency cooperation, including during the specific workshop mentioned previously. At that workshop, the sponsors of TN/TF/W/128 had asked whether the elements of their proposal were sufficiently covered by other proposals currently under consideration in the Negotiating Group on Trade Facilitation. A number of reactions had been given in that regard. It was worth remembering, as was mentioned in the text, that the two-paragraph proposal W/128 set out in each paragraph a principle followed by a list of specific requirements. In the first paragraph of W/128, there was the principle that border agencies within a Member country should cooperate and coordinate. The second paragraph proposed the principle that agencies across a border in neighbouring countries should cooperate and coordinate their customs procedures at specific border crossings. In addition to the principles, the text suggested certain specific requirements which were a necessary condition for satisfying the principle. The document then suggested possible ways of moving ahead with the principles and/or the specific requirements. The sponsors of this proposal continued to invite suggestions and comments from Members both on W/128 and the responses provided in the informal room document distributed in this session.

12. With respect to TN/TF/W/136/Rev.1 which was proposed jointly by Canada and Switzerland as a revision to the original TN/TF/W/136, he would highlight the main changes made.

13. First, the phrase "in cases where goods are not cleared upon arrival" had been added to paragraph 1 at the beginning of the proposal, to react to the comments that, in many cases, clearance of the majority of goods happened immediately and simultaneously with release in the sense of release and clearance being immediate and simultaneous processes. Those cases did not require disciplines on a system for separation of release from clearance. The phrase at the beginning of paragraph 1 had been added to indicate that the proposal referred specifically to cases where goods were not cleared upon arrival.

14. In addition, the phrase "in accordance with Members, WTO rights and obligations" had been added to the same paragraph in response to comments from Members. It was a specification of the proposal's reference to a Member not being required to release goods where the Member's import requirements had not been satisfied.

15. In the second paragraph, the ending had been changed to read "shall not represent an indirect protection to domestic products or taxation of imports for fiscal purposes". The original wording had emerged from something the sponsors had come up with by themselves whereas the revised language had been taken from the first paragraph of GATT Article VIII. The sense was that Members would be more comfortable with language that was familiar to them.

16. The third paragraph contained the idea that once import requirements had been satisfied, the guarantee was no longer required. In response to some comments by Members, there was now explicit reference to the guarantee being discharged without delay.

17. Finally, definitions had been added of release and clearance in response to requests from the Membership for such definitions to be provided. In order to assure maximum comfort with those definitions, they had been borrowed from the WCO glossary of international customs terms of 2006.

18. The representative of Ecuador welcomed the new format of the negotiations proposed by the Chair which had allowed the current process to be carried out. Ecuador wished to manifest its commitment to constructive negotiations in which the needs and concerns of all developing countries were taken into consideration. In that context, Ecuador agreed with the statements made by Costa Rica, Mexico and Uruguay regarding the importance of the implementation mechanism of an eventual Agreement on Trade Facilitation with respect to special and differential treatment. One of the fundamental principles regarding that mechanism was that, in the long term, all Members shared the benefits. Consequently, Ecuador was of the view that the best endeavour concept was not consistent with the objectives of the Trade Facilitation negotiations to clarify and improve relevant aspects of Articles V, VIII and X of the GATT. This did not mean that one should neglect existing asymmetries amongst Members with respect to trade facilitation.

19. Ecuador wished to use the opportunity to reiterate its sensitivities already expressed in the past with respect to the proposals on quota-free transit, expedited shipments, Single Window, customs brokers and risk management, while expressing its willingness to discuss them in a constructive manner with the proponents. Ecuador insisted on the importance of technical assistance and capacity building that had to be practical, efficient and sufficient.

20. The Negotiating Group took note of the statements made.

B. AD HOC ATTENDANCE OF RELEVANT INTERNATIONAL ORGANIZATIONS, INCLUDING THE IMF, OECD, UNCTAD, WCO AND THE WORLD BANK, AT THE NEXT MEETING OF THE NEGOTIATING GROUP

21. The Chairman suggested inviting relevant international organizations, including the IMF, OECD, UNCTAD, WCO and the World Bank to attend the next formal meeting of the Negotiating Group on an ad hoc basis, as provided for in the Work Plan.

22. It was so agreed.

C. OTHER BUSINESS

23. The Chairman addressed the issue of the Group's next meeting. Consultations with the Secretariat had shown for there to be a possibility to meet again in the week of 10 December. Details on the duration and the structure of the meeting would be communicated at a later stage.

24. It was so agreed.

25. The Negotiating Group took note of the statements made.
26. The meeting was adjourned.
