

COMMUNICATION FROM THE UNITED STATES

The following communication, dated 4 February 2005, is being circulated at the request of the United States.

EXPRESS SHIPMENTS

I. PROPOSAL

X Provide specific expedited procedures for express shipments.

II. IMPROVEMENT AND CLARIFICATION

1. The silence of Article VIII of GATT 1994 regarding the treatment of express shipments reflects a major difference between the trading world of 1947 and 2005. The United States envisions a significant enhancement of certainty and consistency for treatment of express shipments through a commitment to provide separate expedited procedures, including individual elements such as providing for import data being submitted in advance of arrival of goods, an absence of weight or value restrictions on what is considered "express", the availability under normal circumstances to secure rapid release, and the availability of "*de minimis*" procedures for low value shipments.

III. EXPERIENCE

2. Express shipments represent an increasingly important element of every Members logistical and supply-chain infrastructure, a key element to economic output in today's global just-in-time business environment. Express shipments are particularly important to small and medium size enterprises around the world, which often rely on nimbleness in operation to compete. In each of its recent free trade agreements, the United States and its partners have agreed to commitments on treatment of express shipments.

IV. COST

3. The commitments in this area involve fairly simple modifications in regulatory practices, and do not carry a direct cost except to the extent that off-hours processing is provided for such shipments. However, in most cases, such costs can be effectively calculated with a precision that allows them to be directly borne by express shipment providers receiving the service. Otherwise, the basic elements of a regime for treatment of express shipments are generally a matter of amending regulatory authority.

V. SPECIAL AND DIFFERENTIAL TREATMENT

4. The United States is not alone in recognizing the importance of ensuring separate expedited treatment of express shipments. We also note an awareness of situations where uncertainties and other problems related to treatment of express shipments have been harmful to the output of manufacturing facilities in developing countries. Much like the situation with the establishment of an Internet website for providing information to traders, most Members have taken some steps toward recognizing the need for special treatment of express shipments. An early effort to establish a diagnostic tool for a quick assessment of the status in individual Members would be particularly useful in moving forward. In this manner, negotiations can begin to assess appropriate needs for transition periods and develop time lines setting out elements needed for full implementation. The United States looks forward to working with Members to establish appropriate transition mechanisms to address particular needs.

VI. TECHNICAL ASSISTANCE AND CAPACITY BUILDING

5. The United States has been active in providing technical assistance in this specific area. Notably, this has been identified as potential promising for private sector participation in technical assistance efforts.

VII. PROPOSED NEXT STEPS IN NEGOTIATIONS

- X Members develop specific elements for commitment on treatment of express shipments.*
 - X Members work together to develop method and means for undertaking diagnosis of individual Member situations regarding treatment of express shipments, also assessing time and resources needed for implementation of the proposal.*
 - X Members, working with potential technical assistance recipients and providers, explore mechanisms for identifying and addressing needs related to achieving implementation.*
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