## WORLD TRADE

## **ORGANIZATION**

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**Negotiating Group on Trade Facilitation** 

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#### COMMUNICATION FROM THE AFRICAN GROUP

The following communication, dated 21 July 2005, from the Delegation of Egypt, on behalf of the African Group, is being circulated in advance of the Negotiating Group meeting of 25-26 July 2005.

# OPERATIONALIZING TECHNICAL ASSISTANCE AND CAPACITY BUILDING IN TRADE FACILITATION

#### I. INTRODUCTION

- 1. The modalities for Negotiations on Trade Facilitation on the contain a strong commitment by members, in particular developed countries to provide technical assistance and support for capacity building to enable developing and least-developed countries to participate in and benefit from the negotiations.
- 2. Paragraphs 5 and 6 of Annex D of the July 2004 Framework envisage the following kinds of technical assistance and support for capacity building in Trade Facilitation:
  - (i) Technical assistance and capacity building in the course of the negotiations; and
  - (ii) Technical assistance and capacity building beyond the negotiations phase.
- 3. It is important to clarify that the above two broad areas of support are interlinked since support for some of the activities where commitments are envisaged could be provided during the current phase of the negotiations.

#### II. PROPOSAL

- A. TECHNICAL ASSISTANCE AND CAPACITY BUILDING IN THE COURSE OF THE NEGOTIATIONS
- 4. In order to operationalize support for technical assistance and capacity building in line with Annex D of the July 2004 Framework, the African Group proposes the following during the current phase of the negotiations:

 $<sup>^{1}</sup>$  Annex D of WT/L/579 (Decision Adopted by the General Council on 1 August 2004 or sometimes referred to as the July 2004 Framework)

### 1. Identification of needs and priorities<sup>2</sup>

5. The process of identification of the needs and priorities of individual Members, particularly those of developing and least-developed countries is provided for in paragraph 4 of Annex D of the July 2004 Framework. This process has been partially addressed by the WCO Self Assessment Checklist for GATT Articles V, VIII and X<sup>3</sup>, and other tools such as the WCO Time Release Study. However, the African Group would like to propose for a revision of the WCO Self Assessment Checklist that would be simpler and in conformity with the scope of the negotiations and that would cover not only Customs issues, but also all formalities and procedures related to importation, exportation and transit in line with GATT Articles V, VIII and X. This will assist Members in identifying their needs and priorities falling within the scope of the negotiations.

#### 2. Compilation of needs and priorities of individual Members

- 6. In accordance with Annex D of the July 2004 Framework, Members are expected to identify their needs and priorities, particularly those of developing and least developed countries. The African Group would like to propose that the WTO Secretariat undertakes to compile needs and priority put forward by different Members. The compilation of needs and priorities of individual Members which, should be continually updated as appropriate, would serve as a useful reference by those Members, organizations and other donors willing to provide targeted assistance during and after the negotiations.
- 7. In this regard, those Members having difficulties in identifying their needs and priorities should be assisted.

### 3. Support for clarification and educative process including training

8. The African Group welcomes the support so far extended by the WTO, individual Member countries, and other organizations for clarification and educative process, including training of customs officials, with respect to GATT Articles V, VIII and X. This type of support should be enhanced both at the national and regional level in order to facilitate the participation of developing and least-developed countries in the negotiations. Individual Members and organizations expected to support these activities should come forward and give their indications in order to trigger requests by those member countries in need. Furthermore, clarification and educative process should contribute to the negotiations through factual reporting of the outcome of seminars/workshops by the relevant organization during the meetings of the Negotiating Group on Trade Facilitation.

#### B. TECHNICAL ASSISTANCE AND CAPACITY BUILDING BEYOND THE NEGOTIATIONS PHASE

#### 1. Implementation of the Outcome

9. Annex D of the July 2004 Framework provides a strong commitment by Members, in particular developed countries, to provide technical assistance and capacity building not only during negotiations but also in implementing the obligations resulting from the negotiations. It is also clear from the modalities on Trade Facilitation that developing or least-developed countries shall not be required to implement commitments if they lack implementation capacities and have not received the required technical assistance. Furthermore, international organizations providing assistance within the area of trade facilitation are called upon to collaborate.

<sup>&</sup>lt;sup>2</sup> The importance of identification of needs and priorities has also been mentioned in the submissions TN/TF/W/29 and TN/TF/W/41.

<sup>&</sup>lt;sup>3</sup> WCO Self Assessment Checklist for GATT Articles has been circulated as a WTO document (TN/TF/W/16).

# 2. Coordination mechanism for implementation of needs and priorities of Members as well as commitments

- 10. The support required to implement trade facilitation commitments goes beyond the traditional technical assistance provided by the WTO Secretariat. For instance some trade facilitation measures require support for infrastructural development.
- 11. Coordination among relevant international agencies and donors in the provision of technical assistance and capacity building is therefore important during and after the negotiations. This has also been mentioned in the Note by the WTO Secretariat on Technical Assistance and Capacity Building on Trade Facilitation (TN/TF/W/5).
- 12. While the modalities for negotiations on trade facilitation alludes to coherence and a collaborative approach among international organizations providing technical assistance in this area, their specific role with regard to implementation of the needs and priorities of developing and least-developed countries need to be clarified in order to ensure complementarity.
- 13. The African Group therefore urges Members to consider the idea of establishing a coordination/collaborative mechanism<sup>4</sup> or building upon any existing mechanism involving various partners engaged in trade facilitation in order to enhance synergies and ensure efficient use of available resources. Such mechanism should ensure that the needs and priorities with respect to trade facilitation identified by developing and least-developed countries are addressed effectively; that available resources will be efficiently used; and that there will be long-term sustainability of technical assistance programmes.

#### III. CONCLUSION

14. The African Group believes that trade facilitation is important in promoting their participation in the multilateral trading system. It is because of this realization that African countries at both the national and regional level continue to put in place measures meant to enhance trade facilitation against the backdrop of limited resources. The current negotiations offer the opportunity in complimenting the efforts of individual countries in the area of trade facilitation. The success or otherwise of trade facilitation negotiations is therefore dependant on the provision of adequate and sustained technical assistance and capacity building for developing and least-developed countries.

<sup>&</sup>lt;sup>4</sup> The WTO Secretariat note TN/TF/W/5 points out how some collaborative mechanisms have worked in the area of trade facilitation.