

WORLD TRADE ORGANIZATION

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Negotiating Group on Trade Facilitation

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COMMUNICATION FROM THE EUROPEAN COMMUNITIES, THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU, AND SWITZERLAND

The following communication, dated 1 June 2006, is being circulated at the request of the Delegations of the European Communities, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, and Switzerland.

AUTHORISED TRADERS

1. The following textual proposal is submitted by the European Communities, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, and Switzerland for consideration by the Negotiating Group. It is closely based on the proposals on authorised traders made in the joint communication TN/TF/W/87 of 4 April 2006 and takes account of the discussion and other submissions on this issue in the Negotiating Group.

Textual proposal

"Authorised traders

- Members shall apply simplified import and export formalities for economic operators which meet specific criteria ("authorized traders"), providing in particular for more rapid release and clearance of goods, a lower incidence of physical inspections, and facilitations with regard to declarations, duty payments, documentation, documentation inspections and data.
- The specific criteria may include the following: (1) an appropriate record of compliance with import and export requirements; (2) a system of managing records to allow for necessary controls; (3) financial solvency (including, where appropriate, provision of a sufficient security/guarantee); and (4) an appropriate system of security and safety standards.
- The specific criteria shall not be designed or applied so as to afford or create arbitrary or unjustifiable discrimination or a disguised restriction on international trade. All economic operators, including small- and medium-sized enterprises, in the territories of all Members, including developing and least-developed countries, have the right to apply for authorized trader status.
- Members shall use objective risk management techniques in the assessment of any application for authorized trader status.

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- The specific criteria to qualify as an authorized trader, along with all necessary information on how to apply for authorized trader status, shall be published and made readily available to all interested parties.
- Members shall draw upon relevant international standards and instruments as a basis for authorized trader schemes¹, where such standards and instruments exist, except when they would be an inappropriate or ineffective means for the fulfilment of the legitimate objectives pursued."

Special and differential treatment, technical assistance and capacity building

2. With regard to special and differential treatment, technical assistance and capacity building in relation to authorised traders, TN/TF/W/87 set out some proposals, including with regard to transition periods, other necessary flexibilities, the sequencing of reforms and the provision of support. These issues could be taken forward through the development of a horizontal mechanism that would, among others, take full account of the needs, priorities, cost concerns and implementation capacities of developing and least-developed Members in relation to commitments. A number of relevant submissions on this issue have been made to the Negotiating Group, one of which contained a textual proposal. Such textual proposals should continue to be developed in parallel to the textual proposal set out above.

¹ A relevant international standard for this purpose is Standard 3.32, Chapter 3 of the Revised Kyoto Convention.