

Trade and Development Commission
5th session

17-21 June 2013
Geneva

Multilateral Negotiations on Trade Facilitation

By
Azhar Jaimurzina
Economic Affairs Officer, Trade Facilitation Section
Trade Logistics Branch
Division on Technology and Logistics
UNCTAD

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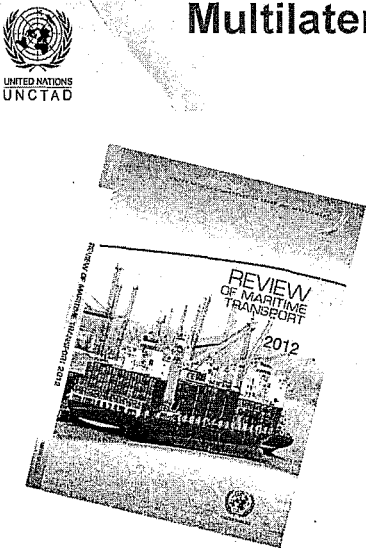


Trade and Development Commission
fifth session, 17-21 June 2013, Geneva
Item 5: Key trends in international transport
and implications for development


Multilateral negotiations on trade facilitation

 UNITED NATIONS
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Azhar.Jaimurzina@UNCTAD.org
Trade Facilitation Section, Trade Logistics Branch, Division on Technology and Logistics



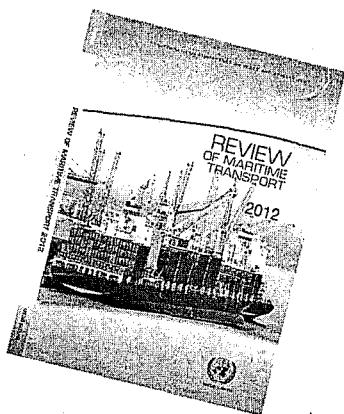
Multilateral negotiations on trade facilitation

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- A. Update on the Trade Facilitation (TF) negotiations in the World Trade Organization (WTO)
- B. Implementing TF: Lessons from the national TF implementation plans



Multilateral negotiations on trade facilitation



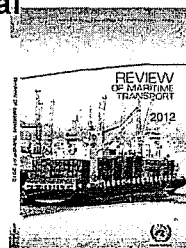
- A. Update on the Trade Facilitation (TF) negotiations in the World Trade Organization (WTO)
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A. Update on the WTO TF Negotiations

Key Issues

- I. TF as the early or only harvest of the WTO Doha Round
- II. Section I of the WTO draft consolidated negotiation text (DCNT): Codifying "best practices" in TF and proposing new institutional arrangements
- III. Section II of DCNT: Special and Differential Treatment for Developing Countries





A. Update on the WTO TF Negotiations

I. TF as the early or only harvest of the WTO Doha Round

- The challenge of the Doha Single Undertaking
- Benefits of a TF agreement vs.
 - ❖ Other Doha deliverables
 - ❖ Costs of the TF implementation
- Next deadline: The 9th Ministerial, Bali, December 2013



A. Update on the WTO TF Negotiations

II. Section I of DCNT: Codifying “best practices” in TF

- Publication and Availability of Information
- Prior Publication and Consultation
- Advance Ruling
- Appeal Procedures
- Other Measures to Enhance Impartiality, Non-Discrimination and Transparency
- Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation
- Release and Clearance of Goods
- Consularization
- Border Agency Cooperation
- Declaration of Transhipped or in Transit Goods]
- Formalities Connected With Importation And Exportation
- Freedom of Transit
- Customs Cooperation

Part I.2. Individual measures currently included in the draft negotiating text

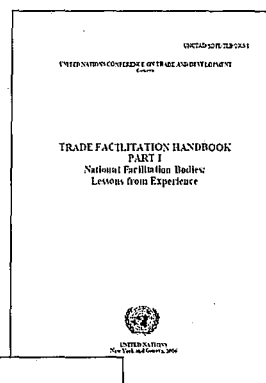
TF measures currently included in the draft negotiating text	
1. Publication	21. Expedited clearance
2. Information available through internet	22. Expedited shipment
3. Inquiry points	23. Information of consularization requirements
4. Consultation	24. Border Agency Cooperation
5. Friction between publication and entry into force	25. Publication of rules-chapters or internal goods
6. Coordination of customs officers and national laws	26. Release of transhipped and documentation requirements
7. Consultations	27. Publication of information on customs and documentation requirements
8. Provision of advance ruling	28. Acceptance of copies
9. Appeal of appeal	29. Law of international customs
10. Appeal procedure for a customs entry prior to a WTO clearance	30. Single document
11. Import declaration forms	31. Publication of international requirements and procedures
12. Customs	32. Law of transit
13. The provisions	33. Customs cooperation requirements
14. Discipline on fees and charges imposed on or in connection with importation and exportation	34. Uniform forms and documentation requirements
15. Priority objectives	35. Customs cooperation requirements
16. Pre-arrival processing	36. Temporary admission of goods
17. Separation of means from the administration and payment of customs duties, taxes, fees and charges	37. Transit and customs processing
18. Risk management	38. Freedom of transit
19. Post-clearance audit	39. Customs cooperation
20. Establishment and publication of advance ruling	40. National committee on trade facilitation



A. Update on the WTO TF Negotiations

II. Section I of DCNT: the proposed WTO institutional arrangements

- A new WTO body:
a WTO TF Committee
- Promoting another TF
"best practice": a national TF
Committee



ARTICLE 14: NATIONAL COMMITTEE ON TRADE FACILITATION

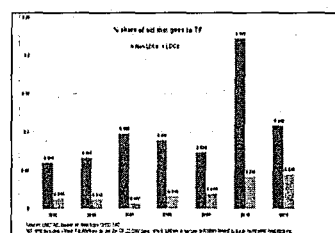
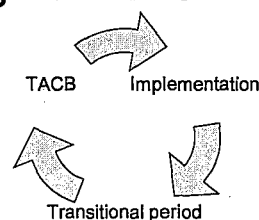
1. Each Member shall establish and/or maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of provisions of this Agreement.



A. Update on the WTO TF Negotiations

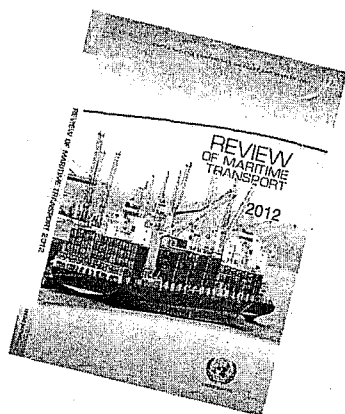
III. Section II of DCNT: Special and Differential Treatment (SDT) for Developing Countries

- Annex D Mandate: Search for
an innovative SDT Solution
- Proposed categories A, B and C
for the TF commitments of the
developing countries
- International aid for TF reforms





Multilateral negotiations on trade facilitation



A. Update on the Trade Facilitation (TF) negotiations in the World Trade Organization (WTO)

B. Implementing TF: Lessons from the national TF implementation plans

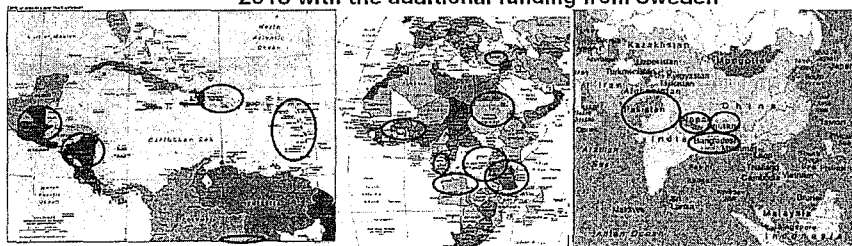


B. Lessons from the national TF implementation plans*

Key Issues

- I. Current TF performance in developing countries
- II. Priorities, times and costs of TF reforms
- III. SDT Needs

Current status: activities completed in 26 countries, 3 more to be launched in 2013 with the additional funding from Sweden



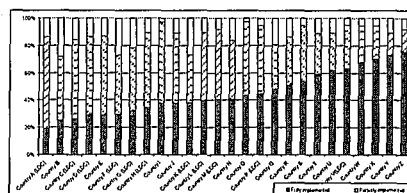
* Preliminary findings



B. Lessons from the national TF implementation plans

I. Current TF performance in developing countries

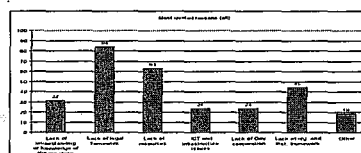
● **Link between TF performance and the level of development:** Less than 50% of the TF measures are currently implemented and even less in LDCs. At the same time, most TF measures are midway through the implementation process.



● **Non-compliance areas:** Many demanding, in terms of the required level of inter-agency cooperation and the sophistication of the existing institutional, legal and regulatory framework, measures remain yet to be implemented

Major non compliance areas
 Publication/Availability Of Information (Art. 1)
 Advance Ruling (Article 3),
 Border Agency Cooperation (Article 9)
 Prior Publication And Consultation (Article 2)
 Customs Cooperation (Article 12)

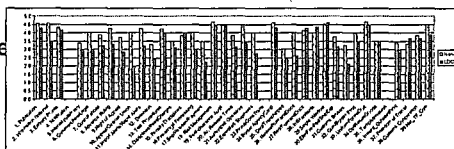
● **Reasons for the lack of implementation:** the lack of resources but also the legal issues



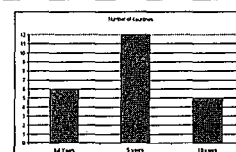
B. Lessons from the national TF implementation plans

II. Priorities, times and costs of TF reforms

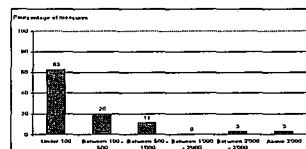
● Despite the level of implementation, TF is considered as a priority area for the national economic development



● 75 per cent of the countries considered that they could fully implement all the measures within a five year period.



● Costs of reaching full compliance are very much country dependent and range from USD 136'000 to USD 15'400'000 .



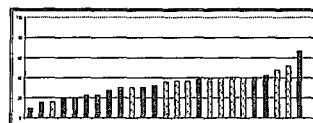
● The average cost of the large majority of the TF measures is less than USD 100'000.



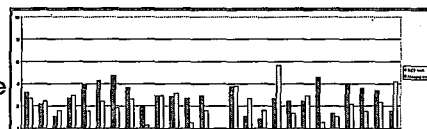
B. Lessons from the national TF implementation plans

III. SDT needs for the TF implementation

● For the majority of the countries and for most of the LDCs, measures requiring SDT (Categories B or C) constitute, at least, one third of the measures currently included in the draft WTO text.



● For the majority of the countries, including most of the LDCs, needs for TACB are higher than their need for just the additional implementation time.



● The percentage of the measures requiring TACB range from 8 to 48 per cent of the measures. As can be expected, the level of the request for TACB is much higher in LDCs.



Conclusions

● TF remains a major challenge but a also a priority area for the national development for developing countries and for LDCs in particular

● WTO negotiations offer a window of opportunity for a multilateral deal on TF

● UNCTAD's work on the national TF implementation plans (RMT 2013, forthcoming) identifies the major non-compliance areas, the range of the time and costs requirements and the needs for TACB for the developing countries, and LDCs, in particular.



Thank You

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