

Technical note on the WTO Trade Facilitation Agreement

Article 8: Border agency cooperation

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CHAPTER 8 BORDER AGENCY COOPERATION

Border agency cooperation: Article 8

Traders have to comply not only with at-the-border regulations for each jurisdiction they enter and exit (including the borders of their home country) but also with behind-the-border procedures with each domestic agency involved in the international trade process.

Members shall enhance cooperation among domestic agencies and between bordering countries' control agencies to facilitate trade.

The difference in the regulations between countries, coupled with the lack of coordination between regulatory bodies within the same country or neighbouring countries, harms the business environment and makes doing business unduly burdensome, particularly for SMEs. This often results in delays in the completion of formalities, duplication of efforts and paperwork (both for traders and government agencies) and additional costs for traders.

Article 8 aims to facilitate coordination between border regulatory agencies (at both national and international levels) resulting in lower costs, faster processing and improved customer satisfaction for traders.

The measure

ARTICLE 8 BORDER AGENCY COOPERATION

1. Each Member shall ensure that its authorities and agencies responsible for border controls and procedures dealing with the importation, exportation, and transit of goods cooperate with one another and coordinate their activities in order to facilitate trade.
2. Each Member shall, to the extent possible and practicable, cooperate on mutually agreed terms with other Members with whom it shares a common border with a view to coordinating procedures at border crossings to facilitate cross-border trade. Such cooperation and coordination may include:
 - (a) alignment of working days and hours;
 - (b) alignment of procedures and formalities;
 - (c) development and sharing of common facilities;
 - (d) joint controls;
 - (e) establishment of one stop border post control.

Understanding the measure

What is covered?

Core obligation

Article 8 requires Members to ensure cooperation between border regulatory agencies at both the national and international level.

National cooperation

All national authorities and agencies responsible for border controls and procedures dealing with importation, exportation and transit of goods (such as those issuing licences and certificates, testing laboratories etc.) must cooperate with one another and coordinate their activities in order to provide a better end-to-end experience for traders.

Shared border cooperation

The Agreement also requires Members sharing a common border to cooperate, *to the extent possible and practicable*, with one another with the overarching aim of facilitating trade. While the following list of cooperation and coordination steps may be used as a starting point, countries are encouraged to explore other areas where they can contribute to improve traders' experience:

- Alignment of working days and hours;
- Alignment of procedures and formalities;
- Development and sharing of common facilities;
- Joint controls;
- Establishment of one stop border post controls.

The 'shared border obligation' does not apply to Members who do not share a common border with a neighbouring country, e.g. independent island states such as the Pacific Island nations.⁹

What is not covered?

There is no manifest requirement for harmonization of procedures and documentation requirements for different agencies that are involved in importation, exportation and transit of goods.

Under the shared border obligation, the examples of cooperation given are only indicative and countries can agree on what additional measures are needed to ensure that trade facilitation is optimized.

Benefits and opportunities for stakeholders

Border agency cooperation is crucial to traders to help them predict and plan their operations and future trade activities, factoring in accurate times and process documentary requirements.

There is also an opportunity for government agencies to use cooperation mechanisms to simplify processes and reduce documentary requirements to improve the efficiency and effectiveness of trade transactions, reduce the burden of compliance on traders and increase trade volumes.

The reduction of bottlenecks will also improve supply chain security and limit the burden on existing infrastructure, including storage facilities and testing laboratories. Successful implementation will also yield greater transparency and credibility to customs services, leading to reductions in delays and transaction costs at the border. Fostering transparent, consistent and predictable processes reduces bribes and informal payments to officials and enhances border agency accountability.

Implementation

Implementation checklist

The following checklist may be used to estimate the level of compliance with the measure:

- There is a national implementation framework in place ensuring all national agencies responsible for border controls and procedures cooperate and coordinate with each other.
- There is a minimum (required) level of cooperation with other countries, who share common border crossing points, whenever possible and practicable.
- Members are obliged to ensure coordination at the national level.
- There is a harmonization of procedures and documentation requirements by all national agencies dealing with importation, exportation and transit of goods.

⁹ Such WTO members include Australia, Fiji, New Zealand, Papua New Guinea, Samoa, the Solomon Islands, Tonga and Vanuatu.

Preparing a national implementation plan

The following template may be used as a basis for a national implementation plan:

Implementation sequence	Actions suggested
	Preparatory phase
	Nominate a lead agency that will coordinate implementation of the measure. Identify national and international relevant agencies, ministries, private sector representatives and form a project team with representation from each agency.
	Identify shortcomings in national legal, regulatory and institutional frameworks that may hinder implementation and address them.
	Review existing procedures and business processes to identify bottlenecks and devise new processes using enhanced cooperation and coordination between agencies and neighboring countries.
	Determine changes required to organizational structures and ICT infrastructures of agencies to enable successful deployment.
	Set-up phase
	Implement changes identified to legal, regulatory and institutional frameworks of the countries and train staff on the changes.
	Ensure/improve implementation of newly designed business processes and procedures and train staff.
	Implement changes required to organizational structures, other infrastructure (e.g. setting up joint border controls), ICT infrastructure and train staff.
	Prepare and undertake a robust public awareness-raising campaign.
	Management and follow-up phase
	Train staff and provide them with the necessary equipment/infrastructure.
Follow up to ensure compliance of the measure.	
Regularly review and audit business processes to seek continuous improvements. Seek feedback from private sector to include traders' experiences and perspectives.	
Average time for implementation	Between three and five years, depending on circumstances in each member country.
Leading implementation agency	Customs is most commonly chosen as the leading implementation agency. The animal, plant and health agencies may also be expected to play a role in quality assurance.

Key challenges

There may be no existing procedures for sharing information across agencies at the national or international level. New processes will need to be devised and institutionalized. Moreover, government agencies may not have the necessary ICT capacity to develop new protocols for document management, simplification of procedures, co-location, joint examinations and inspections or other coordination management systems. At the national level, inter-agency coordination is typically required from a large number of agencies (customs, health, food, animal and plants, other border control authorities) who often have competing interests.

Key factors for success

It is recommended that all national agencies start with mapping and analysing their respective business processes, existing documentation, procedures, operational functions and infrastructure. Private sector involvement in this mapping exercise will be crucial in identifying bottlenecks and key problems areas. The results should be shared with the corresponding agencies on both sides of the common border.