

Technical note on the WTO Trade Facilitation Agreement

Article 10.7: Common border procedures and uniform documentation requirements

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Common border procedures and uniform documentation requirements: Article 10.7

Some countries apply different procedures or require different documents for clearing goods at different border posts in their territory. This practice raises costs for businesses that have to comply with multiple border requirements within the same national jurisdiction.

Article 10.7 calls for procedural consistency, requiring WTO Members to apply common border procedures and uniform documentation requirements for release and clearance of goods throughout their territory to minimize the costs born by business.

Members are requested to apply the same procedures and documents for the release and clearance of goods at border points throughout their territory.

The measure

Article 10	Formalities connected with Importation, Exportation and Transit
7	Common Border Procedures and Uniform Documentation Requirements
7.1	Each Member shall, subject to paragraph 7.2, apply common customs procedures and uniform documentation requirements for release and clearance of goods throughout its territory.
7.2	Nothing in this Article shall prevent a Member from: <ul style="list-style-type: none"> (a) differentiating its procedures and documentation requirements based on the nature and type of goods, or their means of transport; (b) differentiating its procedures and documentation requirements for goods based on risk management; (c) differentiating its procedures and documentation requirements to provide total or partial exemption from import duties or taxes; (d) applying electronic filing or processing; or (e) differentiating its procedures and documentation requirements in a manner consistent with the Agreement on the Application of Sanitary and Phytosanitary Measures.

Understanding the measure

What is covered?

Scope

The scope of this measure covers the border control procedures and documents across all borders of WTO Members.

Core obligation

As a general rule, the measure requires WTO Members to apply the same customs procedures and uniform documentation requirements for the release and clearance of goods at all border points across their territories. However, this obligation is mitigated by specific derogations listed in the Article.

Derogations

With the qualifying language ‘Nothing in this Article shall prevent a Member from’, Members are allowed to differentiate their procedures and documentation requirements for the release and clearance of goods throughout their territory under the following conditions:

- Based on the nature and type of goods, or their means of transport;
- Based on risk management;
- To provide total or partial exemption from import duties or taxes;
- To apply electronic filing or processing;
- In a manner consistent with the Agreement on Sanitary and Phytosanitary Measures.

Members are nonetheless encouraged to ensure compliance with the core obligation as much as possible in order to foster consistency and predictability.

What is not covered?

The measure does not specify which common procedure requirements should be adopted. Moreover, this provision does not entail any requirements for all border points to offer the same range of services.

Benefits and opportunities for stakeholders

Harmonization of documentation and procedural requirements throughout the territory of a country will enable traders to move their goods faster and more efficiently, avoiding uncertainties and costly delays. Simplified and predictable rules will also improve traders’ compliance record and confidence in customs procedures.

Governments will experience improved supply chain security due to reduction in bottlenecks and more effective controls. This will reflect in increased trade volumes and higher revenues for governments.

When the implementation of this measure is accompanied by transition to automation and electronic submission of documentation, this provision can serve as a building block to more sophisticated trade facilitation measures, including the establishment of a SW and the use of a risk management system.

Implementation

Implementation checklist

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

- There are no major variations in procedures of the same nature between different crossing points at the borders.
- Steps are taken towards a periodic review of relevant processes to ensure compliance with the measure and future improvements.
- Steps are taken to allow for derogations.
- Monitoring and evaluation are carried out to evaluate if any misuse, abuse or derogation of the measure has taken place.

Preparing a national implementation plan

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

Implementation sequence	Actions suggested
	Preparatory Phase
	If needed, take legal or administrative measures to standardize documentation and process requirements across all borders.
	Create an enabling legal and administrative framework for allowing derogations listed in the measure.
	Create an inter-agency forum to foster cooperation in standardizing documentation. The NTFC can play a coordination role.
	Set-up phase
	Conduct thorough legal, administrative and business process analysis of existing procedures and documentation to ensure uniformity of requirements for all points of entry in the country.
	Harmonize import, export and transit documentation and data at all borders.
	Set up systems and procedures to allow for derogations.
	Assign sufficient trained staff.
	Where possible, support standardization of documents with ICT-enabled solutions.
	Carry out public awareness campaigns and make available information regarding required documentation to businesses and general public.
	Management and follow-up phase
	Carry out reasonable and regular reviews of formalities, business processes and documentation requirements for ensuring compliance.
Enable users to give feedback and evaluation on harmonized documentation.	
Average time for implementation	Between two to three years.
Leading implementation agency	The ministry of trade, working with the NTFC, is most commonly chosen as the leading implementation agency.

Key challenges

Absence of an appropriate national legal framework which sets forth standardized cross-border procedures and uniform documentary requirements is a critical challenge. Lack of inter-agency cooperation, deficit of trust and a culture of non-sharing of information among agencies may represent another challenge.

Key factors for success

An enabling legal framework and harmonious coordination between border agencies are crucial factors to accomplish successful implementation of the measure. Capacity building of government authorities is critical. In some cases, technical assistance may be required to equip government authorities with technical knowledge on how to ensure uniform documentation and common procedures throughout their country's territory.