WTO Trade Facilitation Agreement

Current Status

and

Relationship to UNECE

Recommendations and Standards

Tom Butterly
Deputy Director
Economic Cooperation and Trade Division, UNECE

25th UN/CEFACT Forum, April 2015
WTO Trade Facilitation Agreement

- Current status of the Agreement
- The Measures contained in the Agreement
- Relevance to UN/CEFACT
Preparatory Committee on Trade Facilitation

AGREEMENT ON TRADE FACILITATION

Preamble

Members,
IV. Protocol of Amendment

WTO members adopted on 27 November 2014 a Protocol of Amendment to insert the new Agreement into Annex 1A of the WTO Agreement. The Trade Facilitation Agreement will enter into force once two-thirds of members have completed their domestic ratification process.

- How to accept the Protocol of Amendment to insert the WTO Trade Facilitation Agreement into Annex 1A of the WTO Agreement

V. Notifications

- Notifications of Category A commitments (Document code WT/PCTF/N/*)

www.wto.org/tradetopics/tradefacilitation
WTO AGREEMENT ON TRADE FACILITATION (WTO TFA)

- SECTION I: MAIN TF MEASURES - ARTICLE 1 – 12

- SECTION II: SPECIAL AND DIFFERENTIAL TREATMENT PROVISIONS - ARTICLE 13-22
  (Notifications of Category A, B and C and Capacity Building)

- SECTION III: INSTITUTIONAL ARRANGEMENTS AND FINAL PROVISIONS - ARTICLE 23 - 24
Section 1 - Articles

- ARTICLE 1: PUBLICATION AND AVAILABILITY OF INFORMATION
- ARTICLE 2: OPPORTUNITY TO COMMENT, INFORMATION BEFORE ENTRY INTO FORCE, AND CONSULTATIONS
- ARTICLE 3: ADVANCE RULINGS
- ARTICLE 4: PROCEDURES FOR APPEAL OR REVIEW
- ARTICLE 5: OTHER MEASURES TO ENHANCE IMPARTIALITY, NON-DISCRIMINATION AND TRANSPARENCY
- ARTICLE 6: DISCIPLINES ON FEES AND CHARGES IMPOSED ON OR IN CONNECTION WITH IMPORTATION AND EXPORTATION AND PENALTIES
- ARTICLE 7: RELEASE AND CLEARANCE OF GOODS
- ARTICLE 8: BORDER AGENCY COOPERATION
- ARTICLE 9: MOVEMENT OF GOODS INTENDED FOR IMPORT UNDER CUSTOMS CONTROL
- ARTICLE 10: FORMALITIES CONNECTED WITH IMPORTATION, EXPORTATION AND TRANSIT
- ARTICLE 11: FREEDOM OF TRANSIT
- ARTICLE 12: CUSTOMS COOPERATION
Section 1 - Articles

- ARTICLE 1: PUBLICATION AND AVAILABILITY OF INFORMATION
- ARTICLE 2: OPPORTUNITY TO COMMENT, INFORMATION BEFORE ENTRY INTO FORCE, AND CONSULTATIONS
- ARTICLE 3: ADVANCE RULINGS
- ARTICLE 4: PROCEDURES FOR APPEAL OR REVIEW
- ARTICLE 5: OTHER MEASURES TO ENHANCE IMPARTIALITY, NON-DISCRIMINATION AND TRANSPARENCY
- ARTICLE 6: DISCIPLINES ON FEES AND CHARGES IMPOSED ON OR IN CONNECTION WITH IMPORTATION AND EXPORTATION AND PENALTIES
- ARTICLE 7: RELEASE AND CLEARANCE OF GOODS
- ARTICLE 8: BORDER AGENCY COOPERATION
- ARTICLE 9: MOVEMENT OF GOODS INTENDED FOR IMPORT UNDER CUSTOMS CONTROL
- ARTICLE 10: FORMALITIES CONNECTED WITH IMPORTATION, EXPORTATION AND TRANSIT
- ARTICLE 11: FREEDOM OF TRANSIT
- ARTICLE 12: CUSTOMS COOPERATION
ARTICLE 10: FORMALITIES CONNECTED WITH IMPORTATION, EXPORTATION AND TRANSIT

1. Formalities and Documentation Requirements
2. Acceptance of copies
3. Use of international standards
4. Single Window
5. Pre-shipment inspection
6. Use of Customs Brokers
7. Common Border Procedures and Uniform Document Requirements
8. Rejected goods
9. Temporary admission of goods/ inward and outward processing
10.1 Formalities and Documentation Requirements

1.1 With a view to minimizing the incidence and complexity of import, export, and transit formalities … each Member shall review such formalities and documentation requirements and, based on the results of the review, ensure, as appropriate, that such formalities and documentation requirements are ……….
10.1 Formalities and Documentation Requirements

(a) adopted and/or applied with a view to a rapid release and clearance of goods, particularly perishable goods;
(b) adopted and/or applied in a manner that aims at reducing the time and cost of compliance for traders and operators;
(c) the least trade restrictive measure chosen where two or more alternative measures are reasonably available for fulfilling the policy objective or objectives in question;
and
(d) not maintained, including parts thereof, if no longer required.
### Article 10.1 Formalities and Documentation Requirements

<table>
<thead>
<tr>
<th>WTO TFA Article 10.1</th>
<th>UNECE UN/CEFACT Instruments</th>
<th>Links</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formalities and Documentation Requirements</td>
<td>Recommendation 1 on the UN Layout Key</td>
<td>Document alignment</td>
</tr>
<tr>
<td></td>
<td>Recommandation 4 on Trade Facilitation Bodies</td>
<td>Business Process Analysis</td>
</tr>
<tr>
<td></td>
<td>Recommendation 18 on Facilitation Measures related to International Trade Procedures</td>
<td>UNECE and UN/CEFACT Recommendations</td>
</tr>
<tr>
<td></td>
<td>UNNExT Guide on Business Process Analysis (UNECE &amp; UNESCAP)</td>
<td>UN Layout Key</td>
</tr>
<tr>
<td></td>
<td>UNNExT Guide for the Design of Aligned Trade Forms for Paperless Trade (UNECE &amp; UNESCAP)</td>
<td>UNNExT Guide on Business Process Analysis</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IMO standardised documents</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Revised Kyoto Convention</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FAL Convention</td>
</tr>
<tr>
<td></td>
<td></td>
<td>UNCTAD technical notes</td>
</tr>
</tbody>
</table>
10.3 Use of International Standards

- 3.1 Members are encouraged to use relevant international standards or parts thereof as a basis for their import, export, or transit formalities and procedures, except as otherwise provided for in this Agreement.

- 3.2 Members are encouraged to take part, within the limits of their resources, in the preparation and periodic review of relevant international standards by appropriate international organizations.

- 3.3 ............ The Committee may also invite relevant international organizations to discuss their work on international standards. As appropriate, the Committee may identify specific standards that are of particular value to Members.
# Article 10.3 Use of International Standards

<table>
<thead>
<tr>
<th>Use of International Standards</th>
<th>UNECE UN/CEFACT Instruments</th>
<th>Links</th>
</tr>
</thead>
<tbody>
<tr>
<td>WTO TFA Article 10.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Recommendation 18 on Facilitation Measures related to International Trade Procedures
- Recommendation 25 on use of UN/EDIFACT
- UN/TDED
- UN/EDIFACT
- Code Lists
- Core Component Library (CCL)
- WCO Data Model

**Data models**
- Technical specifications
- Code lists
- UNECE and UN/CEFACT Recommendations
- UN/TDED
- UN/EDIFACT CCL
- WCO Data Model
- UNCTAD technical notes
10.4 Single Window

4.1 Members shall endeavour to establish or maintain a single window, enabling traders to submit documentation and/or data requirements for importation, exportation, or transit of goods through a single entry point to the participating authorities or agencies. ……..

4.2 In cases where documentation and/or data requirements have already been received through the single window, the same documentation and/or data requirements shall not be requested by participating authorities or agencies except in urgent circumstances and other limited exceptions which are made public.

4.4 Members shall, to the extent possible and practicable, use information technology to support the single window.
### Article 10.4 Single Window

<table>
<thead>
<tr>
<th>Single Window</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Recommendation 25 on use of UN/EDIFACT</td>
</tr>
<tr>
<td>• Recommendation 33 and Guidelines on establishing a Single Window</td>
</tr>
<tr>
<td>• Recommendation 34 Data Simplification and Standardization for International Trade</td>
</tr>
<tr>
<td>• Recommendation 35 on establishing a legal framework for international Single Window for trade</td>
</tr>
<tr>
<td>• UNNExT Data Harmonisation and Modelling Guide</td>
</tr>
<tr>
<td>• UNNExT Single Window Project Implementation Guide</td>
</tr>
</tbody>
</table>

---

**References**

- IMO Recommendation on Maritime Single Window
- WCO RKC GA Ch. 3
- WCO SAFE
- WCO Compendium How to build a Single Window Environment
- WCO Data Model

---

**Guides and Recommendations**

- Single Window for trade
- Data models
- Code lists
- Revised Kyoto Convention
- WCO SAFE
- UNECE and UN/CEFACT Recommendations
- UNNExT Data Harmonisation and Modelling Guide
- UNNExT Single Window Project
- WCO Single Window Compendium
- WCO Data Model
Implementation Progress

- Agreement will come into force when 2/3 of WTO members Ratify the Agreement (108 Members)
- No deadline for this
- Developing and LDC countries have more time and flexibility
Entry into Force of TFA*

/* Entry into force of TFA when 2/3 of Members ratify. Obligations for an individual country will only commence once this country completed its ratification process as well.*/

**Figure 1:** Developing Countries Notification for all categories of provisions

- **CAT B**
  - Notify definitive dates for implementation of Cat. B provisions
  - 1 year

- **CAT C**
  - Member and Donor inform of TACB arrangements
  - 2 years

- **CAT C**
  - 1. Progress in provision of TACB
  - 2. Definitive dates for implementation
  - 2.5 years
**Figure 2: LDCs Notification for all categories of provisions**

**CAT A-B-C**
- Notify: A, B, C Categories

**CAT B**
- LDCs may notify indicative implementation dates for category B

**CAT C**
- Notify definitive dates of implementation for Cat. B provisions
- Inform TF Committee on progress in provision of assistance and notify definitive dates

- CAT C
  - Notify technical assistance required for implementation of Cat. C provisions
  - Inform TF Committee of arrangements with donors & indicative dates for implementation for Cat. C provisions

---

* Entry into force of TFA when 2/3 of Members ratify. Obligations for an individual country will only commence once this country completed its ratification process as well.
Acceptance of Protocol - as advised by the WTO - 17 April 2015

- Hong Kong, China
- Singapore
- United States
- Mauritius
Category A Notifications to date (from WTO):

1. Hong Kong China
2. Mexico
3. Costa Rica
4. Korea
5. Colombia
6. Singapore
7. Chinese Taipei (TPKM)
8. Paraguay
9. China
10. Nicaragua
11. Mauritius
12. Turkey
13. Honduras
14. Saudi Arabia
15. Malaysia
16. Kuwait
17. Chile
18. Qatar
19. Thailand
20. Peru
21. Uruguay
22. El Salvador
23. Brazil
24. Mongolia
25. Morocco
26. Vietnam
27. Tajikistan
28. Dominican Republic
29. Sri Lanka
30. Israel
31. Philippines
32. Guatemala
33. Ecuador
34. Kyrgyz Republic
35. Panama
36. Indonesia
37. Republic of Congo
38. Cote d'Ivoire
39. Ukraine
40. Brunei Darussalam
41. Oman
42. Albania
43. Moldova
44. Tunisia
45. Jordan
46. Montenegro
47. Botswana
48. Senegal (LDC)
49. Nigeria
50. Macao, China
51. Gabon
52. Egypt
53. Macedonia
54. Jamaica
55. Pakistan
NOTIFICATION OF CATEGORY A COMMITMENTS UNDER THE AGREEMENT ON TRADE FACILITATION

COMMUNICATION FROM JORDAN

The following communication dated 3 September 2014 to the Preparatory Committee on Trade Facilitation is being circulated at the request of Jordan for Members’ information.

Pursuant to the Ministerial Decision of 7 December 2013 (WT/MIN(13)/36, WT/L/911), the Preparatory Committee on Trade Facilitation established under the General Council (hereinafter referred to as "the Preparatory Committee") shall, inter alia, receive Members’ notifications of category A commitments under the Agreement on Trade Facilitation (hereinafter referred to as "the Agreement").

With reference to the above, the Government of Jordan has the honour to notify the Preparatory Committee that it designates all of the provisions contained in Section I of the Agreement (annexed to the above-mentioned Ministerial Decision) under Category A for implementation in full upon the entry into force of the Agreement, except for the following:

- Article 1.1 - Publication
- Article 1.2 - Information Available Through Internet
- Article 1.3 - Enquiry Points
- Article 3.1 - Advance Rulings
- Article 6.1 - General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation
- Article 7.1 - Pre-arrival Processing
- Article 10.1 - Formalities and Documentation Requirements
- Article 10.2 - Acceptance of Copies
- Article 10.4 - Single Window
- Article 11.5-10 - Transit Procedures and Controls
55 notifications received - Regional breakdown

- Latin America & The Caribbean: 16 (29%)
- Asia & the Pacific: 15 (27%)
- Central & Eastern Europe, Central Asia Caucasus: 8 (15%)
- Middle East: 6 (11%)
- Africa: 10 (18%)
Section III Article 23: Institutional Arrangements

23.2 National Committee on Trade Facilitation

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 the provisions of this Agreement.

- Recommendation 4 (and revision thereof)
- Recommendation 40
- TFIG
- UNECE TF Road Map Guide
- MOU between UNECE, UNCTAD and ITC
Thank You

Tom Butterly, UNECE
tom.butterly@unece.org