

## **Notes for the WCO Informal Study Group on the WTO Trade Facilitation Negotiations**

(Subject : WTO TFNG meeting from 1 to 3 December 2008)

Note : The WCO Secretariat attended the WTO Meeting. These notes are available on the WCO Web site, as requested by the Members participating in the WCO Informal Study Group, and were prepared for my personal use. Members who would like to use the contents of these notes must contact their own information source in Geneva/the Capital (e.g. : Geneva delegation office, Ministry of Foreign Affairs, Ministry of Commerce, etc.) for verification.

15 December 2008  
Thierry Piraux

### **Procedures for the December 2008 WTO TFNG**

1. The WTO TFNG meeting proceeded as follows :
  - the meeting began with a formal plenary session (presentation of new proposals), followed by an informal plenary working session led by the Chairman. In the course of the meeting, the Chairman organized several informal plenary working sessions on WTO Members' proposals regarding Articles V, VIII and X of the GATT. The new and/or revised WTO documents which were presented and discussed were Docs. TN/TF/W/136/Rev.2 (Separation of Release from Final Determination and Payment of Customs Duties, Taxes and Fees), TN/TF/W/157 (Trade Facilitation Committee) and TN/TF/W/128/Rev.2 (Border Agency Coordination);
  - over the course of the meeting, officials from the capitals, receiving specific funding, participated in the negotiations and were consequently able to support their negotiators in Geneva;
  - the last day focused mainly on the S&D issue and concluded with a formal session on Wednesday 3 December which took stock of progress made during the meeting (Doc. TN/TF/...) and which authorized the Annex D Organizations to participate in the next meeting;
  - in addition, on Thursday 4 December Norway organized a meeting with "donors" and the Annex D Organizations in order to share their experience of technical assistance in general, and trade facilitation in particular. Preliminary discussions were also held on S&D as well as on the mechanisms for implementing commitments.

## Interesting points in the negotiations

### *Article VIII*

2. Members re-examined the set of proposals regarding Article VIII. The following are some of the main discussions. Firstly, the revised proposal concerning the separation of release from final determination and payment of Customs duties, taxes and fees contained in Doc. TN/TF/W/136/Rev.2 was presented. In this amended version, the co-authors (Canada and Switzerland) have deleted the term “clearance” and substituted “final determination and payment of Customs duties, taxes and fees”. The scope of this measure has consequently been substantially altered (a reference was previously made to meeting all of the requirements and not only the determination and payment of duties) and the definitions of the terms “release” and “clearance” (as contained in the RKC) have been deleted.
3. With regard to the references to the RKC standards in various proposals (e.g. Docs. TN/TF/W/117 and TN/TF/W/134), some Members do not want to make this an obligatory practice, but merely a practice whose application should be encouraged, as not all WTO Members are Contracting Parties to this Convention.
4. It should be noted that the proposal on border agency coordination (Doc. TN/TF/W/128/Rev.2) has also been revised with a view to more specifically including the areas of cross-border coordination. Some Members nevertheless wish to involve other parties in addition to Customs in this collaboration, and consider the said collaboration to be restricted to land borders.
5. Concerning the proposal relating to authorized traders, a new paper was distributed at the request of the European Communities (EC) and Mongolia (JOB (08)/120) comprising several new elements, namely : deletion of criterion (4) regarding security and safety standards, clarification of the facilitation measures set out in paragraph 3 or else the inclusion of additional facilitation measures in paragraph 4.
6. In terms of the use of international standards, the Delegation of Norway wishes to go further regarding this matter and to adopt a global approach (beyond Docs. TN/TF/W/130 and TN/TF/W/131/Rev.1) to this issue at the next TFNG (in collaboration with the WCO and UNCTAD).
7. With regard to Customs brokers, Doc. TN/TF/W/110/Rev.1 still prompted a number of discussions (What is meant by “proportionate”? Why paragraph 3? Request for a new paragraph 2). The EC also said that work should continue on this measure, given the strong reactions that this proposal has elicited.

### *Articles X and V*

8. The proposal regarding advance rulings again prompted numerous comments and many Members were in favour of limiting these decisions to tariff classification. Questions relating to transit of goods were also discussed from a general perspective.

9. With regard to institutional matters, Doc. TN/TF/W/157 regarding a Trade Facilitation Committee was discussed. The need to have a Committee to supervise the functioning of a new Trade Facilitation Agreement has been recognized in a number of previous submissions. This document explores the elements that need to be taken into account when drafting a provision for a Trade Facilitation Committee, and suggests a simple provision based on examples from existing WTO Agreements. Finally, it is clear that the outcome of this matter will be closely linked to that of S&D and of the implementing mechanism.
10. With regard to S&D, the document prepared by Argentina (JOB (08)/44/Rev.1) was commented on again. The least developed countries prepared a paper (JOB (08)/123) on this matter, and Members wanted the informal negotiations to intensify. Many contributions and suggestions were also made during the negotiations, making it possible to clarify the positions of the various players with regard to the issues of technical assistance, capacity building and S&D.
11. At the end of the meeting, the Chairman concluded by stating that the negotiations are making headway and that the work has proven useful. He stressed the importance of continuing to make new contributions in order to maintain this momentum. New proposals on S&D will also have to be submitted.
12. In terms of technical assistance and capacity building, countries requesting it will receive individual assistance to conduct a national assessment to identify their needs and priorities in the area of trade facilitation. 56 self-assessment workshops have been held to date, and close to 15 others are still expected to take place at the beginning of next year.

### **Next WTO TFNG meeting**

The date of the next TFNG has not yet been decided.

### **Secretariat comments on the procedures for the WTO Trade Facilitation Negotiations**

In order to protect the interests of the WCO and Customs during the WTO negotiations, the Secretariat continues to encourage WCO Members to participate in the WTO negotiation process.

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